

Registered number: 5780068
Charity number: 1127115

Pulmonary Vascular Research Institute
(A company limited by guarantee)

Trustees' report and financial statements
for the year ended 31 December 2020

Pulmonary Vascular Research Institute
(A company limited by guarantee)

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**Reference and administrative details of the Charity, its Trustees and advisers
for the year ended 31 December 2020**

Trustees

Professor P A Corris
Professor S G Haworth (deceased 23 October 2020)
Professor N W Morrell (resigned 30 January 2020)
Sir D Melville (appointed 5 March 2021)
Professor S Rich
Mr A J D M Van Den Bergh (resigned 5 March 2021)
Professor M Wilkins
Sir A W G Wylie (appointed 1 February 2021)
Professor M H Yacoub (resigned 30 January 2020)

Company registered number

5780068

Charity registered number

1127115

Registered office

33 St George's Place
Canterbury
Kent
CT1 1UT

Chief executive officer and company secretary

Mrs S R Barwick

Independent auditors

Kreston Reeves LLP
Chartered Accountants
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

Bankers

HSBC Bank plc
9 Rose Lane
Canterbury
Kent
CT1 2JP

Handelsbanken
Ground Floor, St Andrew's House
Station Road East
Canterbury
Kent
CT1 2BJ

Pulmonary Vascular Research Institute
(A company limited by guarantee)

Trustees' report
for the year ended 31 December 2020

The Trustees present their Annual Report together with the audited financial statements of Pulmonary Vascular Research Institute for the 1 January 2020 to 31 December 2020.

The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the charitable company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. Policies and objectives

The policies and objectives adopted by the Charity are as follows -

- To investigate the incidence, prevalence and pathobiology of pulmonary vascular disease in under served areas that, to date, have not been well characterised; to identify unique characteristics of the illness including its morbidity and mortality; to establish effective therapies which will be accessible to the affected patients.
- To provide expertise to regions of the world with healthcare disparities which will address issues related to the education and training of healthcare professionals in the area of pulmonary vascular disease.
- To focus on improving the treatment of pulmonary vascular disease worldwide, by promoting research, by educating physicians and by assisting the development and conduct of clinical trials following the highest standards of clinical research.
- To unite all stakeholders of the disease – academia, global drug regulators and industry – and advance drug discovery and development to find better treatments of pulmonary vascular disease.
- To work with global health organisations to raise awareness that pulmonary vascular disease is a global burden that affects many people around the world and lobby for better healthcare provision and drug availability for all patients.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

The objectives of the Charity are set out above and all of these benefit the public in one way or another. The investigation into pulmonary vascular disease is aimed to benefit the public's health when struck with this disease. The improvement of knowledge, treatment and promotion of research worldwide will again provide a benefit to health care both nationally and worldwide.

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Trustees' report (continued)
for the year ended 31 December 2020

b. Activities for achieving objectives

The Charity will address its objectives primarily by the establishment of focused Task Forces that will design and conduct projects across the broad spectrum of research, education and clinical care related to pulmonary vascular disease. The activities of the Charity include, but are not limited to, the following:

- The Charity will function as a 'think tank' and provide expertise to advise physicians, scientists, health authorities and the pharmaceutical industry regarding medical technologies and pharmaceuticals relevant to pulmonary vascular disease.
- The Charity will serve as a bridge between government organisations, NGOs, academia, industry, foundations and various countries.
- The Charity will sponsor international clinical and research fellowships along with continuing education to physicians from under-served countries who wish to pursue careers in pulmonary vascular disease at recognised Centres of Excellence around the world.
- The Charity will establish an international database on patients with pulmonary vascular disease to allow a meaningful understanding of the similarities and differences in the spectrum of the illness worldwide.
- The Charity will develop web-based educational materials, advice and guidelines on the management of pulmonary vascular disease accessible to people involved in healthcare delivery.
- The Charity will conduct workshops on the modern methods to evaluate patients, determine accurate diagnoses and monitor the efficacy of treatments. These will be offered to physicians and non-physicians.
- The Charity will conduct periodic international symposia to disseminate information acquired from the Charity's activities and identify research projects relevant to its activities.

c. Grant making policies

The Trustees decide periodically how to apply the Charity's incoming resources in accordance with the terms of its constitution.

Achievements and performance

a. Review of activities

The outline below highlights some of the operational activities that took place during the year:

International Scientific Meetings

In February 2020, the Charity held its major annual international conference - the 14th Annual World Congress on PVD in Lima, Peru, from 30th January – 2nd February 2020, which was followed by the 2nd Symposium of the International Consortium of Genetic Studies in Pulmonary Arterial Hypertension, from 3rd – 4th February 2020. The Annual World Congress was attended by over 300 delegates from all around South America, as well as physicians and scientists from Europe, USA, Canada, India, China and Central Asia.

Due to the COVID-19 pandemic, all other international face-to-face meetings, that were planned and that are usually supported by the Charity via its Regional Task Forces, had to be cancelled.

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Trustees' report (continued)
for the year ended 31 December 2020

Digital Drug Discovery Symposium (DDS2020)

Due to the global pandemic, the Annual Drug Discovery & Development Symposium, which usually takes place in the summer of the year, had to be converted to a digital event - DDS2020 - consisting of a live 2-hour webinar and a series of eight novel presentations which were released in the lead up to the online live event. DDS2020 attracted an international audience of over 300 delegates who joined the live webinar on 29th June 2020 and downloaded the featured talks.

Series of monthly webinars

Due to the cancellation of all international face-to-face meetings and the success of DDS2020, the PVRI leadership embarked on an ambitious plan to convert the scientific content that is usually presented during the live face-to-face annual scientific meetings, into a series of monthly webinars. PVRI2021 now features bi-monthly 2-hour webinars which focus on novel topics and include international leading speakers and moderators from all around the world. In addition to the monthly webinars, the Charity has also launched a monthly series of genomics webinars which are dedicated to highlighting the genetic connections to pulmonary vascular disease. The bi-monthly webinar series has proved to be extremely popular engaging on average of around 200 international participants per month. All webinars and talks are recorded and available to the PVRI membership after the live online events.

Task Force Activity

The 'unsung heroes' of the PVRI are our Task Force leaders and all our active members throughout the world. It is through them that the PVRI fulfils its mission and brings the PVRI to the world. The PVRI Imaging & Pulmonary Hypertension Task Force produced an important new algorithm that will help in the diagnosis and management of the disease, and the Innovative Drug Development Initiative (IDDI) is working on a series of position statements on clinical trial design, biomarkers, endpoints and repurposing drugs. Our sincere thanks to all Task Force leaders and their members for their hard work, commitment and support.

PVRI Membership

The PVRI network has expanded to over 7,500 people, spread around 103 different countries. The PVRI is immensely proud of its international reach and global representation and would like to thank all members for their continued support.

PVRI Publications - Pulmonary Circulation

2020 has been a successful year for Pulmonary Circulation. During the year, 92 research articles, 18 review articles, 16 case reports and 19 other article types were published. Published articles included papers that may help treatment outcomes for patients with pulmonary arterial hypertension and COVID-19 were fast tracked. These articles have seen very high readership and downloads of over 4,000 times. The journal's scientific Impact Factor has increased to 2.205.

The Charity expresses its thanks to the Chief Editors, Jason Yuan and Nick Morrell, as well as Deputy Editors, Kurt Stenmark, Irene Lang, Patricia Thistlethwaite and Anna Hemnes, and the entire Pulmonary Circulation team. Further thanks go to the Charity's publishing consultant Michael Brown and publisher Sage for their help and support throughout the year.

CMREF Grant Award

In 2019, the Charity was successful in the award of a substantial grant from the Cardiovascular Medical Research and Education Fund (CMREF) with agreed sponsorship of annual instalments spreading over six years. The grant is being used in part to develop PVRI GoDeep, a deep phenotyping database on the prevalence of pulmonary hypertension worldwide, with the intention to demonstrate to global health organisations that the disease is a global burden that affects the lives of many patients worldwide.

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Trustees' report (continued)
for the year ended 31 December 2020

PVRI Grants

During the year, a number of Travel Grants were awarded by the PVRI to its members in support of attendance at the 14th Annual World Congress in Lima, Peru. Furthermore, a substantial grant was awarded to the Justus-Liebig University in Giessen, Germany, for research into the novel CRISPR gene-editing technology. This grant was fully sponsored and funded by The Dinosaur Trust. In addition, the PVRI continued to fund the CMREF supported annual grant for PVRI GoDeep, the deep phenotyping database which is being set up by the Justus-Liebig University in Giessen, Germany, under the current PVRI President Professor Werner Seeger.

b. Financial activities

2020 has been a critical year for the PVRI. The Charity results, as detailed in the subsequent pages, portray a strong position at the balance sheet. In accordance with the Charities SORP (FRS 102), income is recognised when receipt of the income is probable. As a result, the CMREF grant awarded in 2019, has been recognised in its entirety in 2019 and is being discounted at a rate of 3.5% over six years. This has resulted in a significant increase in income for the previous financial year, showing reduced income figures for 2020 which are not reflecting the actual cashflows received during the current financial year.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Reserves policy

At 31 December 2020, the Charity has reserves of £2,253,220 of which £458,100 are restricted.

The Trustees have reviewed the reserves of the Charity. This review encompassed the nature of the major income and expenditure streams and the need to match income and expenditure. The Charity's principal source of funds is from the Charity's Roundtable membership fees, as well as from the grant received by the CMREF.

As a result of this review, the Trustees confirmed that, to enable the Charity to continue to meet its objectives, to operate efficiently and to provide a buffer for both planned and unexpected costs in respect of the Charity, an unrestricted general reserve of 12 months average expenditure should be maintained. The Trustees estimate that 12 months expenditure equates to approximately £1.4m. The Trustees are satisfied that the current level of unrestricted general reserves are sufficient to cover 12 months average expenditure. This consideration has included the effects expected of the recent economic climate being COVID-19 and the reserves of the Charity are expected to remain appropriate.

c. Financial review of the year

Thanks to the continued Roundtable membership contributions from the pharma industry, support from the Cardiovascular Medical Research and Education Fund (CMREF), income from membership fees, effective fundraising from the Roundtable and grants received from The Dinosaur Trust, the Charity's finances are in good shape for the future.

Structure, governance and management

a. Constitution

The Charity is registered as a charitable company limited by guarantee and does not have any share capital. The company is constituted under the Memorandum of Association dated 12 April 2006, as amended on 31 October 2008. The company number is 5780068.

Pulmonary Vascular Research Institute
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Trustees' report (continued)
for the year ended 31 December 2020

The registered charity number 1127115.

The principal object of the Charity is the promotion and protection of good health by promoting knowledge and stimulating new ideas in the field of cardiopulmonary medicine, fostering multidisciplinary approaches, collaboration and communication across the science spectrum.

b. Method of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The Trustees continue to seek to identify suitable individuals with an understanding and the knowledge of pulmonary vascular disease and the health care industry with a view to serving on the board. The Trustees have particular skills which enable them to contribute to the work of the Charity. Their knowledge of good practice, changes in legislation and technical issues is supplemented by publications issued by the Charity Commission and other relevant organisations. New Trustees are provided with detailed background information on the Charity, current financial data and other documents relevant to the operation of the Charity.

c. Organisational structure and decision making

The organisation of the Charity is as follows:

The Board of Directors who are also Trustees, exercise the general control and management.

The CEO, together with the team of employed staff and consultants, oversees the day to day operations of the Charity.

The Charity have a Digital Marketing Manager, an Administrative Manager and a newly recruited Digital Officer to support the increasing membership load, scientific activities and to enhance the series of webinars and online educational activities to sustain the Charity for future years.

d. Risk Management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 7 July 2021 and signed on their behalf by:



.....
Professor M Wilkins

Pulmonary Vascular Research Institute
(A company limited by guarantee)

Independent auditors' report to the Members of Pulmonary Vascular Research Institute

Opinion

We have audited the financial statements of Pulmonary Vascular Research Institute (the 'charity') for the year ended 31 December 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Pulmonary Vascular Research Institute
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Independent auditors' report to the Members of Pulmonary Vascular Research Institute (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditors' report to the Members of Pulmonary Vascular Research Institute (continued)

Auditors' responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the calculation of discounted grant income. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Confirmed restricted expenditure has been correctly allocated and is appropriate; and
- Reading minutes of meetings of those charged with governance; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

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Independent auditors' report to the Members of Pulmonary Vascular Research Institute (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Samantha Rouse FCCA DChA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Canterbury

8 July 2021

Pulmonary Vascular Research Institute
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 December 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies:	3				
Grants		55,019	-	55,019	2,354,008
Other donations and legacies		438,936	-	438,936	310,062
Charitable activities	4	244,691	-	244,691	270,992
Other trading activities	5	-	-	-	4,442
Investments	6	2,684	-	2,684	15,097
Total income		741,330	-	741,330	2,954,601
Expenditure on:					
Charitable activities	8	977,187	204,670	1,181,857	1,406,236
Total expenditure		977,187	204,670	1,181,857	1,406,236
Net movement in funds		(235,857)	(204,670)	(440,527)	1,548,365
Reconciliation of funds:					
Total funds brought forward		2,489,077	662,770	3,151,847	1,603,482
Net movement in funds		(235,857)	(204,670)	(440,527)	1,548,365
Total funds carried forward		2,253,220	458,100	2,711,320	3,151,847

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 30 form part of these financial statements.

Pulmonary Vascular Research Institute
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Registered number: 5780068

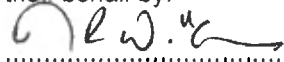
Balance sheet
as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	94,119	102,935
Current assets			
Debtors	13	1,485,011	1,857,326
Cash at bank and in hand		1,203,194	1,476,923
		2,688,205	3,334,249
Creditors: amounts falling due within one year	14	(71,004)	(285,337)
Net current assets		2,617,201	3,048,912
Total net assets		2,711,320	3,151,847
Charity funds			
Restricted funds	15	458,100	662,770
Unrestricted funds	15	2,253,220	2,489,077
Total funds		2,711,320	3,151,847

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 07 July 2021 and signed on their behalf by:



.....
Professor M Wilkins

The notes on pages 14 to 30 form part of these financial statements.

Pulmonary Vascular Research Institute
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Statement of cash flows
for the year ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	18	(265,172)	255,279
Cash flows from investing activities			
Dividends, interests and rents from investments		2,684	15,097
Purchase of tangible fixed assets		(11,241)	(9,467)
Net cash (used in)/provided by investing activities		(8,557)	5,630
Change in cash and cash equivalents in the year		(273,729)	260,909
Cash and cash equivalents at the beginning of the year		1,476,923	1,216,014
Cash and cash equivalents at the end of the year	19	1,203,194	1,476,923

The notes on pages 14 to 30 form part of these financial statements

Pulmonary Vascular Research Institute
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Notes to the financial statements
for the year ended 31 December 2020

1. General information

Pulmonary Vascular Research Institute is a charitable company, limited by guarantee, incorporated in England and Wales.

The Charity's registered office is 33 St George's Place, Canterbury, Kent, CT1 1UT.

The charitable activities of the charity continues to be to bring the best medical professionals in the world together in order to carry out research on pulmonary vascular disease.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS102) published on 16 July 2014 rather than the accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Pulmonary Vascular Research Institute meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Charity's functional and presentational currency is Pounds Sterling.

The Charity's financial statements are presented to the nearest pound.

2.2 Company status

The Charity is a company limited by guarantee and does not have a share capital. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

Pulmonary Vascular Research Institute
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Notes to the financial statements
for the year ended 31 December 2020

2. Accounting policies (continued)

2.3 Going concern

The Charity's main source of income is from its charitable objectives being the receipt of donations and grants.

In order to meet its day to day working capital requirements the Charity is dependent upon these donations and grants, the nature of which can have considerable unpredictable variation in the timing of cash inflows.

Given the recent economic climate regarding COVID-19, the Trustees have considered the impact this will have on the Charity. The Trustees have received confirmation from the Cardiovascular Medical Research and Education Fund (CMREF) that the agreed grant which was awarded in 2016 will not be affected by the COVID-19 pandemic and continue to be paid in the agreed annual instalments. From this, it was therefore not thought that global pandemic is would impact the Charity's ability to continue for the next 12 months and sufficient reserves are available to cover any shortfalls.

After making enquires, the Trustees have a reasonable expectation that the Charity will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

However, the Trustees acknowledge that the Cardiovascular Medical Research and Education Fund (CMREF) has been the Charity's main source of income since 2014. The Trustees are also aware that this fund is being wound down. Therefore, the Trustees must spend considerable efforts in identifying other sources of income which will eventually replace the income from the CMREF to ensure sufficient funds are available that allow the Charity to continue as a going concern into the future.

2.4 Income

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 receivable can be measured reliably.

2.5 Deferred income

Where income for membership fees in future accounting periods is reviewed in advance, it is recognised as deferred income. The amounts shown in the balance sheet in respect of the deferred income represent the amounts deferred to future accounting periods.

2.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters.

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2. Accounting policies (continued)

2.6 Expenditure (continued)

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

2.8 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

2.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	- 4 years straight line
Computer equipment	- 3 years straight line
Other fixed assets	- 10 years straight line

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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Notes to the financial statements
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2. Accounting policies (continued)

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.13 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities incorporating income and expenditure account.

2.15 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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Notes to the financial statements
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3. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Grants				
CMREF DDS grants		-	-	57,180
CMREF grants	6,654	-	6,654	2,219,391
e-learning	-	-	-	77,437
Subtotal detailed disclosure	6,654	-	6,654	2,354,008
Donations from pharmaceutical industry and others	432,282	-	432,282	283,093
Donated services	55,019	-	55,019	26,969
Subtotal	487,301	-	487,301	310,062
Total 2020	493,955	-	493,955	2,664,070
Total 2019	2,529,453	134,617	2,664,070	

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Registration fees of scientific meetings	38,252	38,252	163,195
Research journal	166,320	166,320	68,741
Membership income	40,119	40,119	39,056
Total 2020	244,691	244,691	270,992
Total 2019	270,992	270,992	

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Notes to the financial statements
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5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Fundraising income	-	-	4,442
Total 2020	-	-	4,442
Total 2019	4,442	4,442	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Interest received	2,684	2,684	15,097
Total 2019	15,097	15,097	

7. Analysis of grants

	Grants to Institutions 2020 £	Total funds 2020 £	Total funds 2019 £
Giessen Go Deep Project	275,823	275,823	288,061
Total 2019	288,061	288,061	

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Notes to the financial statements
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8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
E-Learning	-	87,818	87,818	50,797
Scientific meetings, publications and other charitable activities	701,364	116,852	818,216	1,067,378
Taskforce projects	275,823	-	275,823	288,061
	<u>977,187</u>	<u>204,670</u>	<u>1,181,857</u>	<u>1,406,236</u>
Total 2019	<u>1,112,952</u>	<u>293,284</u>	<u>1,406,236</u>	

Summary by expenditure type

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	Total funds 2020 £	Total funds 2019 £
E-Learning	-	-	87,818	87,818	50,797
Scientific meetings, publications and other charitable activities	197,185	20,058	600,973	818,216	1,067,378
Taskforce projects	-	-	275,823	275,823	288,061
	<u>197,185</u>	<u>20,058</u>	<u>964,614</u>	<u>1,181,857</u>	<u>1,406,236</u>
Total 2019	<u>181,582</u>	<u>21,411</u>	<u>1,203,243</u>	<u>1,406,236</u>	

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Notes to the financial statements
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9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
E-Learning	87,818	-	-	87,818	50,797
Scientific meetings, publications and other charitable activities	476,398	-	341,818	818,216	1,067,378
Taskforce projects	-	275,823	-	275,823	288,061
	<u>564,216</u>	<u>275,823</u>	<u>341,818</u>	<u>1,181,857</u>	<u>1,406,236</u>
Total 2019	<u>833,684</u>	<u>288,061</u>	<u>284,491</u>	<u>1,406,236</u>	

Analysis of direct costs

	E-learning 2020 £	Scientific meetings, publications and other charitable activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	-	197,185	197,185	181,582
Task force costs	-	14,137	14,137	23,445
Travelling and accommodation	-	63,213	63,213	263,368
Travel grants	-	95,396	95,396	66,998
Scientific meetings	-	106,467	106,467	247,494
E-learning	87,818	-	87,818	50,797
	<u>87,818</u>	<u>476,398</u>	<u>564,216</u>	<u>833,684</u>
Total 2019	<u>50,797</u>	<u>782,887</u>	<u>833,684</u>	

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Notes to the financial statements
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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Scientific meetings, publications and other charitable activities 2020 £	Total funds 2020 £	Total funds 2019 £
Depreciation	20,058	20,058	21,411
Telephone, computer and internet charges	32,996	32,996	13,473
Printing and stationary costs	1,131	1,131	453
Office rent and service charges	16,600	16,600	17,291
Advertising and marketing	7,041	7,041	31,608
Sundry expenses	14,884	14,884	10,989
Other accountancy fees	10,756	10,756	4,261
Exchange rate variance	41,876	41,876	(9,264)
Legal and professional fees	69,387	69,387	20,847
Bookkeeping	4,271	4,271	10,519
Business consultancy and staff training	55,887	55,887	112,911
Interest payable	-	-	70
Bank charges	8,209	8,209	13,082
Google advertising	53,369	53,369	26,969
Insurance	33	33	4,868
Repairs and renewals	2,140	2,140	2,673
Auditors remuneration	3,180	3,180	2,330
	341,818	341,818	284,491
Total 2019	284,491	284,491	

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Notes to the financial statements
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10. Net income/(expenditure)

This is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets:		
- owned by the charity	20,057	21,411
Auditors' remuneration - audit	5,040	4,500
Auditors' remuneration - other services	13,823	12,610
Exchange rate variance	41,876	(9,264)
Operating lease rentals:- other operating leases	12,700	11,485
	<u>93,496</u>	<u>40,742</u>

During the year, no Trustees received any remuneration (2019 - £NIL).

During the year, no Trustees received any benefits in kind (2019 - £NIL).

5 Trustees received reimbursement of expenses amounting to £11,349 in the current year (2019 - 8 Trustees - £34,718).

11. Staff costs

	2020 £	2019 £
Wages and salaries	181,750	167,008
Social security costs	14,662	13,785
Contribution to defined contribution pension schemes	773	789
	<u>197,185</u>	<u>181,582</u>

Included in wages and salaries are termination costs totalling £3,780. This was paid during the year and there were no amounts outstanding at the balance sheet date.

The average number of persons employed by the Charity during the year was as follows:

	2020 No.	2019 No.
Staff	4	4

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11. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-

During the year, the total amount of employees benefits received by key management personnel for their services to the Charity is £81,923 in remuneration, £10,099 in national insurance with no pension contributions (2019: £75,000 in remuneration, £9,169 in national insurance with no pension contributions).

12. Tangible fixed assets

	Office equipment £	Computer equipment £	Website £	Total £
Cost				
At 1 January 2020	2,451	25,846	147,410	175,707
Additions	4,301	2,140	4,800	11,241
At 31 December 2020	<u>6,752</u>	<u>27,986</u>	<u>152,210</u>	<u>186,948</u>
Depreciation				
At 1 January 2020	1,744	20,822	50,206	72,772
Charge for the year	1,861	2,975	15,221	20,057
At 31 December 2020	<u>3,605</u>	<u>23,797</u>	<u>65,427</u>	<u>92,829</u>
Net book value				
At 31 December 2020	<u>3,147</u>	<u>4,189</u>	<u>86,783</u>	<u>94,119</u>
At 31 December 2019	<u>707</u>	<u>5,024</u>	<u>97,204</u>	<u>102,935</u>

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13. Debtors

	2020	2019
	£	£
Due after more than one year		
Grants receivable	872,185	1,190,151
	872,185	1,190,151
Due within one year		
Prepayments	51,594	92,715
Grants receivable	561,232	574,460
	1,485,011	1,857,326

14. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	9,955	4,879
Accruals	61,049	280,458
	71,004	285,337

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Notes to the financial statements
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15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
Unrestricted funds				
Designated funds				
Rupert Swift Award fund	50,000	50	(1,500)	48,550
General funds				
General Funds	2,439,077	741,280	(975,687)	2,204,670
Total Unrestricted funds	2,489,077	741,330	(977,187)	2,253,220
Restricted funds				
Drug Discovery and Development Symposium fund	57,180	-	(57,180)	-
e-learning	115,904	-	(87,818)	28,086
PC Journal	489,686	-	(59,672)	430,014
	662,770	-	(204,670)	458,100
Total of funds	3,151,847	741,330	(1,181,857)	2,711,320

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Notes to the financial statements
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15. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Balance at 31 December 2019 £
Unrestricted funds				
Designated funds				
Rupert Swift Award fund	34,155	16,918	(1,073)	50,000
General funds				
General Funds	747,890	2,803,066	(1,111,879)	2,439,077
Total Unrestricted funds	782,045	2,819,984	(1,112,952)	2,489,077
Restricted funds				
Drug Discovery and Development Symposium fund	68,801	57,180	(68,801)	57,180
e-learning	202,539	77,437	(164,072)	115,904
PC Journal	550,097	-	(60,411)	489,686
	821,437	134,617	(293,284)	662,770
Total of funds	1,603,482	2,954,601	(1,406,236)	3,151,847

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Notes to the financial statements
for the year ended 31 December 2020

16. Summary of funds

Summary of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
Designated funds	50,000	50	(1,500)	48,550
General funds	2,439,077	741,280	(975,687)	2,204,670
Restricted funds	662,770	-	(204,670)	458,100
	<u>3,151,847</u>	<u>741,330</u>	<u>(1,181,857)</u>	<u>2,711,320</u>

Summary of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Balance at 31 December 2019 £
Designated funds	34,155	16,918	(1,073)	50,000
General funds	747,890	2,803,066	(1,111,879)	2,439,077
Restricted funds	821,437	134,617	(293,284)	662,770
	<u>1,603,482</u>	<u>2,954,601</u>	<u>(1,406,236)</u>	<u>3,151,847</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	94,119	-	94,119
Debtors due after more than one year	872,185	-	872,185
Current assets	1,357,920	458,100	1,816,020
Creditors due within one year	(71,004)	-	(71,004)
Total	<u>2,253,220</u>	<u>458,100</u>	<u>2,711,320</u>

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Notes to the financial statements
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17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	102,935	-	102,935
Debtors due after more than one year	1,190,151	-	1,190,151
Current assets	1,481,328	662,770	2,144,098
Creditors due within one year	(285,337)	-	(285,337)
Total	2,489,077	662,770	3,151,847

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(440,527)	1,548,365
Adjustments for:		
Depreciation charges	20,057	21,411
Dividends, interests and rents from investments	(2,684)	(15,097)
Decrease/(increase) in debtors	372,315	(1,398,969)
Increase/(decrease) in creditors	(214,333)	99,569
Net cash provided by/(used in) operating activities	(265,172)	255,279

19. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	1,203,194	1,476,923
Total cash and cash equivalents	1,203,194	1,476,923

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Notes to the financial statements
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20. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	1,476,923	(273,729)	1,203,194
	<u>1,476,923</u>	<u>(273,729)</u>	<u>1,203,194</u>

21. Operating lease commitments

At 31 December 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	7,012	9,657
Later than 1 year and not later than 5 years	-	3,219
	<u>7,012</u>	<u>12,876</u>

22. Related party transactions

A family member of Key Management Personnel, Miss C Barwick, was employed during the year. As such remuneration of £6,226 (2019 - £3,793) was paid during the year.

Consultancy fees were paid to P Corris, a Trustee, in the year of £15,000 (2019 - £15,000) for his role as Chief Medical Scientific Officer.

There were no other related party transactions other than disclosed within these financial statements.

23. Controlling party

The Charity is controlled by the Board of Trustees.