

Charity No: 221438

# **PHARMACIST SUPPORT**

**(THE WORKING NAME OF THE BENEVOLENT FUND OF  
THE ROYAL PHARMACEUTICAL SOCIETY OF GREAT BRITAIN)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**Pharmacist Support (the working name of the Benevolent Fund of the Royal  
Pharmaceutical Society of Great Britain)  
For the year ended 31 December 2009**

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**Chairman's Report**

During 2009, the Trustees continued to review the range of services offered by Pharmacist Support in keeping with the objectives of the Charity. The Trustees remain keen to explore new ways of providing help to meet the needs of those who currently call on the resources of the Charity and those who potentially may call on the Charity as society and the economic environment changes.

During the year, the Trustees noted that calls on the Charity for assistance increased as the economic climate continued to be challenging for everyone. Although the value of our investment funds had dropped in 2008 in the turbulent markets our strategic positioning nevertheless ensured we were ready to deal with the increased demand for assistance.

We have been looking closely at the lessons of 2008 to examine our funding, investment strategy and reserves policy to ensure that we retain our ability to respond. The Trustees believe this review has further cemented the foundations of the Charity.

Halfway through the year our Charity Manager, David Qualter left to take up a new and equally challenging post in the not for profit sector and in October, Diane Leicester joined us in his place. David's hard work left a strong legacy for Diane to continue to build upon

After a thorough review of the services available, the Trustees agreed to discontinue the previous arrangements provided by the Pharmacist Health Support Programme. A similar but new range of services are now provided by Action on Addiction which, although still at an early stage, appears to be working well

We continue to actively promote the work of the Charity and raise awareness within the profession.

The Trustees intend that the coming year will see continued growth of the Charity's service offerings. We are keen to further build on the range of services already in place and particularly welcome new ideas and suggestions from pharmacists and volunteers. We do not currently actively campaign to raise funds, but remain most grateful for all donations and gifts that are made to the Charity.

*David Thomson, Chairman*

# **Pharmacist Support (the working name of the Benevolent Fund of the Royal Pharmaceutical Society of Great Britain)**

## **Annual Report**

### **For the year ended 31 December 2009**

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The Trustees of the Benevolent Fund of the Royal Pharmaceutical Society of Great Britain (the "Charity") present this report and the audited financial statement of the Charity for the year ended 31 December 2009. The financial statements comply with current statutory requirements, the Trust Deed and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

#### **Reference and Administrative Details**

The Benevolent Fund of the Royal Pharmaceutical Society of Great Britain is a registered charity (No. 221438) (working name of "Pharmacist Support"). Its principal office is as shown on page 13 of this document.

The names of the present Trustees are listed on page 13.

#### **Structure, Governance and Management**

The Charity is now governed by a Declaration of Trust dated 27 November 2006 with a board of eight trustees who comprise two members of the Council of the Royal Pharmaceutical Society of Great Britain ("the Society"), four fellows of the Society and two lay persons.

During 2009, the Trustees re-appointed the Chairman, Vice Chair and Treasurer. In addition, the Council of the Society, which appoints the Trustees, resolved to extend the term of office of the present Trustees for a maximum of a further twelve months to December 2010 and to review with them, proposals for revised arrangements regarding the future appointment and composition of the board of Trustees.

The Trustees are supported by employees of the Society under an informal agreement which has been the subject of review during the year. In accordance with good practice, the Society and the Charity intend to agree a formal service level agreement to underpin the specific activities of the Charity.

The Charity is administered by a full-time charity manager, an interim marketing manager, a full time information and administration officer and a part time case worker. The Charity continues to rely on volunteers and other third parties for administration and management assistance in relation to the operation of the stress support service, the Listening Friends scheme, and the addiction service. Operational policies and procedures are approved by the Trustees.

There was a change of charity manager during the year.

#### **Statement of Trustees' Responsibilities and Corporate Governance**

The Trustees are responsible for both their annual report and also for the preparation of financial statements for each financial year, which give a true and fair view of the incoming resources and the application of resources of the Charity during the year. The Trustees also have a responsibility to consider the financial situation at the end of each financial year. In preparing these financial statements, the Trustees are required to:-

- ensure that the most suitable accounting policies are established and applied consistently;
- make judgements and estimates which are reasonable and prudent;
- state whether the applicable accounting standard and statement of recommended accounting practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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The Trustees have overall responsibility for ensuring that the Charity has appropriate systems and controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity enabling them to ensure that the Financial Statements comply with current statutory requirements, the terms of their trust and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005). They are also responsible for safeguarding the assets of the Charity and for their proper application as required by charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the Charity is operating efficiently and effectively;
- all assets are safeguarded against unauthorised use or disposition and are properly applied;
- proper records are maintained and that financial information used within the Charity, or for publication, is reliable;
- the Charity complies with relevant laws and regulations:
- The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers.

### **Policies and Procedures for Induction and Training of Trustees**

Any new Trustee being appointed during any financial year will be given the following training as part of their induction:-

- An overview of the Charity's objectives, current activities and plans for the future.
- An overview of their responsibilities upon becoming a Trustee of the Charity.
- An overview of the current and previous financial performance of the Charity.
- An overview by the Investment Managers of the current investment performance, policy and strategy.
- Any other information that is relevant at the time of joining.

As part of ongoing current Trustee development, training needs are identified and Trustees are encouraged to undertake relevant training with external training organisations or associated companies to ensure their knowledge and understanding of their role is sufficient and up to date. In addition, it is expected that they attend specific Charity Trustee training courses and any other relevant courses to ensure they undertake the role to the highest standard and their knowledge is kept current.

### **Corporate Governance**

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the executive management and the Trustees.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- a strategic plan and annual budget approved by the Trustees;
- regular consideration by the Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews;
- delegation of day-to-day management authority and segregation of duties; and
- identification and management of risks.

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## **Risk Management**

The Trustees monitor their risk register to identify current and potential risks and have addressed this at several meetings during the year.

A detailed review of the risks associated with the Charity began during 2009 and will be completed during 2010.

## **Objectives and Principal Activities of the Charity**

The principal objective under the provisions of the Charity's governing documents was and remains the relief of financial need or other distress amongst members, former members of the Society and their widows, widowers, dependants or orphans and pharmacy students.

The Trustees must use the income and may use the capital of the Charity in promoting its objects and have express powers in this respect. The Charity is financed partly from the income from invested capital and partly from any donations (which are encouraged to be made taking advantage of gift aid), and bequests from the estates of pharmacist members.

Information and advice about the assistance available from the Charity can be obtained direct from the Pharmacist Support registered office.

### **Assistance**

The Charity continues to provide financial assistance and pastoral support to individuals in need or vulnerable through illness or disability. This has included provision of regular grants, which are subject to annual review, as well as one-off payments and loans. No genuine cases of need or distress, either temporary or permanent are refused help.

During the year, in furtherance of the Charity's objectives, the Trustees have continued to finance both the advice and information service, and the Listening Friends scheme, which provides stress counselling to members. Support and guidance to pharmacists and their immediate families affected by drug and/or alcohol dependency problems is now provided by another charity, through a referral arrangement paid for by the Charity.

### **Rest, Recuperation and Rehabilitation**

Although the Charity no longer offers its own facility for rest, recuperation and rehabilitation, it continues to provide financial assistance to individuals who require support in this area. This is achieved by providing assistance by way of a grant in full or a subsidy as a contribution towards costs.

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### **Treasurer's Statement**

As with many other charities, the economic down-turn and market volatility at the end of 2008 impacted negatively on Pharmacist Support, leading to a very unstable start to 2009. However, decisions taken by the Trustees during this period of uncertainty enabled the Charity to move forward positively and well able to meet the additional demands placed on it by the increased level of activity experienced.

The Trustees continued to monitor the progress of the Charity's funds against their established strategy throughout the year, and recorded success in achieving many of its set goals. Also during 2009, the Financial Strategy was updated with new goals set to help ensure the Charity continues to meet its charitable objectives over the coming 12-36 months.

#### **Assets**

In 2008, the Trustees acted to minimise the risk to its financial and other assets, part of which strategy involved redistributing the Charity's cash reserves between several banks. This approach was continued throughout 2009. The Trustees receive regular updates on the banking markets and continue to seek to secure the best possible rates to maximise the return to best help meet the objects of the Charity.

Working closely with our Investment Managers and the Society, the Trustees continued to review the Charity's investment strategy during the year. The improvement in the financial markets during this same period, together with our investment strategy, has improved the value of the Charity's investment fund by 21%. The Trustees continue to monitor the financial performance of its investments at each meeting.

The Charity currently owns investment property in Edinburgh. During the year the Trustees took the decision to sell these premises as they were not fit-for-purpose. A buyer has now been found and sale of the property is due to take place during 1Q10 .

The Trustees also took the decision to set up its own administrative offices in the Manchester area. Suitable premises were found and a 5-year lease was signed in January 2009.

#### **Income**

In comparison to the previous year, income to the Charity fell in 2009. The difference was primarily due to significant one-off income in 2008, arising mainly from the sale of an investment property and gift aid from the Royal Pharmaceutical Society. Income from donations and legacies also fell during the year.

Investment income also fell during the year but, again, this was expected and it is anticipated that this source will pick up in 2010 as the market continues its recovery.

In light of the economic downturn, the Trustees wish to thank everyone who contributed to the fund and to acknowledge that the continuing support of the Charity by Pharmacists and their families is the very life blood of its existence.

#### **Expenditure**

The Charity continued to review the services it provides to meet its charitable objectives together with the associated expenditures. A key aim of the Charity is to continue to reach out to all pharmacists and their dependants to ensure they get the maximum support and it is considered that containing costs resulted in more people benefiting during this period of economic uncertainty. These initiatives were supported by a comprehensive marketing campaign.

Trustees' expenses in 2009 were of £7.3K, some 27% lower than in 2008 (£10K), being primarily attributable to the fewer working group meetings held compared with the previous year. This year's meetings have been

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primarily in relation to the continued focus on Marketing and the continuing development of the Charity's products and offerings.

**The Future**

In common with all other similar charities, Pharmacist Support continues to face many different trends, threats and opportunities and will likely continue to do so well into the future. The current recession will have a far longer-lasting impact than any which have preceded it. It is therefore envisaged that the significantly increased demands on our Charity's resources will continue.

The Trustees note that the Charity is well placed to both meet the challenges expected and to also expand its role, while at the same time continuing to conduct its affairs with prudence and good stewardship.

*Dr Leonard Brookes, Treasurer*

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## **Achievements and Performance**

This year's key objective and the impact of the achievements are summarised as follows: -

### **Benevolence**

The Charity is pleased to report that it has continued to meet its key objective to provide financial assistance and pastoral support to pharmacists or their dependants in need or vulnerable through illness or disability.

#### *i) Individual financial assistance*

Financial provision was developed during 2009 to enable the distribution of grants in a wider format thereby achieving a more tailored approach to meeting the modern day needs of the applicant. Types of financial assistance now available include; annual grants, regular grants for variable terms, one off payments and loans. No genuine cases of hardship or distress, either temporary or permanent were refused assistance.

The Charity considers applications for grants from members of the Society, former members, their widows, widowers or dependants, and pre-registration trainees. Pharmacy students (undertaking the MPharm course) are eligible for a one off student hardship payment.

The result has been that during the year 164 individuals received grants totalling £253,009 (2008: 115 individuals received £192,188). In 2009, 77 new case files were opened for beneficiaries to receive financial help (2008 – 30). We are not able to provide a comparative breakdown in line with 2008 due to the introduction of more flexible grant formats (as described above).

The Charity provides annual grants to retired pharmacists in financial need, widows/widowers of pharmacists or pharmacists who are no longer able to work because of illness or disability. These grants are provided, in the main, to help them budget for their day to day needs. For all grant recipients, whether annual or fixed term, the Charity places a great emphasis on ensuring that assistance is provided in one of a number of ways most suited to the individual requirements of the applicant.

Grants have also been awarded where, for example, an applicant is temporarily unable to work due to illness. In this instance, the Charity has often provided financial support for a limited period until the individual is able to return to employment. The Charity does not use its funds as a replacement for state assistance. Often, when this type of crisis occurs, people may be unable to meet their expenditure obligations. Wherever possible, the Charity has tried to assist the applicant by easing the financial pressure while working to achieve resolution of their problems. It is during this process that the Charity makes use of its specialist advice services provided by Manchester Citizens Advice Bureau. The Citizens Advice Bureau provides specialist advice to individuals referred by Pharmacist Support in the areas of debt, benefits and employment. This service has been successful in reducing the long demands on the Charity's funds and has the additional benefit of empowering the individual to be involved in the process of resolving their situation.

The Trustees noted there is a discernable trend amongst applicants in 2009 for younger members and in particular pre registration trainees to seek assistance. (For example, following the successful completion of exams, pharmacists are often faced with a period where they are unable to undertake employment. This is generally during the period when the registration and indemnity processes are undertaken and finalised. Pharmacist Support has successfully supported a small number of individuals through this period).

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*ii) Pastoral care and support*

The Charity has continued to provide pastoral support to a large number of beneficiaries. In recognition that many beneficiaries have a need for face-to face contact the Charity decided to recruit a small group of pharmacists to act as 'home visitors'. This initiative was developed in 2009 and the Charity now has 10 home visiting volunteers. It is seeking to develop this further in 2010.

**Information and Advice**

i) Access to specialist advice

The Charity responded to the increased levels of debt amongst beneficiaries by establishing a specialist advice service in partnership with the Citizens Advice Bureau in Manchester in 2008. This service has proved very beneficial to those members and their dependants who have approached the Charity with serious financial difficulties and in 2009 the demand increased, with the largest increased enquiry area being benefits. In 2009, 93 clients have received specialist advice in the areas of debt, benefits and employment (2008 – 36 clients). Support through this service has helped members access £40,945 in additional benefits and has helped members to reschedule a total of £360,000 of non priority debt, whilst dealing with £1.9m of mortgage debt over the second half of the year (2008 - £18,500 additional benefits and £280,000 non priority debt).

ii) Information and Signposting

The Charity received some 291 enquiries for general information or 'signposting' assistance (2008 – 200 enquiries). This is an ongoing area of growing need and we have been working to develop more resources to meet this need. We aim to be seen as the first point of contact for pharmacists requiring information and signposting help. The issues which pharmacists present to the Charity at signposting level help to shape the topics for the information resources as well as the links on the Charity's website.

The Charity launched its website in 2008 and this was updated and further extended in 2009. In addition to the information directory, there are also fact sheets on a variety of useful topics.

**Listening Friends**

The number of calls that the Listening Friends telephone help scheme dealt with increased over the past year. The scheme dealt with 334 calls during 2009 (2008 – 309 calls and 91 new callers) 77 new clients have been assisted by the scheme, as well as a number of ongoing callers. Over 50% of calls came from members under the age of 31. As a result of the increased demand being placed upon the service, an additional 8 volunteers were recruited (in 2008 12 new volunteers were recruited to the scheme). Two training weekends and an additional new volunteer training event were held in the year.

**Addiction**

Following a full review of the scheme by the Trustees, a new partnership was established between Pharmacist Support and Action on Addiction during the last quarter of 2009. The Charity is now able to access the full services and staff of one of the country's leading addiction charities for the benefit of any pharmacist facing issues with addiction.

During the year, the programme assisted 7 new pharmacists with their addiction issues (2008 – 24 pharmacists were assisted; this was both existing and new pharmacists). This help included access to telephone help lines in addition to one to one counselling and in-house treatment programmes. Many individuals are also encouraged to attend meetings of the local Health Professionals Support Groups (where they would meet

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similarly affected health care professionals), and to attend Alcoholics Anonymous or Narcotics Anonymous where appropriate. The aim of the service is to provide a support service tailored to the requirements of the individual. During the year further contacts were received from individuals with addiction issues of differing natures. Pharmacist Support has endeavoured to locate alternative support services that are representative of the individual's specific requirements.

**Business Plan**

As in previous years, as an integral part of the business planning process, the Trustees continued to refine and revise their strategic plans for the Charity and to monitor its financial position and budgets. The Trustee's utilised the results of the membership survey and research commissioned by the Charity during 2007 by incorporating them into the business plan and they are committed to regularly reviewing and updating this plan on an annual basis, paying regard at all times to the economic climate and the need to meet their charitable objectives.

**Awareness Raising**

Following the successful re-launch of the Charity and its extended range of services under the working name of Pharmacist Support at the British Pharmaceutical Conference in September in 2008, it became clear that many members were neither aware of the Charity's existence nor knew about the services the Charity offered. The Charity duly undertook extensive networking and awareness raising. The Charity is committed to ensuring that Pharmacist Support is promoted within the pharmacy press and events, and will continue to further the engagement with the sector in the coming year, to best define and inform the most appropriate service provision.

**Donations and Legacies**

The Charity does not spend its resources on active fundraising and relies on donations and legacies from the Society's members to fund its activities. The Society assists the Charity by facilitating donations to be made by members as part of the annual retention fee process. Such charitable donations can be made under the gift aid scheme to maximise their value to the Charity's funds and in 2009 the facility for on-line donations via the Charity's website was introduced.

The Charity continues to benefit from the legacies of members who have made gifts in their wills to the Charity. This is very much appreciated and the Charity would like to encourage other members to remember the Charity when making their wills to provide us with funds necessary to fulfil the Charity's remit to support pharmacists in the future.

**Financial Review and Results for the year**

The Statement of Financial Activities (SOFA), set out on page 14, shows that gross income has decreased by £674k in the year to £358k and expenditure on charitable activities has increased by £118k to £568k. Total resources expended of £957k (2008: £628k) resulted in a net outflow for the year of £599k (2008: inflow £404k). The total fund balance increased by £737k (2008: £2.4 million) to £11.4 million (2008: £10.7 million).

The funding has been applied to the objectives of the Charity; the funding received has been made available without restriction as to its usage.

The Treasurer's Statement provides a fuller report.

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## **Financial Management Policies**

### **Reserves**

The Trustees' reserves policy is firmly linked to ensuring that the Charity remains sufficiently resourced to generate funds enabling it to provide assured support to beneficiaries to whom it directs its core services and assistance.

The effects of the global economic downturn in 2008 gave weight to the Trustees' view that this is an appropriate policy to follow in uncertain times, ensuring some mitigation from exposure to any unforeseen downturn of income, whether from investment returns or donations and increases in demands for support. They will continue regularly to review the level of the reserves

### **Investment Policy and Performance**

The investment policy continues to be to maximise the long-term total return of the Charity's investment funds subject to the risks normally associated with a balanced approach to portfolio management. This includes an ethical stance that excludes any investment in specific sectors or organisations. In addition, the Charity does restrict its fund managers to invest only in companies that have appropriate governance and social responsibility policies. The Trustees also require that the activities of these companies will be monitored both against their own standards and policies and also against the standards of society generally. The performance of the funds is measured against WM Unconstrained Charity Index. The total return for the year ending 31 December 2009 was 4.03%, which was 0.63% above the benchmark index of 3.40%.

### **Employees**

The Charity does not directly employ any staff. All those working on the affairs of the Charity are employed through the Society and a recharge of actual salary costs is made on a monthly basis. For accuracy and transparency, the annual report shows the number of employees on page 21.

The Charity aims to be an organisation where those Society employees enjoy a sense of fulfilment and where they feel supported and developed. Employees are kept fully informed about its strategy and objectives, as well as day-to-day news and events. Regular information about the Charity is available through meetings and briefings. All employees are encouraged to give their suggestions and views on performance and strategy.

The Charity in association with the Society supports equal opportunities. A policy of recruitment and promotion on the basis of aptitude and ability without discrimination is followed. The Society on behalf of the Charity pursues a policy of both employing disabled people whenever a suitable vacancy arises, and continued employment and retraining of employees who become disabled whilst employed by the organisation.

The Charity is committed to the training, career development and promotion of all Society's employees. An individual's career development is assessed through annual appraisal and supervision and feed-back is provided to the relevant Society management. Training programmes are provided to meet any ongoing needs, with the aim of developing employees for both their current and future roles.

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## **Future Plans**

The Trustees believe the Charity continues to report a sound financial basis upon which to build for the future. In 2009, the Trustees have set the following objectives:-

### Beneficiary Objectives

- To increase the range of products and services to meet the changing needs within the current and future economic climate.
- To continue to offer a wide range of information sources to assist beneficiaries and their carers.
- Follow-up and seek feedback from beneficiaries on the service offering on a regular basis.

### Management Objectives

- To maintain and develop the risk register updated and developing in accordance with the changing business and economic climate.
- To complete a Service Level Agreement with the Society.
- To update the policies, procedures and governance documents for the Charity in order to ensure these remain current.
- To enhance the profile of the Charity through a wide variety of marketing communication methods to all stakeholders in order to develop awareness of the Charity and also to expand the Charity's role within the sector.
- To manage the Investment portfolio to secure income for further development of the Charity.
- To ensure the Charity is aware of the needs of the Pharmacy community via ongoing research.

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**Members of the Trustee Board**

**Chairman**

Mr David Thomson

**Vice-Chairman**

Mr David Morgan

**Treasurer**

Dr Leonard Brookes

**Trustees**

Miss Seema Agha  
Mrs Catherine Beman  
Professor David Johns  
Mrs Doreen Laity  
Mr Arthur Williams

**Management**

Diane Leicester

**Principal Office**

3<sup>rd</sup> Floor, The Pinnacle  
73 – 79 King Street  
Manchester  
M2 4NG

**Principal Professional Advisers**

**Solicitors**

Bates Wells & Braithwaite,  
2 – 6 Cannon Street,  
LONDON.  
EC4M 6YH.

**Auditors**

Horwath Clark Whitehill LLP,  
St Bride's House,  
10 Salisbury Square,  
LONDON.  
EC4Y 8EH.

**Bankers**

National Westminster Bank,  
91 Westminster Bridge Road,  
Lambeth,  
LONDON.  
SE1 7HW.

**Investment Managers**

Investec Asset Management,  
2 Gresham Street,  
LONDON.  
EC2V 7QP.

*By order of the Trustees on 21 September 2010:*

**Mr David Thomson**  
Chairman

**Dr Leonard Brookes**  
Treasurer

**Pharmacist Support (The working name of the Benevolent Fund of the Royal Pharmaceutical Society of Great Britain)**  
**Independent Auditors' Report to the Trustees**  
**For the year ended 31 December 2009**

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We have audited the financial statements of the Benevolent Funds of the Royal Pharmaceutical Society of Great Britain for the year ended 31 December 2009 which comprise the Treasurer's Statement, Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with section 44 of the Charities Act 1993. 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 its trustees as a body, for our audit work, for this report, or for the opinion we have formed.

**Respective responsibilities of trustees and auditors**

The trustees' responsibilities 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) are set out in the Statement of Trustees' Responsibilities on pages 3 to 5.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the information given in the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it. We also read the other information contained in the Trustees' annual report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

**Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Unqualified opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 December 2009 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

**Horwath Clark Whitehill LLP**  
Chartered Accountants and Registered Auditors

St Bride's House  
10 Salisbury Square  
London EC4Y 8EH

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**Statement of Financial Activities**  
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	Notes	2009 Total £'000	2008 Total £'000
<b>Incoming Resources</b>			
<b>Generated funds:</b>			
<b>Voluntary Income</b>			
Donations, gifts and unrestricted grants		18	126
Legacies		25	102
<b>Activities of generating funds:</b>			
Investment and other income	2	315	439
<b>Incoming resources from charitable activities:</b>			
Other incoming resources		-	315
TT Hora funds		-	50
<b>Total incoming resources</b>		<b>358</b>	<b>1,032</b>
<b>Resources Expended</b>			
<b>Costs of generating funds:</b>			
Investment management fees		20	20
Brand re-launch and marketing		89	91
<b>Net incoming resources available for charitable application</b>		<b>249</b>	<b>921</b>
<b>Charitable activities by objective:</b>			
Benevolence		472	348
Advice and support		44	35
Addiction support		53	67
		<b>569</b>	<b>450</b>
<b>Governance costs</b>		<b>120</b>	<b>67</b>
<b>Transfer of Emergency Funds</b>	3	<b>160</b>	-
<b>Total resources expended</b>	4	<b>958</b>	<b>628</b>
<b>Net incoming resources before investment gains/losses</b>		<b>(600)</b>	<b>404</b>
(Loss)/gain on investments		1,336	(2,464)
Investment property revaluation		(57)	(293)
		<b>1,279</b>	<b>(2,757)</b>
<b>Net movement in funds</b>		<b>679</b>	<b>(2,353)</b>
<b>Reconciliation of funds</b>			
Balances brought forward		10,657	13,010
<b>Fund balances carried forward</b>		<b>11,336</b>	<b>10,657</b>

All incoming resources and expended resources arise from continuing activities. The notes on pages 17 to 25 form part of these accounts.

**Pharmacist Support (The working name of the Benevolent Fund of the Royal  
Pharmaceutical Society of Great Britain)  
Balance Sheet  
As at 31 December 2009**

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	Notes	2009 £'000	2008 £'000
<b>Fixed Assets</b>			
Tangible assets	6	23	-
Investments	7	10,769	9,235
		<u>10,792</u>	<u>9,235</u>
<b>Current Assets</b>			
Other debtors		71	84
Cash at bank and in hand		553	1,353
Cash – TT Hora		-	50
		<u>624</u>	<u>1,487</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>80</u>	<u>65</u>
<b>Net current assets/(liabilities)</b>		<u>544</u>	<u>1,422</u>
<b>Net assets</b>		<u><b>11,336</b></u>	<u><b>10,657</b></u>
<b>Capital funds</b>			
Unrestricted charitable funds	9	11,336	10,657
		<u><b>11,336</b></u>	<u><b>10,657</b></u>

The financial statements on pages 15 to 25 were approved and signed on behalf of the Trustees on 21 September 2010 by:

**Mr David Thomson**  
Chairman

**Dr Leonard Brookes**  
Treasurer

**Pharmacist Support (The working name of the Benevolent Fund of the Royal  
Pharmaceutical Society of Great Britain)  
Notes to the Financial Statements  
For the year ended 31 December 2009**

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**1. Accounting policies**

**Accounting convention**

These financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value and in accordance with applicable accounting standards and comply with the current Statement of Recommended Practice "Accounting and Reporting by Charities" (the Charities SORP) issued in March 2005.

A summary of the accounting policies which have been applied consistently is set out below.

**a) Incoming resources**

Income from investments is included in the financial statements when receivable. A legacy would be regarded as receivable when it has become reasonably certain that the legacy will be received and the value of the incoming resource can be measured with sufficient reliability. All other sources of income are included in the financial statements on an accruals basis.

**b) Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular objectives, they have been allocated to activities on a basis consistent with the use of the resources.

**Cost of generating funds**

These represent professional fees incurred in relation to the administration and management of the Charity's investment properties and security based investment portfolio.

**Charitable activities**

These include cost of grants, staff costs and other support costs directly incurred in meeting the Charity's objectives.

Grants and annuities represent benevolent payments to members, former members of the Society, their widows, orphans or their dependants, and students within the Schools of Pharmacy. Financial assistance can be in the form of temporary loans, payment of specific living expenses, annual Society retention fees. Applications for grant assistance are considered locally by the Pharmacist Support Manager on their merits, ensuring compliance with the Charity's objectives, and in accordance with guidelines issued by the Trustees.

Support costs not directly attributable to individual objectives are allocated on an annual basis, based on the number of employees.

**Governance costs**

Governance costs are those associated with constitutional and statutory requirements together with the costs of the Society's Charities Officer who is responsible for the day-to-day governance matters of the Charity.

**Pharmacist Support (The working name of the Benevolent Fund of the Royal Pharmaceutical Society of Great Britain)**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2009**

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**1. Accounting policies (continued)**

**c) Fund Accounting**

General unrestricted funds represent unrestricted income, which is expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

Restricted funds are subject to specific conditions imposed by the donor or by the specific terms of a trust deed or other legal measures.

**d) Tangible fixed assets**

Freehold properties

Freehold land is not depreciated. Freehold properties are depreciated to their estimated residual values over their estimated economic lives. The principal annual rate in use is 2% per annum.

Motor vehicles & equipment

Depreciation is calculated on motor vehicles and equipment so as to write off the cost of the assets, less their estimated residual values, in equal annual instalments over their expected useful economic lives. The principal annual rates in use are as follows:

Motor vehicles and other equipment	5 years
Computer equipment	12 months

**e) Investments**

Investments held as fixed assets are stated at market value.

Any surplus or deficit realised on the disposal of investments is included in the Statement of Financial Activities in arriving at the net incoming resources for the year. Any unrealised surplus or deficit incurred in revaluing investments at the year end is separately stated in the Statement of Financial Activities.

**f) Investment properties**

Investment properties are revalued every three years and included in the balance sheet at their open market value. In accordance with SSAP 19, no depreciation is provided in respect of investment properties. This represents a departure from the normal accounting practice concerning the depreciation of fixed assets. These properties are held for investment purposes and the Trustees consider that the adoption of this policy is necessary to give a true and fair view.

Full valuations of investment properties are made by independent professionally qualified valuers every three years, and in the intervening years these valuations are updated by the Trustees with the assistance of independent professional advice as required. The basis of the valuation is explained in note 7.

**g) Gifts in kind**

The value of services or facilities provided free of charge is recognised in the Statement of Financial Activities as both income and expenditure where the benefit is quantifiable and material, and where the service or facility would otherwise have been purchased.

**Pharmacist Support (The working name of the Benevolent Fund of the Royal Pharmaceutical Society of Great Britain)**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2009**

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**1. Accounting policies (continued)**

**h) Foreign exchange**

Assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling at the Balance Sheet date. Foreign exchange differences are taken to the Statement of Financial Activities in the year in which they arise.

**i) Taxation**

As a registered charity, the charitable funds are exempt from certain elements of corporation tax but not from VAT. Irrecoverable VAT is, in accordance with standard accounting practice, included in the cost of those items to which it relates. Income tax recoverable on income received under Gift Aid donations is accounted for on a receivable basis.

**j) Cash flow statement**

The Charity is exempt from the requirement to publish a cash flow statement on the basis that it qualifies as a small charity.

**k) Tangible fixed assets**

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition.

**2. Investment and other income**

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Income from U.K. listed investments	205	233
Income from overseas listed investments	28	83
Interest receivable	7	48
Rental income	75	75
	<u>315</u>	<u>439</u>

**Pharmacist Support (The working name of the Benevolent Fund of the Royal Pharmaceutical Society of Great Britain)**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2009**

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**3. Transfer of Emergency Funds**

The Emergency Funds were transferred to a separate bank account during 2009 to be used for any Pharmacists needing aid from the floods that Cumbria suffered in 2009, to date this has not been used, any monies that are left over from this fund will be transferred back into the charity in 2010.

**4. Analysis of Total Resources Expended**

	<b>Staff Costs 2009 £'000</b>	<b>Support Costs 2009 £'000</b>	<b>Grant Costs 2009 £'000</b>	<b>Treatment Costs 2009 £'000</b>	<b>Other Costs 2009 £'000</b>	<b>Total Costs 2009 £'000</b>	<b>Total 2008 £'000</b>
<b>Costs of generating funds:</b>							
Investment mgt. fees	-	-	-	-	20	<b>20</b>	20
Branch re-launch	-	2	-	-	87	<b>89</b>	91
<b>Charitable Activities:</b>							
Benevolence	155	9	224	-	84	<b>472</b>	348
Listening Friends Scheme	15	29	-	-	-	<b>44</b>	35
Pharmacy Health Support Programme	-	2	-	29	22	<b>53</b>	67
	<u>170</u>	<u>42</u>	<u>224</u>	<u>29</u>	<u>214</u>	<b><u>678</u></b>	<u>561</u>
<b>Governance Costs</b>	18	-	-	-	102	<b>120</b>	67
	<u><b>188</b></u>	<u><b>42</b></u>	<u><b>224</b></u>	<u><b>29</b></u>	<u><b>315</b></u>	<b><u>798</u></b>	<u>628</u>
			<b>Mgt. 2009 £'000</b>	<b>Finance 2009 £'000</b>	<b>H.R. 2009 £'000</b>	<b>Total 2009 £'000</b>	<b>Total 2008 £'000</b>
<b>Support Costs</b>							
Benevolence			9	12	7	<b>28</b>	28
			<u>9</u>	<u>12</u>	<u>7</u>	<b><u>28</u></b>	<u>28</u>

**Pharmacist Support (The working name of the Benevolent Fund of the Royal Pharmaceutical Society of Great Britain)**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2009**

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**5. Staff Costs**

The Charity does not directly employ any staff. All those working on the affairs of the charity are employed through the Society and a recharge of actual salary costs is made on a monthly basis. Staff costs and staff numbers are shown as an indication of the staff involvement within the Charity.

Staff costs recharged to the Charity may be analysed as follows:-

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	165	90
Social security costs	8	8
Pension costs	15	18
	<u>188</u>	<u>116</u>

An additional pension fund payment was made during 2008 by the Society for a contribution to its deficits. Costs of the payment were allocated to each employee participating in the final salary scheme.

The average full time equivalent number of staff during the year was:

	<b>2009</b>	<b>2008</b>
	<b>No.</b>	<b>No.</b>
Benevolence	3.0	2.5
	<u>3.0</u>	<u>2.5</u>

During the year no member of staff received a gross salary exceeding £40,000 (2008 £60,000).

During the period no salary payments were made to any Trustee. Trustees were reimbursed for travel and subsistence expenses for attending any meeting or training course. This amounted to £7,286 for the year (2008: £9,769).

**Pharmacist Support (The working name of the Benevolent Fund of the Royal  
Pharmaceutical Society of Great Britain)  
Notes to the Financial Statements (continued)  
For the year ended 31 December 2009**

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**6. Tangible fixed assets**

	<b>Equipment</b>	<b>Total</b>
	<b>2009</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cost or valuation</b>		
As at 1 January 2009	25	25
Additions	31	31
Disposals	-	-
At 31 December 2009	<u>56</u>	<u>56</u>
<b>Depreciation</b>		
At 1 January 2009	(25)	(25)
Charge for the year	(8)	(8)
Disposals	-	-
At 31 December 2009	<u>(33)</u>	<u>(33)</u>
<b>Net book value</b>	23	23
At 31 December 2009	<u>23</u>	<u>23</u>
At 31 December 2008	<u>-</u>	<u>-</u>

The net book value at 31 December 2009 represents fixed assets used for:

	<b>£'000</b>
Direct charitable purposes	<u>23</u>

**Pharmacist Support (The working name of the Benevolent Fund of the Royal  
Pharmaceutical Society of Great Britain)  
Notes to the Financial Statements (continued)  
For the year ended 31 December 2009**

**7. Fixed asset investments**

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Tangible Assets	23	-
Investment properties (note 7a)	1,600	1,657
Market value of investments listed on a recognised Stock Exchange (note 7b)	9,169	7,578
	<u>10,792</u>	<u>9,235</u>

**7a. Investment properties**

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Valuation 1 January	1,657	1,950
Revaluation in year	(57)	(293)
Valuation 31 December	<u>1,600</u>	<u>1,657</u>

The investment properties were valued independently as at 31 December 2007 on the basis of open market value by J. & E. Shepherd's, a firm of independent Chartered Surveyors. The next valuation will be undertaken at 31 December 2010.

If the investment properties had not been revalued they would have been included at their historical cost equivalent of £68,000.

**7b. Investments listed on a recognised Stock Exchange**

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Market value 1 January	7,578	9,607
Less: disposals proceeds	(3,063)	(4,696)
Add: acquisitions at cost	3,178	4,820
Net gain/(loss) on revaluation at 31 December	1,476	(2,153)
Market value 31 December	<u>9,169</u>	<u>7,578</u>
Historical cost 31 December	<u>8,298</u>	<u>8,204</u>

**Additional information on investments**

Market value investments – UK	6,661	5,599
Market value investments – overseas	2,508	1,979
Market value 31 December	<u>9,169</u>	<u>7,578</u>

**Pharmacist Support (The working name of the Benevolent Fund of the Royal Pharmaceutical Society of Great Britain)**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 December 2009**

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The following holdings represent more than 5% of the total value of investments:

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Investec Fund Managers Equity Inc	1,190	1,077
UK Treasury 5%	-	416
HSBC Inv (UK) Ltd. Sterling Liq B	700	452
Investec AM (Ire) Liq Sterling	-	479
	<u>1,890</u>	<u>2,424</u>

All of the above assets were held for investment purposes rather than direct charitable purposes during the year.

**8. Creditors**

	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>
Balances with related parties (note 10)	7	40
Other creditors	73	25
	<u>80</u>	<u>65</u>

**9. Funds**

**(i) Unrestricted Funds**

	<b>As at 1 January 2009</b>	<b>(Outgoing)/ incoming resources</b>	<b>Realised gains/(loss)</b>	<b>Unrealised gains/(loss)</b>	<b>As at 31 December 2009</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Benevolent Fund	10,497	(440)	(197)	1,476	11,336
Emergency Fund	160	(160)	-	-	-
	<u>10,657</u>	<u>(600)</u>	<u>(197)</u>	<u>1,476</u>	<u>11,336</u>

**Pharmacist Support (The working name of the Benevolent Fund of the Royal  
Pharmaceutical Society of Great Britain)  
Notes to the Financial Statements (continued)  
For the year ended 31 December 2009**

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**(ii) Analysis of net assets between funds**

	<b>Total Funds</b>
<b>Fund balances at 31 December are represented by:</b>	<b>2009</b>
	<b>£'000</b>
Tangible fixed assets	23
Investments	10,769
Current assets	624
Current liabilities	(80)
	<u>11,336</u>

**10. Related party transactions**

The Royal Pharmaceutical Society of Great Britain carries out administrative functions for the Charity. The Society also administers the investment properties on behalf of the Charity and provides advice, where necessary.

During the year the Society raised a management charge totalling £27,854 (2008: £27,854).

Additionally, the Charity received rental income of £75,000 from the Society's tenancy agreement for the occupancy of the Scottish Office from its investment properties (2008: £75,000).