

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

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## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## TRUSTEES REPORT

The Trustees present their report and financial statements of BMA Foundation (the 'Foundation') for the year ended 31st December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland published on 1st January 2019.

**OBJECTIVES AND ACTIVITIES**

The Trustees are directed to hold capital and income of the Foundation for such charitable institutions or charitable purposes as the Trustees shall from time to time in their absolute discretion determine.

This is the first year of activity for the Foundation which has absorbed the funds and activities of the predecessor funds, Scholarship Trust fund, Joan Dawkins Fund, The T V James Trust and H C Roscoe Trust Fund.

Income of the fund is applied at the sole discretion of the Trustees to further medical research and the further education of medical practitioners and research scientists. Each year the Trustees usually hold a research grants awards ceremony to celebrate the success of the projects funded, although this year due to COVID 19 the Trustees were unable to arrange this ceremony.

The BMA has a long history of supporting medical research and academic medicine, and is the oldest medical organisation in the world to award grants and prizes to encourage and further medical research. The grants are awarded to clinical academic doctors and research scientists, and aim to support grant winners in their research aims and career development.

Trustees have had regard to the Charity Commission's guidance on Public Benefit.

Each year, research grants totalling approximately £500,000 are awarded under the auspices of the BMA board of science, all funded by past bequests to the BMA, to fund basic and clinical medical research. In 2021 the BMA awarded research funding to different projects, across a diverse range of research topics, from arthritis to mental illness to cancer. These grants are distributed through the Foundation.

The BMA plans to continue supporting the best possible research and researchers, for the advancement of health and the medical profession.

**GRANT MAKING POLICY STATEMENT**

The Trust has established its grant making policy to achieve its objects for the public benefit.

The BMA Foundation for Medical Research Grants are advertised widely on an annual basis, including on the BMA website and in the *British Medical Journal*. Applications are invited from medical practitioners and/or research scientists between December and March. These are then independently assessed by expert reviewers. Winners are ratified by the Research Grant Trustees and received by the Board of Science.

The BMA Foundation for Medical Research Grants encourage and further medical research, benefiting both applicants and the greater public. The BMA supports a broad spectrum of research with the objective of eliminating and/or improving the treatment of many conditions. This funding allows doctors and research scientists the opportunity to either continue research already in progress or to commence new research. Past winners of BMA research grants advocate that the projects they have worked on as a result of funding have contributed positively to their career progression.

**ACHIEVEMENTS AND PERFORMANCE**

During the year the Trustees made thirteen new awards to the value of £779,432 (2020: twelve awards (from the four predecessor charities) £777,418) which will be drawn down over a three year period. Payments continue to be made against the previous year's commitments.

**FINANCIAL REVIEW**

The charity's income for the year was £2,894,709, including a significant legacy of £1,736,948. The comparative income figure for the predecessor charities was £894,866. Net grants amounted to £779,432 (2020: combined predecessor charities £777,418) which after management and administration costs left a surplus of £1,860,999 (the comparable figure for the four predecessor charities in 2020 was a deficit of £137,053), which was carried over to the accumulated fund. The financial information is presented in £sterling.

At the end of the year the unrestricted reserves totalled £19,611,628 (2020: £16,274,982)

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## TRUSTEES REPORT ...../continued

The COVID 19 pandemic has impacted on the investment income of the charity and this is being monitored going forwards. The loss of income and expected loss of income continues to be taken into account in planning funds available for grant giving in the short to medium term.

**INVESTMENT POLICY**

The charity has adopted a total return policy for its investments which the trustees have agreed with the investment managers. It is the Foundation's policy to specifically exclude investments in armaments and tobacco.

It is the policy of the Foundation to maximise its investment income so that a wide range of good causes can be supported each year.

**RISK MANAGEMENT**

The Trustees have examined the major strategic, business and operations risks which the Foundation faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

**RESERVES POLICY**

An annual grant budget is approved by the Trustees. It is linked to the budgeted income less known recurring costs. The Foundation has significant reserves in which to draw in the event of a shortfall and Trustees feel it unnecessary to have additional funds in place to cover short terms needs.

**PLANS FOR FUTURE PERIODS**

It is the Trustees intention to continue the present policy of grant making, within annual income for the foreseeable future. The size and nature of grants are revised annually dependent on the expected annual income.

The Trustees are planning to try and maximise future legacy income by utilising the services of a legacy Notification Service and by raising awareness generally to try to maintain and increase legacies in future. Nicky Jayesinghe, Head of Research Grants will be leading this work.

The charity continues to work in similar ways to the four predecessor charities to deliver its objectives.

**STRUCTURE GOVERNANCE AND MANAGEMENT**

The Foundation is a registered charity, number 1192733 and is constituted by Trust Deed dated 9th December 2020. Its objects are very wide ranging.

The Trustees named on page 4 have served during the year. The appointment of trustees is governed by the Trust Deed of the Charity.

Trustees are by virtue of their occupations familiar with the areas in which the Foundation makes grants. They are informed through the Foundation's infrastructure of any matters relating to Charity Law and accounting requirements that they should be aware of.

The Trustees have very wide investment powers to manage the Foundation's assets.

The Trustees meet annually to assess grant and loan applications.

Day to day administration is delegated to the members of the BMA team and the Trustees receive reports at their meetings.

**KEY MANAGEMENT PERSONNEL REMUNERATION**

The Trustees consider the Board of Trustees and the Head of the BMA Foundation for Medical Research Grants as comprising the key management personnel of the Charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give their time freely and no trustee remuneration was paid in the year. Details of trustees expenses and related party transactions are disclosed in note 2 to the accounts.

Trustees are required to disclose all relevant interest and register them with the Head of the BMA Foundation for Medical Research Grants and in accordance with the Foundation's policy withdraw from decisions where a conflict of interest arises.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

TRUSTEES REPORT ...../continued

## REFERENCE AND ADMINISTRATIVE INFORMATION

CURRENT TRUSTEES AND THOSE WHO  
HAVE SERVED DURING THE YEAR

Dr C Nagpaul  
Professor Dame Parveen Kumar  
Dr Trevor Pickersgill  
Thomas Peter Grinyer  
Professor Baroness Ilora Gillian Finlay  
Professor Sir Sabaratnam Arulkumaran Fecog

DIRECTOR OF THE BMA FOUNDATION  
FOR MEDICAL RESEARCH

N Jayesinghe

## PRINCIPAL OFFICE

British Medical Association  
BMA House  
Tavistock Square  
London  
WC1H 9JP

## REGISTERED CHARITY NO.

1192733

## COMPANY NUMBER

CE024325

## BANKERS

C A F Bank  
Charities Aid Foundation  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4TA

FUND  
MANAGERS

Charles Stanley & Company Limited  
25 Luke Street  
London  
EC2A 4AR

## AUDITORS

Prentis & Co LLP  
Chartered Accountants & Statutory Auditors  
115c Milton Road  
Cambridge  
CB4 1XE

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## TRUSTEES REPORT ...../continued

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

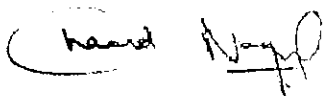
The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- (i) Select suitable accounting policies and then apply them consistently.
- (ii) Observe the methods and principles of the Charities SORP.
- (iii) Make judgements and estimates that are reasonable and prudent.
- (iv) State whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements.
- (v) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ascertain that the financial statements comply with section 4 of the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This annual report was approved by the Trustees on 1<sup>st</sup> August 2022  
and signed on their behalf



.....  
DR C NAGPAUL  
Trustee

For and on behalf of the Trustees

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE BMA FOUNDATION

## OPINION

We have audited the financial statements of BMA Foundation for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the 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" (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's Trustees 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 charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021, and of its incoming resources and application of resources, 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 Charities Act 2011.

## BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 6 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## GOING CONCERN

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

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

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

## OTHER INFORMATION

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the Trustees' Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Trustees' Report and, in doing so, consider whether the Trustees' Report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BMA FOUNDATION

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement set out on page 5, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

## IDENTIFYING AND ASSESSING POTENTIAL RISKS RELATED TO IRREGULARITIES

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

- We have considered the nature of the industry and sector, control environment and business performance, including the design of the charity's remuneration policies.
- We have enquired with management in regards to their own assessment of the risks of irregularities, including fraud.
- We have obtained relevant documentation and representations in order to form an opinion on potential irregularities, including fraud.
- Our audit work is limited to samples inherently used under International Auditing Standards, therefore not all transactions are reviewed so the detection of irregularities, including fraud is limited to this.
- Any matter we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
  - Identifying, evaluating and complying with laws and regulations and whether they are aware of any non-compliance.
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud.
  - The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BMA FOUNDATION

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud is in relation to the overstatement of revenue. In common with all audits under ISAs (UK). We are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory environment and frameworks in which the charity operates, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Statement of Recommended Practice for Charities and The Trust Deed.

In addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements, but compliance which may be fundamental for the charity to operate or to avoid a material penalty. These included compliance with discrimination in the workplace, health and safety and in relation to the current pandemic, compliance with Covid-19 Government regulations.

Relevant identified laws and regulations were communicated within the engagement team so they remained alert throughout the audit for indications of fraud or non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## USE OF AUDIT REPORT

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulation 2008. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



PRENTIS & CO LLP  
CHARTERED ACCOUNTANTS  
& STATUTORY AUDITORS  
115c Milton Road  
Cambridge  
CB4 1XE

1st August 2022

Prentis & Co LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## STATEMENT OF FINANCIAL ACTIVITIES

	Note	Year ended 31st December 2021				Combined Year ended 31st December 2020			
		Unrestricted Funds		Restricted Funds		Unrestricted Funds		Restricted Funds	
		£	£	£	£	£	£	£	£
<b>INCOME AND ENDOWMENTS</b>									
Donations and legacies:									
Bequests	3	32,560	127,936	160,496		32,560	124,400	156,960	
Legacy		1,736,948	-	1,736,948		-	-	-	
Investment income:									
Dividends	3	723,966	224,313	948,279		551,948	185,552	737,500	
Bank interest		23	6	29		322	84	406	
<b>TOTAL INCOME</b>		<u>2,493,497</u>	<u>352,255</u>	<u>2,845,752</u>		<u>584,830</u>	<u>310,036</u>	<u>894,866</u>	
<b>EXPENDITURE</b>									
Costs of raising funds:									
Investment management costs		23,388	5,852	29,240		22,069	5,844	27,913	
Charitable activities	4	706,733	301,290	1,008,023		698,080	305,926	1,004,006	
<b>TOTAL EXPENDITURE</b>		<u>730,121</u>	<u>307,142</u>	<u>1,037,263</u>		<u>720,149</u>	<u>311,770</u>	<u>1,031,919</u>	
<b>NET INCOME/(EXPENDITURE) BEFORE GAINS/(LOSSES) ON INVESTMENTS</b>		<u>1,763,376</u>	<u>45,113</u>	<u>1,808,489</u>		<u>(135,319)</u>	<u>(1,734)</u>	<u>(137,053)</u>	
Net gains/(losses) on investments assets	8	1,573,270	517,721	2,090,991		(1,084,724)	(381,256)	(1,465,980)	
<b>NET MOVEMENT IN FUNDS</b>		<u>3,336,646</u>	<u>562,834</u>	<u>3,899,480</u>		<u>(1,220,043)</u>	<u>(382,990)</u>	<u>(1,603,033)</u>	
<b>RECONCILIATION OF FUNDS</b>									
Total funds brought forward		16,274,982	5,550,700	21,825,682		17,495,025	5,933,690	23,428,715	
Total funds at carried forward		<u>19,611,628</u>	<u>6,113,534</u>	<u>25,725,162</u>		<u>16,274,982</u>	<u>5,550,700</u>	<u>21,825,682</u>	

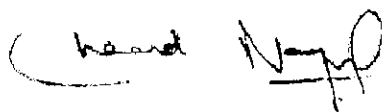
The notes on pages 12 to 19 form part of these financial statements.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## BALANCE SHEET

	Note	2021 Total £	Combined 2020 Total £
<b>FIXED ASSETS</b>			
Investments	8	27,928,558	23,743,398
<b>CURRENT ASSETS</b>			
Debtors	9	143,597	18,565
Cash at bank		183,992	340,668
<b>TOTAL CURRENT ASSETS</b>		327,589	359,233
<b>LIABILITIES</b>			
Creditors falling due within one year	10	2,530,985	2,276,949
<b>NET CURRENT LIABILITIES</b>		(2,203,396)	(1,917,716)
<b>NET ASSETS</b>		25,725,162	21,825,682
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted funds		19,611,628	16,274,982
Restricted funds		6,113,534	5,550,700
<b>Total funds</b>	11	25,725,162	21,825,682

The notes on pages 12 to 19 form part of these accounts and were approved by the trustees on 1<sup>st</sup> August 2022 and signed on their behalf by:



DR C NAGPAUL  
TRUSTEE

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## STATEMENT OF CASH FLOWS

		Combined	
	Note	2021 Total £	2020 Total £
<b>Net cash provided by/(used in) operating activities</b>	12	989,185	(721,734)
<b>Cash flows from investing activities:</b>			
Interest and dividends		948,279	737,906
Bank interest		29	-
Cash invested		(2,123,409)	(413,000)
Management fees paid from capital account		29,240	28,038
<b>Net cash provided by/(used in) investing activities</b>		<u>(1,145,861)</u>	<u>352,944</u>
Change in cash and cash equivalents in the reporting period		(156,676)	(368,790)
Cash and cash equivalents at the beginning of the reporting period		<u>340,668</u>	<u>709,458</u>
Cash and cash equivalents at the end of the reporting period	12	<u>183,992</u>	<u>340,668</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## NOTES TO THE FINANCIAL STATEMENTS

**CHARITY INFORMATION**

BMA Foundation is a charitable incorporated organisation registered with the Charity Commission on 9th December 2020.

1)

**ACCOUNTING POLICIES****(a) BASIS OF PREPARATION AND ASSESSMENT OF GOING CONCERN**

The financial statement have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 1st January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Foundation constitutes a public benefit entity as defined by FRS 102.

The current situation regarding the COVID 19 pandemic has been considered by Trustees. The continuing impact on the Foundation is likely to mean ongoing reductions in investment income which in the view of Trustees can comfortably be absorbed from existing reserves. There is in the view of Trustees no need to reduce the level of grant funding at present. This will be kept under review.

The financial statements have been prepared on a going concern basis. This may not be appropriate because at 31st December 2021 the charity's current liabilities exceeded its current assets by £2,203,396 and total liabilities of the charity were £2,530,985. The charity is reliant upon the continued supports of its trustees, bank and investments, but there is no evidence to suggest that this will not continue and that further funds will not be provided, as necessary, to enable the charity to continue as a going concern.

**(b) INCOME RECOGNITION**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

- Investment income is accounted for when receivable. Tax recoverable relating to Investment income is accounted for in the same period as the related income.

- Bequests are accounted for when receivable. This is when certainty is established and the bequest can be quantified.

**(c) EXPENDITURE RECOGNITION**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Charitable support expenses and governance costs include all expenditure not directly relating to the charitable activity. This includes costs of renting office premises, fees for accountancy and administrative support.

- Charitable grants payable are reflected in the accounts during the year in which the grant was made, and any amounts outstanding at the year end are included in current liabilities. When grants awarded expire unclaimed they are recredited.

**(d) VALUE ADDED TAX**

Value added tax is not recoverable by the Foundation, and such is included in the relevant costs in the Statement of Financial Activities.

**(e) COST OF RAISING FUNDS**

The costs of generating funds consist of investment management costs and certain legal fees.

**(f) FIXED ASSETS INVESTMENTS**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on the revaluation and disposal throughout the year.

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## NOTES TO THE FINANCIAL STATEMENTS

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors and sub sectors.

**(g) REALISED GAINS AND LOSSES**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**(h) RESTRICTED FUNDS INCOME**

Where monies are held for restricted funds at the start of the year an appropriate share of investment income is credited to those funds.

**(i) MERGED ACCOUNTS**

On 1st January 2021 the BMA Foundation was formed. The registered charity was set up to merge together the four trust funds, Scholarship Trust Fund, Joan Dawkins Trust Fund, TV James Trust and H C Roscoe Trust Fund.

The BMA Foundation will continue to honour all of the commitments from the previous trust funds, along with any restrictions placed on funds already held.

T V James and H C Roscoe will be considered restricted funds within the BMA Foundation from 1st January 2021.

Comparative figures include the totals from all four of the predecessor funds.

**2) RELATED PARTY TRANSACTIONS AND TRUSTEES' EXPENSES AND REMUNERATION**

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2020: from the four predecessors £nil). No expenses were paid to the Trustees during the year (2020: from the four predecessors £nil).

The British Medical Association provided staffing to the charity for which it charged £200,932 (2020: from the four predecessors £205,931) for the year.

No amounts were outstanding at the year end.

3a)	<b>BEQUESTS AND GRANTS</b>	Unrestricted	Restricted	Total
		Funds	Funds	Funds
	<b>Year ended 31st December 2021</b>	£	£	£
	Rosetree	32,500	-	32,500
	Jon Moulton Foundation Grant	-	127,936	127,936
	Other donations	60	-	60
		<u>32,560</u>	<u>127,936</u>	<u>160,496</u>
	<b>Year ended 31st December 2020</b>	£	£	£
	Rosetree	32,500	-	32,500
	Jon Moulton Foundation Grant	-	124,400	124,400
	Other donations	60	-	60
		<u>32,560</u>	<u>124,400</u>	<u>156,960</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## NOTES TO THE FINANCIAL STATEMENTS

3b)	INVESTMENT INCOME	2021	2021	2021
		Unrestricted Funds	Restricted Funds	Total Funds
		£	£	£
	Listed UK investments	723,966	224,313	948,279
				Combined
		2020	2020	2020
		Unrestricted Funds	Restricted Funds	Total Funds
		£	£	£
	Listed UK investments	551,948	185,552	737,500
4)	CHARITABLE ACTIVITIES		Support and Governance	
		Charitable Activities	Costs	Total
		£	£	£
	Year ended 31st December 2021			
	Grants (see note 6)	782,985	-	782,985
	Bank charges	-	328	328
	Accountancy	-	7,200	7,200
	Audit fee	-	4,200	4,200
	Recharged salaries	-	200,932	200,932
	Miscellaneous	-	12,378	12,378
		782,985	225,038	1,008,023
			Support and Governance	
		Charitable Activities	Costs	Combined Total
		£	£	£
	Year ended 31st December 2020			
	Grants (see note 6)	777,418	-	777,418
	Bank charges	-	352	352
	Accountancy	-	10,238	10,238
	Audit fee	-	10,032	10,032
	Recharged salaries	-	205,931	205,931
	Miscellaneous	-	35	35
		777,418	226,588	1,004,006
5)	AUDITORS' REMUNERATION			
	The auditors' remuneration constituted an audit fee of £4,200 (2020: for the four predecessors £10,032) and management accounts fees and tax work of £7,200 (2020: for the four predecessors £10,238).			
6)	ANALYSIS OF GRANTS		Combined	
	This is made up of grant commitments to institutions analysed as follows:	2021	2020	
		£	£	
	T P Gunton			
	2020 - Dr B Davies	-	57,207	
	Helen H Lawson			
	2020 - Dr T Waterfield	-	49,200	
	2021 - Dr Emily Bowen	36,800	-	
	2021 - Dr Kate Atkinson	19,935	-	
	Josephine Lansdell			
	2020 - Dr T Patterson	-	64,076	
	2021 - Dr Tian Zhao	64,895	-	
	c/fwd to page 15	121,630	170,483	

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## NOTES TO THE FINANCIAL STATEMENTS

6)	ANALYSIS OF GRANTS .....continued	2021 £	Combined 2020 £
	b/fwd from page 14	121,630	170,483
	<b>Vera Down</b>		
	2020 - Dr S Rinaldi	-	64,955
	2021 - Dr Ruth Dobson	63,857	-
	<b>Kathleen Harper</b>		
	2020 - Dr A Hammond	-	57,539
	2021 - Dr Monique Anderson	64,500	-
	<b>Doris Hillier</b>		
	2020 - Dr P Riches	-	50,857
	2021 - Dr A Soni	64,095	-
	<b>Scholarship Trust</b>		
	2020 - Professor A Grant	-	64,800
	2021 - Dr Judith Johnson	62,938	-
	<b>J Moulton</b>		
	2020 - Dr A Al-Hindawi	-	61,109
	2020 - Dr R Brown	-	63,290
	2021 - Professor Christina van der Feltz-Cornelis	64,955	
	2021 - Professor Holly Bridge	62,981	-
	<b>Lift into Research</b>		
	2020 - Dr K Fairhurst	-	20,000
	2020 - Dr H Al Hassan	-	20,000
	2020 - Mr C Hannan	-	20,000
	<b>Margaret Temple</b>		
	2020 - Dr M Barbu	-	49,555
	2020 - Dr C Osimo and Professor O Howes	-	19,096
	2021 - Dr James Bisby and Dr Michael Bloomfield	64,864	-
	<b>Dawkin and Strutt</b>		
	2020 - Dr M Pi Pietro	-	64,683
	2021 - Dr Isioma Egbuniwe	64,998	-
	<b>James Trust</b>		
	2020 - Dr Aran Signanayagam	-	64,641
	2021 - Dr Hugo Farne	64,387	-
	<b>H C Roscoe</b>		
	2020 - Dr Conor Bamford	-	64,040
	2021 - Professor Peter Stockley	64,511	-
	<b>Other grants and prizes</b>		
	Covid-19 grant	36,209	
	Adjustment for grants unclaimed (prior years)	(16,940)	(77,630)
		<u>782,985</u>	<u>777,418</u>
7)	<b>ANALYSIS OF STAFF COSTS</b>		
	The Foundation does not directly employ any staff.		
	A recharge of administrative costs, including staff time is recharged to the charity by the British Medical Association as shown in note 2.		
8)	<b>INVESTMENTS</b>	2021 £	Combined 2020 £
	Market value at 1st January 2021	23,430,474	23,931,230
	Additions	2,058,356	2,463,633
	Disposals	(1,746,847)	(1,498,410)
	Net realised (losses)/gains	(424,983)	(127,954)
	Net unrealised (losses)/gains	2,515,974	(1,338,026)
	Market value at 31st December 2021	<u>25,832,974</u>	<u>23,430,473</u>
	Historical cost at 31st December 2021	<u>18,344,811</u>	<u>17,467,364</u>

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## NOTES TO THE FINANCIAL STATEMENTS

## 8) INVESTMENTS .....continued

	Cost	Combined Cost	Market Value	Combined
	2021	2020	2021	2020
	£	£	£	£
Listed equity investments	18,344,811	17,467,364	25,832,974	23,430,473
Cash held at brokers	2,095,584	312,925	2,095,584	312,925
	<u>20,440,395</u>	<u>17,780,289</u>	<u>27,928,558</u>	<u>23,743,398</u>

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Asset sales and purchases are recognised at the date of trade cost (that is their transaction value).

The only investment to comprise of more than 5% of the total portfolio valuation is Maitland Institutional Services Ltd. No other investments comprise 5% or more of the portfolio.

## 9) DEBTORS

	2021	Combined 2020
	Due within one year	Due within one year
	£	£
Accrued income	127,936	-
Other debtors	15,661	18,565
	<u>143,597</u>	<u>18,565</u>

## 10) CREDITORS

	2021	Combined 2020
	Due within one year	Due within one year
	£	£
Grant commitments outstanding	2,418,461	2,208,320
Accruals	112,524	68,629
	<u>2,530,985</u>	<u>2,276,949</u>

The trustees have accrued as a liability grants which can be claimed over a period of up to three years. The rate of project progression is outside of the control of trustees who accrue in full for the commitment.



## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## NOTES TO THE FINANCIAL STATEMENTS

## 11) ANALYSIS OF FUNDS - 2021

## RESTRICTED FUNDS

## Funds supporting long term grants:

	Balance b/f £	Income £	Grants £	Other Investments Expenditure £	Gains/(losses) £	Balance c/f £
The Trump Estate	825,009	36,945	-	-	80,947	942,901
Walter Jobson Horne Prize Fund	4,381	199	-	-	436	5,016
MedFASH	10,070	448	-	-	984	11,502
T V James	2,765,087	115,456	(64,387)	(29,266)	252,965	3,039,855
H C Roscoe	1,944,051	71,086	(64,511)	(21,042)	182,179	2,111,763
Short term project grants:						
Jon Moulton Foundation	2,102	128,121	(127,936)	-	210	2,497
Total restricted funds	5,550,700	352,255	(256,834)	(50,308)	517,721	6,113,534
Unrestricted funds	16,274,982	2,493,497	(526,151)	(203,970)	1,573,270	19,611,628
Total funds	21,825,682	2,845,752	(782,985)	(254,278)	2,090,991	25,725,162

## REPRESENTED BY:

	Unrestricted Funds £	Restricted Funds £	Total £
Investments	21,589,902	6,338,656	27,928,558
Debtors	15,661	127,936	143,597
Cash at bank	138,067	45,925	183,992
Creditors	(2,132,002)	(398,983)	(2,530,985)
	19,611,628	6,113,534	25,725,162

The Trump Estate

- This fund is for research into heart disease

Walter Jobson Horne Prize Fund

- This fund is for a prize awarded annually to a member of the BMA (British Medical Association) in recognition of work which has advanced the science, and practice of laryngology and otology, particularly in reference to general medicine

MedFASH

- This fund is for recognition to any health or social care organisation actively involved in the delivery of HIV and/or sexual healthcare in the UK

T V James

- This fund is for research into asthma

H C Roscoe

- This fund is for research into the elimination of the common cold and/or other viral diseases of the human respiratory system

Jon Moulton Foundation

- This fund is for whatever the funder chooses

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## NOTES TO THE FINANCIAL STATEMENTS

## ANALYSIS OF FUNDS - 2020 (Combined)

## RESTRICTED FUNDS

## Funds supporting long term grants:

The Trump Estate

Walter Jobson Horne Prize

Fund

MedFASH

T V James

H C Roscoe

## Short term project grants:

Jon Moulton Foundation

Total restricted funds

Unrestricted funds

Total funds

	Balance b/f	Income	Grants	Expenditure	Other Investments Gains/(losses)	Balance c/f
	846,706	26,049	-	-	(47,746)	825,009
	6,862	2,805	-	-	(5,286)	4,381
	10,341	307	-	-	(578)	10,070
	2,927,819	89,722	(47,837)	(38,184)	(166,433)	2,765,087
	2,138,504	66,753	(64,040)	(37,310)	(159,856)	1,944,051
	3,458	124,400	(124,399)	-	(1,357)	2,102
	5,933,690	310,036	(236,276)	(75,494)	(381,256)	5,550,700
	17,495,025	584,830	(541,142)	(179,007)	(1,084,724)	16,274,982
	23,428,715	894,866	(777,418)	(254,501)	(1,465,980)	21,825,682

## REPRESENTED BY:

Investments

Debtors

Cash at bank

Creditors

	Unrestricted Funds £	Restricted Funds £	Total £
	16,857,813	6,885,585	23,743,398
	18,565	-	18,565
	219,508	121,160	340,668
	(820,904)	(1,456,045)	(2,276,949)
	16,274,982	5,550,700	21,825,682

The Trump Estate

Walter Jobson Horne Prize Fund

MedFASH

T V James

H C Roscoe

Jon Moulton Foundation

- This fund is for research into heart disease

- This fund is for a prize awarded annually to a member of the BMA (British Medical Association) in recognition of work which has advanced the science, and practice of laryngology and otology, particularly in reference to general medicine

- This fund is for recognition to any health or social care organisation actively involved in the delivery of HIV and/or sexual healthcare in the UK

- This fund is for research into asthma

- This fund is for research into the elimination of the common cold and/or other viral diseases of the human respiratory system

- This fund is for whatever the funder chooses

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

## NOTES TO THE FINANCIAL STATEMENTS

## 12) RECONCILIATION OF INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	Combined 2020 £
Net income for the reporting period (as per page 9 - SOFA)	3,899,480	(1,603,033)
Adjustments for:		
Dividends and interest from investments	(948,279)	(737,906)
Bank interest	(29)	-
(Gains)/losses on investments	(2,090,991)	1,465,980
(Increase)/decrease in debtors	(125,032)	(17,340)
Increase/(decrease) in creditors	254,036	170,565
Net cash provided by/(used in) operating activities	<u>989,185</u>	<u>(721,734)</u>

## ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	Combined 2020 £
Cash at bank	<u>183,992</u>	<u>340,668</u>

## 13) LIABILITY OF MEMBERS TO CONTRIBUTE TO THE ASSETS OF THE FOUNDATION IF IT IS WOUND UP

If the Foundation is wound up, the Members of the Foundation are liable to contribute to the assets of the Foundation such amount (but not more than £1) as may be required.

## 14) ANALYSIS OF PRINCIPAL SOFA COMPONENTS FOR THE PREVIOUS REPORTING PERIOD

	2020 Joan Dawkins £	2020 T V James £	2020 H C Roscoe £	2020 Scholarship £	Combined Total £
Total income	148,215	89,722	66,753	590,176	894,866
Total expenditure	(181,618)	(86,021)	(101,350)	(662,930)	(1,031,919)
Net income/(expenditure)	(33,403)	3,701	(34,597)	(72,754)	(137,053)
Gains/(losses)	(323,120)	(166,433)	(159,856)	(816,571)	(1,465,980)
Net movement in fund	(356,523)	(162,732)	(194,453)	(889,325)	(1,603,033)
Brought forward	4,784,182	2,927,819	2,138,504	13,578,210	23,428,715
Carried forward	<u>4,427,659</u>	<u>2,765,087</u>	<u>1,944,051</u>	<u>12,688,885</u>	<u>21,825,682</u>

## 15) ANALYSIS OF NET ASSETS AT THE DATE OF MERGER

	2020 Joan Dawkins £	2020 T V James £	2020 H C Roscoe £	2020 Scholarship £	Combined Total £
Net assets	4,427,659	2,765,087	1,944,051	12,688,885	21,825,682
Represented by:					
Unrestricted funds	4,427,659	-	-	11,847,323	16,274,982
Restricted funds	-	2,765,087	1,944,051	841,562	5,550,700
Total funds	<u>4,427,659</u>	<u>2,765,087</u>	<u>1,944,051</u>	<u>12,688,885</u>	<u>21,825,682</u>