

# Annual Report and Financial Statements 31 March 2023

Registered Charity No: 1185329

Registered Company No: RC000905





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# Vision, mission, values and strengths

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The Academy of Medical Sciences is the independent, expert voice of biomedical and health research in the UK.

**Our vision** is good health for all supported by the best research and evidence.

**Our mission** is to help create an open and progressive research sector to improve the health of people everywhere.

## Our values

- We strive for *excellence*
- We act on *evidence*
- We behave with *integrity*
- We *collaborate* widely
- We are *inclusive* and actively seek diversity in all forms

## Our strengths

We are the independent, expert voice of biomedical and health research in the UK. Our strengths are:

- A Fellowship of the most influential scientists in the UK and worldwide.
- An inspiring community of emerging and established research leaders.
- Connections across the science sector including National Academies, charities and industry.
- A vibrant and growing global network of European and global partnerships and collaborations.
- An ability to influence policy by connecting the insights of our Fellowship, researchers, patients and the public.
- The meaningful involvement of patients and the public to shape our work.
- A talented and committed staff team who embody our values.

Our Fellows are central to all we do. The influence of their science, their contribution to medicine and society and the range of their achievements are reflected throughout our work.

The diversity of talent amongst our Fellows ensures that the Academy is able to deal with complex health issues, which extend beyond the traditional boundaries of medicine. It is their knowledge, influence and resources that are the Academy's most powerful assets.

# Administrative details

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**Name of charity**

Academy of Medical Sciences

**Registered charity no**

1185329

**Registered company and Royal Charter no**

RC000905

**Principal address**

(and Registered Office)  
41 Portland Place  
London, W1B 1QH

**Principal bankers**

Lloyds Bank PLC  
8-10 Waterloo Place  
London, SW1Y 4BE

**Auditors**

PKF Littlejohn LLP  
15 Westferry Circus  
Canary Wharf  
London, E14 4HD

**Investment fund manager**

Sarasin & Partners LLP  
Juxon House  
100 St Paul's Churchyard  
London, EC4M 8BU

**Honorary Officers of the Academy of Medical Sciences****President**

Professor Dame Anne Johnson PMedSci  
Professor of Infectious Disease Epidemiology,  
University College London

**Vice-President (clinical)**

Professor Paul Stewart FMedSci  
Dean of Medicine and Faculty Dean Medicine and Health,  
University of Leeds

**Vice-President (non-clinical)**

Professor Mike Malim FRS FMedSci (until 6 December 2022)  
Head of School of Immunology & Microbial Sciences, King's College London

Professor James Naismith FRS FRSE FMedSci (from 6 December 2022)  
Director of the Rosalind Franklin Institute; Professor of Structural Biology,  
University of Oxford

**Vice-President (international)**

Professor Tom Solomon CBE FMedSci Professor of Neurology and Director,  
NIHR Health Protection Research Unit in Emerging and Zoonotic Infections,  
University of Liverpool

**Treasurer**

Professor Edward Bullmore FMedSci  
Professor of Psychiatry, University of Cambridge

**Registrar**

Professor Dame Jessica Corner FMedSci (until 1 October 2022)  
Executive Chair, Research England

Professor Mike Malim FRS FMedSci (from 1 October 2022)  
Head of School of Immunology & Microbial Sciences, King's College London

**Ordinary Members of Council**

Professor Wiebke Arlt FMedSci  
Professor Sadaf Farooqi FMedSci  
Professor Michael Hanna FMedSci *Until 6 December 2022*  
Professor Margaret (Mandy) MacLean MBE FRSE FMedSci *Appointed 6 December 2022*  
Professor Kathryn Maitland OBE FMedSci  
Professor Neena Modi FMedSci  
Professor Sir Andrew Pollard FMedSci  
Professor Eleanor Riley FRSE FMedSci *Appointed 6 December 2022*  
Professor Ijeoma Uchegbu FMedSci *Until 6 December 2022*  
Professor David Webb FMedSci  
Professor Paula Williamson FMedSci

**Co-opted Members**

Professor Franklin Aigbirhio FMedSci *Appointed 6 January 2023*  
Dr Rebecca Drummond *Re-appointed 6 December 2022*  
Dr Rina Dutti *Re-appointed 6 December 2022*  
Dr Felicity Gabbay FMedSci *Appointed 16 December 2022*  
Dr Rabinder Prinjha FMedSci *Until 6 December 2022*  
Professor Dame Margaret Whitehead FMedSci *Until 6 December 2022*

**Principal Employed Officers****Executive Director**

Mr Simon Denegri, OBE

**Director of Biomedical Grants and Careers Policy**

Dr Suzanne Candy

**Director of Communications and Engagement**

Mr Nick Hillier

**Director of Medical Science Policy**

Dr Rachel Quinn

**Director of Finance and Resources**

Mr Aled Bath

# Our strategic priorities

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Our Council approved a new 10-year vision and strategy at its meeting in April 2022. This document entitled '*Making medical science work for everyone*' was published on 20 June 2022 and focuses on the five following strategic priorities:

- 1. Influence policy and practice to improve the lives of patients, the public and communities.**
- 2. Support UK biomedical and health research to strengthen its global competitiveness and reputation.**
- 3. Support the next generation of researchers to reach their full potential.**
- 4. Work with our partners to increase the Academy's impact on global health.**
- 5. Build our resources to ensure our long-term independence and effectiveness.**

Income and expenditure under the five strategic priorities for the financial year to 31 March 2023 are shown in the Consolidated Statement of Financial Activities at page 24.

# Achievements in the year 2022/23

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During 2022/23 the Academy was able to focus on a broader set of priorities, whilst continuing to support national efforts to recover from and learn from the COVID-19 pandemic.

Working to our five strategic priorities we achieved the following key achievements this year.

## 1. Influence policy and practice to improve the lives of patients, the public and communities

### Tackling the most significant health challenges in our society

- In July 2022, we published our policy position, '[COVID-19: what next?](#)', on priorities to prepare, both for COVID-19 and to address wider health challenges, as we proceeded into winter and beyond. We also submitted evidence to the independent UK Covid-19 Public Inquiry set up to examine the UK's response to and impact of the Covid-19 pandemic.
- We helped shape a report by the All-Party Parliamentary Group on Medical Research on '[Health disparities: Why medical research is a crucial tool for change](#)', published in March 2022. The report calls on Government and other stakeholders to prioritise and fund research to address health disparities.
- We influenced the [England Rare Diseases Action Plan 2023](#) through engagement with those leading on rare diseases policies in all four UK nations, including government, following our 2022 FORUM workshop on '[clinical trials for rare and ultra rare diseases](#)'. The plan commits to explore the next steps from our workshop to make it easier for people living with rare conditions to participate in clinical research.
- Linked to our strategy and statements on climate change, we continued to work on the health co-benefits of possible routes to decarbonisation, and work in conjunction with the National Academies working group on climate change and the UK Health Alliance on Climate Change (UKHACC).
- In partnership with the Royal Society, we also followed-up on our major international policy project on climate change and health, which included our engagement activities in relation to COP27 in 2022.
- In December 2022, the Jean Shanks Lecture was delivered by Professor Peter Jones FMedSci, Professor of Psychiatry, University of Cambridge titled 'Mental health and disorder through a pandemic lens - populations, people, prevention'.
- In July we contributed to the development of the [DHSC's mental health and wellbeing plan](#) placing the views of those with lived experience at the heart of our response.

### Ensuring research is a priority in the NHS and social care

- Through our prior work with partners across the life sciences sector, we secured amendments to the [Health and Care Act 2022](#), which received Royal Assent in April 2022, to ensure that leaders in the NHS in England facilitate and promote research.
- We have continued to make the case for research to be embedded in the NHS as part of recent reforms and have participated in the Advisory Board of the Department of Health and Social Care's programme on clinical research 'Recovery, Resilience and Growth' (RRG).
- We hosted a workshop on [embedding research in public health](#) in October 2022, as well as a series of roundtables with senior leaders in public health research and practice to inform an updated policy position to be published in the near future.
- We scoped a policy project on improving child health, including commissioning a review of the evidence of the economic impact of interventions that aim to improve child physical and mental health. The scoping was informed by workshops with parents and carers of young children that took place in March 2023.

### Influence policy to improve health and strengthen research

- We contributed to the development of Government policy, including its [Women's Health Strategy](#); the independent clinical research advice led by Lord O'Shaughnessy; and the Government Chief Scientific Advisor's pro-innovation regulation review. We also provided advice to Parliamentary inquiries on the governance of AI and Misinformation and trusted voices.
- We partnered with the Royal Academy of Engineering to convene senior leaders from across the health and social care research landscape to discuss bringing a systems approach to address the compound pressures faced by the health and care system. We are considering ways to share this learning wider.
- As part of our 25th Anniversary activities we held a programme of digital and in-person *Spotlight* events where Academy Fellows shared their expertise on topics including media engagement and supporting evidence-based decisions in Government.

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## 2. Support UK biomedical and health research to strengthen its global competitiveness and reputation

### **Harnessing our rich heritage of discovery and translational science**

- The Academy coordinated several cross-sector initiatives ahead of major fiscal and political events calling on the incoming Prime Minister, Rishi Sunak to “back research and innovation” and ahead of the 2022 Autumn Statement, calling on the Chancellor, Jeremy Hunt to “place medical and health research at the heart of economic plans”. Our accompanying media work was covered by many media outlets including BBC News and the BBC Radio 4 Today programme.
- We also met with the new Secretary of State and Minister of State following the establishment of the Government’s new Department for Science, Innovation and Technology in March 2023.
- As part of our major policy study on ‘Future-proofing UK health research’ we hosted three workshops, a roundtable, a series of public dialogue sessions, and a Patient and Carer reference group all of which informed the development of the final report that was published in May 2023.

### **Championing transdisciplinary research across the NHS, social care and public health, academia, charities and industry**

- Our FORUM programme continues to ensure that academia, industry, the NHS, Government, and the charity, regulatory and wider healthcare sector have an independent platform for networking and discussion on scientific opportunities, and technology trends. This year, we hosted workshops on ‘enhancing cross-sector mobility’, ‘accelerating safe and effective adoption of artificial intelligence in the healthcare system: learning by doing’, and ‘enabling the environmental sustainability of biomedical research’.
- The 2022 FORUM Sir Colin Dollery Lecture was given by Professor Dan Roden, Senior Vice President of Personalised Medicine at Vanderbilt University and addressed [‘pharmacogenomics, personalisation and public health’](#).

- Our FORUM programme saw major successes in our commitment to meaningfully engaging patients and the public. 14 public and patient representatives took part in FORUM events ensuring a patient voice across the entire programme.
- Despite the difficult economic situation, the majority of FORUM members have renewed their membership and three new members have joined, taking membership to 40 organisations. This is testament to the value that partners across the sector place in our FORUM programme of work.

### **Fostering a research community that is trusted, open, diverse, collaborative and inclusive**

- In April 2022 we elected 60 new Fellows to the Academy Fellowship from a pool of 366 candidates. 18 were women, representing 30% of new Fellows and 17% were from ethnic minority backgrounds. In December 2022 we elected Professor Marcello Barcinski, Baroness Brown of Cambridge and Hilary Newiss as Honorary Fellows of the Academy.
- We published the Academy’s first [Equity, diversity and inclusion strategy \(2023 – 2026\)](#) on 31 March 2023. The strategy sets out actions under 4 goals to work towards embedding inclusion in our own organisation, practices, work, and the wider medical science sector.
- Throughout 2022/23 we strengthened the voice of medical science in the media by training, coaching and linking scientists with journalists for expert comment. In the calendar year 2022 we received a total of 104 media enquiries that led to coverage across all major print and broadcast outlets. We have continued to grow our social media presence and expanded the range of digital content we have produced, particularly focussing on video content from our events programme. Our Twitter followers grew to 34,010 and posts across all our social media were seen 1.6 million times.



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### 3. Support the next generation of researchers to reach their full potential

#### **Pro-actively broadening the range of people and disciplines engaged in biomedical and health research**

- In 2022/23 we paired 77 mentees with Academy Fellows as mentors, bringing the total number of mentees we've paired to 1,397 since the Mentoring programme began 20 years ago. In September 2022 we held a hybrid event for 41 organisations in countries across Europe, Asia and Africa to support others to set up and run their own mentoring scheme. We commissioned an independent evaluation of the Academy mentoring programme which started in February 2023.
- Our SUSTAIN programme, to support women in their first independent research position, has doubled in capacity to reach two cohorts of 24 participants each year following increased funding from our partners the Medical Research Council, Royal Academy of Engineering and Royal Society. We are also supporting others to run similar programmes, following the publication of a toolkit of information on the key elements of the scheme.

#### **Providing innovative career funding and support that builds the capacity of teams and individuals**

- We have continued to deliver and manage our portfolio of grant schemes that support and develop talented and aspiring researchers. An overall total of £8,837,958 of grant funding was awarded in 2022/23 including £8,278,730 to 119 new grantees. Other schemes include our: Springboard Awards, Starter Grants for Clinical Lecturers, Clinician Scientist Fellowships, Newton Fellowships, GCRF Networking Grants, the Daniel Turnberg Travel Fellowship scheme and the Hamied Foundation UK-India AMR Visiting Professorship scheme.
- We completed an independent evaluation review of the Academy of Medical Sciences/The Health Foundation Clinician Scientist Fellowship scheme in July 2022. Key findings showed that the scheme filled a much-needed gap in supporting and developing future Clinical Academic leaders and it was reported that for every £1 awarded to fellows at the start of their fellowship, over £19 was secured in follow on funding.

- A total of four new AMS Professorships were awarded in 2022/23. The scheme is designed to attract and retain emerging talent from across the globe to the UK. It has continued to gain momentum since its launch in 2019 and there is now a cohort of 16 awardees. These individuals are also benefiting from careers support and access to the Academy's extensive network across academia, industry and healthcare.
- Round 9 of the AMS Professorship scheme launched in May 2023. Our unique programme Future Leaders in Innovation, Enterprise and Research (FLIER) programme helps develop leaders of the future who can create collaborations across academia, industry, the NHS and government to drive innovation. In June 2022, 19 participants were selected from 62 applicants for the third cohort of FLIER. In April 2022 we published an independent evaluation report of FLIER cohorts 1 and 2 that highlighted impacts including new cross-sector collaborations and partnerships, career progressions and increased leadership responsibilities.
- Our INSPIRE programme, funded by the Wellcome Trust, aims to excite preclinical/clinical students about the benefits and potential of a research career. In October 2022 the INSPIRE panel made 14 awards totalling £429,626 going to a total of 45 schools, including 6 new medical schools.

#### **Ensuring biomedical and health research has a clear, effective and attractive career pathway**

- We held our Clinical Academics in Training Annual Conference (CATAC) in Bristol in May 2022 - our first hybrid CATAC conference following national lockdowns during the pandemic. This unique cross-specialty event brings together clinical academics from medical, dental, and veterinary backgrounds together to present their work.
- We continue to mitigate the impact of the pandemic upon our applicants and award-holders by requesting COVID-19 impact statements as part of the assessment process, by taking a flexible approach to granting no-cost extensions, and where possible, we have provided additional funding. We led a cross-funder statement on COVID-19 in future grant applications, signed by 27 research funders who have committed to remember and recognise the impacts of COVID-19 on grant applicants' work.
- We continue to support our community of current and past grant awardees and programme participants through our PILLAR and HIVE programmes. We held our annual HIVE event in September 2022 for our alumni, with a focus on cross-sector working.

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## 4. Work with our partners to increase the Academy's impact on global health

### Growing our European and global partnerships and their reach

- We extended our engagement with countries of scientific strength including renewing a new five-year Memorandum of Understanding with the [US National Academy of Medicine \(NAM\)](#). This ceremony in July 2022, involving the Presidents of both Academies, coincided with a joint hybrid meeting on climate change and health held in Washington DC and London.
- We continued to engage with European partners and EU institutions via the Federation of European Academies of Medicine (FEAM). This ensured continued participation of UK experts in pan-European discussions such as the project on Pan-European Response to the Impacts of COVID-19 and future Pandemics and Epidemics (PERISCOPE). We delivered joint policy meetings with the French Academy of Medicine and the Royal Dutch Academy of Sciences. We also visited Academies in Portugal, Germany and Switzerland with our Vice President (International) to discuss strategic priorities and opportunities to work together in the future.
- The Academy became a formal member of the International Science Council (ISC), enabling us to build on our strengths as a trusted voice for global health and science issues. The ISC brings together more than 230 members, including international scientific unions and associations from natural and social sciences, the humanities, and national and regional scientific organisations such as academies and research councils. We continue to be an active member of the InterAcademy Partnership (IAP), the UK Health Alliance for Climate Change and other international networks.
- Two Academy nominated researchers were included in the 2022 Young Physicians Leaders (YPL) programme of the InterAcademy Partnership. The programme targets emerging leaders (under the age of 40) working in medicine and public health around the world and links them together in a peer-support network with leadership development opportunities. The two researchers also attended the World Health Forum in Berlin in October 2022.
- In response to the Russian invasion of Ukraine, the Academy worked in partnership with [Cara](#) (the Council for At-Risk Academics) and the other UK National Academies to establish a Researchers at Risk Fellowship Programme offering support to Ukrainian-based researchers. In its first year, the Programme supported 177 Ukrainian academics and 200 dependents to relocate to the UK.

### Extending the international influence of the Academy's policy work.

- In November 2022 our Lancet International Health Lecture, 'Has traditional academic medicine had it's day?' by Professor Victor Dzau, President of the US National Academy of Medicine entitled was attended by over 200 participants from around the world.
- We utilised our global connections to complete a policy report on global health inequalities in access to healthcare with the InterAcademy Partnership. We held 3 policy workshops in 2022/23, with around 60 participants across the three meetings. The final report and a shorter policy statement highlighted a potential research framework for action was shared with key stakeholders and networks.
- We have worked in important partnership across low- and middle-income countries through our Overseas Development Assistance (ODA) funding from DSIT. This has included a policy workshop on mental health across sub-Saharan Africa with the Academy of Sciences South Africa (ASSAf) and policy workshops on one health in Kenya and Brazil.
- Ahead of the COP27 summit in Egypt, we signed a letter to Alok Sharma MP as a member of the UK Health Alliance for Climate Change, calling for health to take a greater precedence in the summit's discussions. We also provided input on a policy brief presented at COP27, prepared by the Egyptian Academy of Science and Technology, British Council in Egypt and UK Universities Climate Network, to inform policy makers about the health implications of climate change.

### Enabling more international researchers to access our career support.

- This year we piloted a series of three researcher capacity building workshops in South Africa, Kenya and Brazil. The half day workshops were held following the international policy workshops above and participants discussed the opportunities and challenges to forging a research career.
- In 2022/23, we delivered a further round of our GCRF Networking Grant scheme that supports the development of research networks between the UK and partners in low- and middle-income countries. We made 23 awards totalling £567,258.
- The Academy continues to aspire to be 'more than a funder', and in March 2023 we delivered a celebratory event for all our Newton Awardees – past and present to support them with developing their networks.

- One of the Academy's key policy objectives this year has been to secure UK association to Horizon Europe, the EU's flagship funding programme, believing it to be in the best interest of science. Our influencing activities have involved high-level contact with the UK Government as well as working with our Sister Academies across Europe. We have also worked with Government and other National Academies to plan for a scenario in which association cannot be achieved. These plans would be launched as UK domestic alternatives to Horizon Europe and, in the Academy's case, ensure the needs of the biomedical and health research community are reflected appropriately. Our proposed schemes would involve a scaling up of our International Fellowships in number, value and duration and the development of new and innovative schemes targeted at researchers at the mid-career stage. These plans are referenced in the Government's 'Pioneer' prospectus published in April 2023. The Academy has also introduced several organisational changes to support this development work and utilising funding to support our stakeholder engagement, plan for alternative scenarios and undertake preparatory activity to launch alternative schemes.

## 5. Build our resources to ensure our long-term independence and effectiveness

### **Diversifying our income to protect our independence and agility**

- During 2022/23 we made progress diversifying our sources of funding securing a significant pledge from the Wolfson Foundation to refurbish our conference suite at 41 Portland Place. We were also grateful to receive a significant donation from a Fellow towards our activities to support career development.
- The Academy expanded its fundraising team and activities to increase and diversify the philanthropic funding it receives. This included introducing new Major Donor and Individual Giving fundraising strategies to increase the Academy's group of donors. To support this work the Academy's first Impact Report was produced and a new Fundraising Advisory Group is being formed to support the development of donor relationships.
- Over the year we were most grateful for the Academy's regular donors who continued to support our work donating to a variety of activities. We were glad to thank our Helix Group of 135 regular donors in person at the annual Helix Group Reception held at 41 Portland Place in March.

### **Becoming a truly UK wide Academy with collaborators and partners in the devolved nations and all UK regions**

- Working with our Regional Champions we held in-person events across the UK. Highlights included an event in Belfast in June 2022 where our President launched our new 10-year strategy, an [event in Liverpool](#) in October 2022 which included our first Council meeting outside of London and an [event in Edinburgh](#) in February 2023 with the Royal Society of Edinburgh to discuss how to address health challenges in Scotland through evidence-based decision making.
- In September 2022 we launched our first cross-sector networking hub pilot in Wales, partnering with the Life Sciences Hub Wales. The programme, funded by DSIT and Wellcome, aims to promote health innovation by supporting greater cross-disciplinary and pan-sector connectivity and collaboration by researchers.
- During 2022/23 we commenced the planning for a programme of events and communications around our 25th Anniversary to showcase and bring together our partners and community from across the UK.
- In 2022/23 we created an Academy net zero working group to develop our plan to work towards net zero by 2024. The group focussed on preparing our first Carbon Reduction Strategy – Baseline Greenhouse Gas (GHG) Footprint Report and an energy usage report, which enabled us to identify a number of immediate actions to improve our environmental sustainability. As a result, we now offer a vegetarian menu by default for Academy events hosted at 41 Portland Place, have started initiatives to reduce energy usage in 41 Portland Place and increased digital collaboration to reduce harmful emissions associated with travel.

### **Attracting and investing in the best people to be part of our team**

- As a rapidly growing organisation we have responded to the associated challenges by investing in an Organisational Development Specialist and the expansion of our Human Resources team to ensure the Academy is in the best possible position to deliver our strategy and mission. The focus is on ensuring our organisational structures, processes and ways of working are fit-for-purpose and ensure our continued efficiency and effectiveness as a staff group.
- In 2022/23 we undertook a project to convert office space in 41 Portland Place into an agile working hub to provide improved facilities for our staff to meet and engage with colleagues and external partners.

# Looking ahead

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2022/23 was the first year of the Academy's new 2022-2032 Strategic Plan. The new strategy titled 'Making medical science work for everyone' focuses on our vision to achieve good health for all supported by the best research and evidence and our mission to help create an open and progressive research sector to improve the health of people everywhere.

Our Council has agreed a number of measures for our strategy, that by 2032, we will have delivered:

- An Academy Fellowship and alumni network that is more reflective of the society we live in and that includes a broader diversity of thought, expertise, and backgrounds.
- Increasing our contribution to, and influence on, policy and practice that will drive the greatest health gains for society.
- Meaningfully involving patients and the public across all our activities and in the way we work.
- Building collaborations that reflect the breadth of expertise across medical sciences, our health and social care, and the many disciplines relevant to health.
- Supporting researchers of today to develop the skills and expertise needed so they are excelling as leaders in 2032.
- Demonstrating agility, innovation, efficiency and environmental sustainability.

## 2023/24 strategic priorities

In 2023 we will be publishing a detailed delivery plan for the implementation of our strategy to cover 2023/24 and 2024/25. The near-term highlights are anticipated to include:

### **To improve the lives of patients, public and communities we will:**

- Engage with partners across the UK life sciences sectors and people with lived experience to address significant health challenges, including improving the health of the public, ensuring research is a priority in the NHS, and child health.
- Develop agile, timely and effective influencing activities that respond to issues that matter to medical sciences, decision makers, patients and the public.
- Increase the Academy's profile with the public as an independent and trusted voice helping people make decisions about their health through continued engagement with the media and supporting scientists to comment on breaking stories on science and health.

### **To support UK biomedical and health research to strengthen its global competitiveness and reputation we will:**

- Influence Government and industry to support research and innovation with sustained investment.
- Publish our report on "Future-proofing UK health research: a people-centred, coordinated approach" and work with stakeholders across the UK to ensure its findings are implemented.
- Build key skills in the research community through the Academy's innovative career schemes and support such as HIVE, SUSTAIN and our International Programme.
- Expand our regional cross sector hubs by launching a second hub in Scotland.
- Enable and support more productive collaboration between the NHS, academia, industry, and patients and the public through our digital platforms and hosting impactful FORUM cross-sector events.

### **To support the next generation of researchers to reach their full potential we will:**

- Continue to evolve our Fellowship to be diverse, relevant, and energetic in meeting the needs of the biomedical and health profession and the society it represents by continuing our nominations masterclasses and working towards the goals identified in our recently published EDI strategy.
- With the support of our partners continue to expand our grant schemes and programmes so that more researchers of all backgrounds can benefit from them.
- Continue our FLIER programme so that more researchers of all backgrounds can benefit.
- Through our 25th anniversary programme provide emerging research leaders (ERLs) with a greater voice and influence including bringing over 100 ERLs together for an Open Space meeting in Birmingham.

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**To increase the Academy's impact on global health we will:**

- Make our most successful emerging research leader schemes accessible to international researchers, including those in lower- and middle-income countries.
- Expand the range and reach of our international collaborations to build research capacity and support research careers including through joint global health policy workshops, responsive international policy meetings and engaging meaningfully with European partners.
- Connect with a diverse range of people and professionals in our global activities, actively seeking inclusion of those underrepresented in the countries we work in.
- Continue to demonstrate our commitment to equitable partnerships.

**To strengthen our organisation we will:**

- Develop major donor fundraising opportunities as part of our 25th anniversary programme and identify opportunities to expand our commercial offering.
- Continue to modernise and invest in our London-base to derive the greatest value for our Fellows and beneficiaries.
- Continue to put health and wellbeing at the heart of our organisational values culture.
- Develop our net zero plan to be published in 2024 including clear targets covering our operations, reporting publicly on progress in our annual report.
- Expand our commitment to public involvement in our decisions and activities including delivering our pilot scheme to bring patient voices into the heart of Academy governance meetings.
- Conduct a full governance review of the Academy's structures, decision-making and processes to ensure it is an exemplar of good practice.

## Equity, diversity and inclusion

We are committed to working towards full equity of opportunity for all, embedding inclusion in our own organisation, practices, work, and the wider medical science sector.

Our [equity, diversity and inclusion strategy](#) was published in 2023. It sets out the following 4 goals to help us achieve our mission to become a trusted voice in equity, diversity and inclusion:

1. Diversify our Fellowship
2. Support a biomedical and health research culture that promotes and values equity, diversity and inclusion
3. Review and diversify governance process across the organisation
4. Grow the diversity of our staff

The strategy also includes principles and behaviours rooted in the Academy's values to guide our work, partnerships and collaborations.

# Governance

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## Structure, governance and management

### Royal Charter

The Academy of Medical Sciences has operated as a registered charity and company limited by guarantee since its incorporation in 1998. It was granted a Royal Charter in June 2019 and on 26 June 2019 Fellows approved in principle the transfer of all the assets and liabilities from the charitable company to the new Royal Charter body. The Academy's Royal Charter was sealed on 3 September 2019, from which date the new Academy of Medical Sciences Royal Charter body came into being, with Companies House reference RC000905. The Charity Commission entered the new entity onto the Register of Charities on 16 September 2019 with registered charity number 1185329. The assets and liabilities of the Academy as a charitable company were transferred to the new Royal Charter body on 30 November 2019 and from 1 December 2019 all activities previously operated by the charitable company have been managed by the Royal Charter body.

The Charter body is the sole corporate member of the Academy charitable company effectively establishing the latter as a subsidiary of the Academy Charter body. The previous charitable company was dissolved on 11 May 2021.

### Fellowship

The Academy is one of the five National Academies of the UK and at 31 March 2023 had 1,394 Fellows, who are members of the company. The Academy elects Fellows on the basis of sustained and outstanding contributions to the breadth of medical research, including biomedical, clinical and population sciences, as well as veterinary medicine, dentistry, nursing, medical law, health economics and bioethics. Fellows of the Academy are elected for life and designate themselves with the suffix 'FMedSci'. New Fellows are admitted to the Academy at a ceremony in June. 60 new Fellows were elected in 2022 from a pool of 366 candidates through a rigorous process of peer review, scrutiny from eight Sectional Committees and final election by Council in April.

### Governance

The Academy is governed by a Council of 15 Fellows, which meets five times per year. Members of Council are elected from the Fellowship, with nominees confirmed by a ballot of the Fellowship. Council may co-opt up to 5 additional Fellows to provide a balance of expertise. Fellows elected to Council are amongst the UK's leading medical scientists and hold senior positions in medical schools, universities, research institutes, industry and the civil service; they are well qualified to provide the Academy with the necessary guidance and leadership to achieve its objectives. Fellows elected to Council hold office for three years before retiring at the Annual General Meeting in December. Two Emerging Research Leader representatives serve as co-opted members of Council to reflect the importance of this community to the Academy's work and influence.

The Council includes six Honorary Officers: President, Vice-President (Clinical), Vice-President (Non-clinical), Vice-President (International), Treasurer and Registrar. The Honorary Officers are elected by Council from nominations received from the Fellowship; they hold office for four or five years, with one (or two) of the six retiring each year.

The Honorary Officers and Council set the strategic direction of the Academy and oversee the work of the secretariat. Academy activities are selected by Council for the contribution they make towards the Academy's strategic goals, and are informed by the independent opinion, experience and expertise of the Fellowship. Council is advised by a small number of committees, including the group of Honorary Officers, who meet six times per year. The Finance Committee, chaired by the Treasurer, meets three times a year and is responsible for overseeing all financial aspects of the Academy's activities on behalf of Council, including liaison with auditors, investment managers and other advisers. A Nominations Committee advises Council on the election of Honorary Officers, Honorary Fellows, Council members and other appointments.



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### **Trustee selection, induction and training**

One third of Council stand down in December of each year, and new members are elected via a ballot of the Fellowship in October each year. Only Fellows of the Academy may stand for Council, and candidates require nomination by three Fellows. Between one third and one half of the Fellowship votes in the Council ballot, which is conducted electronically by an independent electoral services provider and the results announced to the Fellowship shortly after. New members attend their first Council meeting in February. They are inducted at a dedicated session following the Council meeting and are provided with information relating to their responsibilities as trustees of the charity. This includes a presentation from the Academy's legal advisers, along with financial information, strategic and annual objectives, and an overview of current activities.

### **Management and staffing**

Day-to-day management of the Academy is delegated to the Executive Director who is supported by a Senior Leadership Team of four Directors responsible for Finance and Resources, Grants and Careers, Medical Science Policy and Communications. At 31 March 2023 the Executive Director led a permanent staff of 60, with 12 fixed-term posts to support teams with particular needs for additional resource.

### **Policy for setting remuneration for senior management**

The Academy operates a Pay and Reward Policy for all staff that encompasses salary, employee benefits, training and development, job content and promoting work/life balance. Salaries are set within a broad pay band structure at each grade, with minimum and maximum salary levels informed by independent salary benchmarking carried out by a specialist company. Salary progression is based on performance, as monitored during the year and assessed annually against objectives and competencies agreed between the line manager and staff member. The performance of the Senior Leadership Team is monitored via regular one-to-one meetings with the Executive Director (and the Executive Director with the President), assessment against objectives and an annual review process, which is discussed at the annual appraisals. The salary budget for the year ahead including that for the Executive Director, is approved by the Finance Committee at its February meeting. During 2022/23 the Academy reviewed the annual increase in the cost of living, and in-line with the policy the salary bands and ranges were uplifted accordingly.

### **Volunteers**

The Academy is grateful for the valuable contribution to its work that is made voluntarily by both Fellows and non-Fellows. Fellows serve the Academy without compensation in a range of activities: as Honorary Officers (who typically contribute between two and six days a month to Academy business), Council members and committee members, as members of working groups, as speakers and participants in symposia, as providers of evidence for Academy studies, as peer reviewers for grant applications, as mentors to early career researchers, and in many more ways. Fellows also act as Academy representatives on many external bodies.

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## **Risk management**

The Finance Committee advises Council on the risks to which the Academy is exposed. It does this by regularly reviewing all elements of Academy business to ensure that potential risks are identified, and processes implemented to mitigate those risks. The senior management team discusses business risks quarterly and updates the risk register for Finance Committee to review.

The key strategic risk of the Academy continues to be the risk to its reputation; this is managed in a number of ways, including by ensuring that all the Academy's activities are directed and prioritised as a result of its strategic plan, and not as a result of an individual funder, in order to safeguard its independence. All Academy reports are scrutinised by review groups of Fellows and approved by Council to provide quality assurance. Grant schemes and programmatic activities are monitored and evaluated by staff, panels, Officers and Council to ensure that they are robust, and the quality of research being supported is of a satisfactory quality.

The other key strategic risks relate to:

- The sustainability and diversity of funding and reflects the need to increase unrestricted funding to build additional reserves and resilience. This is monitored by the Finance Committee through regular review of the financial projections and reserves policy. The Academy maintains strong relationships with key funders to manage the risks of a reduced funding.
- Further disruption due to a pandemic, which is managed by the Senior Leadership Team, Business Continuity Group and Trading Company through the monitoring of KPIs and delivery of mitigating action plans.
- Staff wellbeing and retention: risk that remote / agile working, increased cost of living and other factors negatively impact staff wellbeing, give rise to increased absence, staff turnover and risk of claims.

## **Public benefit**

Council has discussed the implications of the provisions of the Charities Act 2011, which states that all charities must demonstrate that they are established for public benefit and have had due regard to the public benefit guidance issued by the Charity Commission. Council is confident that activities planned under the five strategic priorities fulfil the Academy's mission to ensure that advances in medical science are translated into healthcare benefits to the public.

## **Grants**

The Academy's targeted research funding schemes are offered to a range of aspiring medical researchers. Each of the schemes operate specific eligibility and funding criteria, but all schemes are aimed at supporting those who demonstrate significant potential. The schemes are widely publicised, and a robust selection process is operated; final appointments are made by an expert panel, which may draw on peer reviews by Academy Fellows. Grant holders are required to submit progress reports, which are reviewed by experts in the field.



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### **Subsidiary and related parties**

The Academy has a wholly owned subsidiary company, Academy of Medical Sciences Trading Limited, which was incorporated in England and Wales on 25 February 2010 with registered number 07170258. The shareholding of £1,000 in £1 shares is held by the Academy Royal Charter body. A loan of £100,000 secured by a debenture is also held by the Academy Royal Charter Body. The Directors of the trading subsidiary are the Treasurer, the Executive Director of the Academy, the Academy's Head of Fundraising and one independent Director. The Finance Committee routinely considers whether the trading company continues to represent a good investment for the Academy at its June meeting.

On 3 December 2019, the Royal Charter body was made the sole corporate member of the Academy charitable company, registered number 03520281, and the company was a subsidiary until 11 May 2021 when it was dissolved. Trading and activity ceased in the charitable company with effect from 1 December 2019.

### **Relationships with other charities and organisations**

The Academy has close connections with a number of organisations with which we co-operate to deliver our charitable objectives, and who generously support our work. Over the course of 2022/23 this included (but was not limited to): UK government Department for Science, Innovation and Technology (DSIT) (formerly known as the Department for Business, Energy and Industrial Strategy or BEIS), Department of Health and Social Care (DHSC), and the National Institute for Health and Care Research (NIHR), the Wellcome Trust, Medical Research Council, the Dennis & Mireille Gillings Foundation, Association of Physicians of Great Britain and Ireland, British Heart Foundation, Versus Arthritis, the Health Foundation, the Foulkes Foundation, the Yusuf and Farida Hamied Foundation, the Jean Shanks Foundation, the Lord Leonard and Lady Estelle Wolfson Foundation, Diabetes UK, the Lancet, the Royal Society, Royal Academy of Engineering, along with all the members of the Academy's FORUM, and donors to the Daniel Turnberg Memorial Fund including the Wolfson Family Charitable Trust and Haskel Family Foundation.

The Academy gratefully acknowledges the generosity of the many trusts, companies, Fellows and individuals who have supported our work through pledges, contributions and donations over the last year, including those that are part of the Academy's FORUM and Helix Group.

# Financial review

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The Consolidated Statement of Financial Activities (SOFA) and Balance Sheet, together with the Notes to the Accounts set out on pages 27-43, show the overall financial performance of the Academy group and provide an analysis of the incoming resources and how they were applied in the performance of the Academy's strategic priorities.

## Results for the year

The results for the financial year to 31 March 2023 are being reported against the background of significantly increasing levels of business activity following the global COVID-19 pandemic. During the financial year to 31 March 2023, activity exceeded levels prior to the pandemic resulting in a significantly improved position at 31 March 2023. The Academy's core funds increased by £2.1 million with a General Fund balance at 31 March 2023 of £5.0 million, and the total of unrestricted funds was £8.6 million representing 53% of the total funds of £18.3 million.

Increases in activity and programmes resulted in income increasing in 2022/23 by 7.8% to £19.1 million. The overall increase in expenditure of 12.9% to £16.3 million reflected the increase in programme resources, more in-person events, improvements to 41 Portland Place, and general inflation across most cost categories.

### Funding sources

Total incoming resources for 2022/23 were £19.1 million of which £16.7 million was received from charitable activities, all of which was provided to support specific projects and included as part of restricted income. Restricted income increased by £0.7 million from the previous year, which was principally because of additional funding from the Department for Science, Innovation and Technology (DSIT) (formerly the Department for Business, Energy and Industrial Strategy - BEIS) for new programmes.

Several of the Academy's grant schemes are funded by consortia of funders including DSIT. In 2022/23 DSIT provided a total of £8.7 million to those schemes, and a further £3.3 million to career programmes, international and UK policy activities. Along with the Department of Health and Social Care and the National Institute for Health and Care Research, the total of government funding for activities in 2022/23 was £12.4 million.

Unrestricted income for the year was £2.1 million of which £883,454 was generated by the trading subsidiary. This was an increase of 55% from 2021/22, as a result of business recovering further following COVID-19 restrictions in recent years. The trading company provided 42% of General Fund income for the year (2021/22 - 42%).

### Expenditure

Total expenditure was £16.3 million, an increase of £2.1 million on the prior year, the majority of which related to more activities under our strategic priority *influence policy and practice to improve the lives of patients, the public and communities* and the increase in trading activity with the remainder spread across our other activities.

Support costs increased by 32% to £1.7 million, due principally to our strategic priority to strengthen the Academy's operation combined with high levels of cost category inflation.

## Cash and investment management

Investments were valued at £3,320,997 at 31 March 2023 with a £335,589 decrease in market value. The investments were held in the Sarasin Endowments and the Sarasin Income and Reserves Fund, in proportions agreed with the investment managers to fulfil the investment objectives of the four individual portfolios. The Finance Committee confirmed that those objectives were being achieved at their meeting in February 2023.

The Academy's portfolios at Sarasin performed satisfactorily in the calendar year 2022/23 against the background of challenging economic conditions and falls in the financial markets.

The terms of the Academy's grant schemes require that substantial cash deposits are received from funders in advance of award rounds and at 31 March 2023 cash on deposit was £11.6 million. The cash management policy, which is reviewed regularly by the Finance Committee, recommends the diversification of deposits with the use of pooled cash deposit funds and the placing of cash on term deposit with selected banks.

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## Reserves

The Academy's reserves at 31 March 2023 were £18.3 million an increase of £2.5 million from 31 March 2022. The reserves were made up as follows:

|                                     | £                 |
|-------------------------------------|-------------------|
| <b>Permanent Endowment</b>          | 1,932,416         |
| <b>Restricted Funds</b>             | 7,777,718         |
| <b>Unrestricted Funds</b>           |                   |
| Designated Funds                    | 3,539,553         |
| General Fund                        | 5,018,715         |
| <b>Total Funds at 31 March 2022</b> | <b>18,268,402</b> |

The Finance Committee reviews the level of reserves regularly to ensure that they are appropriate for the purposes for which they are retained. These purposes are set out in Note 13 to the Accounts.

There was no expenditure on the Designated Development or Building Repair Fund in the year.

## Reserves policy

The Finance Committee regularly reviews the level of reserves retained in the General Fund with reference to the income sources and assets of the Academy. At its meeting on 13 June 2023 the Finance Committee approved an uplift to the target minimum level of reserves, in terms of General Fund resources to £2.6 million reflecting the increased costs of the Academy's operational platform. This level of reserve would allow the Academy to restructure activities to a level that would be appropriate for a reduced amount of income, in the event of a significant shortfall in core funding. At 31 March 2023, the General Fund was £5.0 million and above the required minimum.

# Statement of Trustees' responsibilities

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The Council of trustees (who are also directors of the Academy for Medical Sciences for the purposes of company law) are responsible for preparing the Report of the Council (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Group and parent charitable company and of the incoming resources and application of resources, including the income and expenditure of the Group and parent charitable company for that period. In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Council on 22 June 2023 and signed on its behalf by:



**Professor Dame Anne Johnson PMedSci**  
President

# Independent auditor's report to the trustees and members of the Academy of Medical Sciences

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We have audited the financial statements of the Academy of Medical Sciences (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated and Parent Charitable Company Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and the parent charitable company's affairs as at 31 March 2023, and of the group's 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and 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 group's or parent 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.

## **Other information**

The other information comprises the information included in the Report of the Council, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Council. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **Opinions 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 Report of the Council, which includes the strategic report and the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Report of the Council have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Report of the Council.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

## **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 group and parent charitable company 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 group and parent charitable company financial statements, the trustees are responsible for assessing the group and parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the group and parent charitable company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and application of cumulative audit knowledge and experience.
- We determined the principal laws and regulations relevant to the group and parent charitable company in this regard to be those arising from the Charities Act 2011, Companies Act 2006, Financial Reporting Standard 102, and relevant employee legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent charitable company with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes and review of legal and regulatory correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was potential for management bias in the valuation of the property at 8 Weymouth Mews. For the year to 31 March 2023, we reviewed the desktop exercise undertaken by the Trustees to ascertain the fair value at that point in time, tested the accuracy and completeness of inputs to their calculation, and challenged the assumptions applied in the valuation for example by agreement to third party metrics.

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- We also identified potential for management bias in the allocation of support costs against charitable activity categories. We addressed this through reviewing the method used for reasonableness, and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
  - We also identified potential for management bias in the timing of recognition of income from grants. We addressed this through review of all material grant agreements to ensure correct treatment under the Charities SORP, including consideration of the accounting period in which income should be recognised.
  - As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### **Use of 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Alastair Duke**

*Senior Statutory Auditor*

For and on behalf of PKF Littlejohn LLP

Statutory Auditor

Date: 1 August 2023

15 Westferry Circus  
Canary Wharf  
London E14 4HD

# Consolidated statement of financial activities

for the year ended 31 March 2023

(Incorporating an income and expenditure account)

|  | Note | General Fund<br>£ | Other Unrestricted Funds<br>£ | Restricted Funds<br>£ | Permanent Endowment Funds<br>£ | Total 2023<br>£   | Total 2022<br>£   |
|--|------|-------------------|-------------------------------|-----------------------|--------------------------------|-------------------|-------------------|
| <b>Income from:</b>                                  |      |                   |                               |                       |                                |                   |                   |
| Donations  |      | 1,103,222         | -                             | 157,115               | -                              | <b>1,260,337</b>  | <b>804,401</b>    |
| Charitable activities                                |      | -                 | -                             | 16,722,855            | -                              | <b>16,722,855</b> | <b>16,062,554</b> |
| Trading activities                                   |      | 898,804           | -                             | -                     | -                              | <b>898,804</b>    | <b>725,090</b>    |
| Investments  |      | 99,496            | 22,793                        | 58,026                | 10,532                         | <b>190,847</b>    | <b>109,577</b>    |
| <b>Total income</b>                                  | 3    | <b>2,101,522</b>  | <b>22,793</b>                 | <b>16,937,996</b>     | <b>10,532</b>                  | <b>19,072,843</b> | <b>17,701,622</b> |
| <b>Expenditure On:</b>                               |      |                   |                               |                       |                                |                   |                   |
| <b>Raising funds</b>                                 |      |                   |                               |                       |                                |                   |                   |
| Cost of Generating Funds                             |      | 208,812           | 1,010                         | 2,172                 | -                              | <b>211,994</b>    | <b>97,248</b>     |
| Trading operations                                   |      | 542,064           | -                             | -                     | -                              | <b>542,064</b>    | <b>323,765</b>    |
|  |      | <u>750,876</u>    | <u>1,010</u>                  | <u>2,172</u>          | <u>-</u>                       | <b>754,058</b>    | <b>421,013</b>    |
| <b>Charitable activities</b>                         |      |                   |                               |                       |                                |                   |                   |
| Support UK biomedical and health research            |      | 364,406           | 1,365                         | 364,256               | -                              | <b>730,027</b>    | <b>605,355</b>    |
| Support the next generation of researchers           |      | 1,178,387         | 58,144                        | 10,967,470            | -                              | <b>12,204,001</b> | <b>11,948,560</b> |
| Influencing policy and practice                      |      | 377,383           | 8,563                         | 1,411,391             | -                              | <b>1,797,337</b>  | <b>688,578</b>    |
| Increase the Academy's impact on global health       |      | 33,250            | 1,629                         | 600,195               | -                              | <b>635,074</b>    | <b>523,511</b>    |
| Build our resources                                  |      | 14,484            | 709                           | 188,479               | -                              | <b>203,672</b>    | <b>-</b>          |
|  |      | <u>1,967,910</u>  | <u>70,410</u>                 | <u>13,531,791</u>     | <u>-</u>                       | <b>15,570,111</b> | <b>13,766,004</b> |
| <b>Total Expenditure</b>                             | 4    | <b>2,718,786</b>  | <b>71,420</b>                 | <b>13,533,963</b>     | <b>-</b>                       | <b>16,324,169</b> | <b>14,187,017</b> |
| <b>Net income before investment gains / (losses)</b> |      | (617,264)         | (48,627)                      | 3,404,033             | 10,532                         | <b>2,748,674</b>  | 3,514,605         |
| <b>Gains / (losses) on investments</b>               | 9    | (62,391)          | (71,873)                      | (132,972)             | (68,353)                       | <b>(335,589)</b>  | (39,870)          |
| <b>Transfers between funds</b>                       | 14   | 2,763,628         | (461,099)                     | (2,302,529)           | -                              | -                 | -                 |
| <b>Net movement in funds</b>                         |      | <u>2,083,973</u>  | <u>(581,599)</u>              | <u>968,532</u>        | <u>(57,821)</u>                | <b>2,413,085</b>  | 3,474,735         |
| <b>Funds 01 April</b>                                |      | <b>2,934,742</b>  | <b>4,121,152</b>              | <b>6,809,186</b>      | <b>1,990,237</b>               | <b>15,855,317</b> | <b>12,380,582</b> |
| <b>Funds 31 March</b>                                | 13   | <b>5,018,715</b>  | <b>3,539,553</b>              | <b>7,777,718</b>      | <b>1,932,416</b>               | <b>18,268,402</b> | <b>15,855,317</b> |

All amounts relate to continuing operations.

There are no recognised gains or losses other than those in the statement of financial activities.

The notes on pages 27-43 form part of these financial statements.



# Balance sheets

as at 31 March 2023

|  | Note | Group<br>2023<br>£ | Charity<br>2023<br>£ | Group<br>2022<br>£ | Charity<br>2022<br>£ |
|--|------|--------------------|----------------------|--------------------|----------------------|
| <b>Fixed assets</b>                            |      |                    |                      |                    |                      |
| Tangible fixed assets                          | 8    | 3,638,645          | 3,638,645            | 3,796,253          | 3,796,253            |
| Investment property                            | 9b   | 1,200,000          | 1,200,000            | 1,200,000          | 1,200,000            |
| Investments                                    | 9a   | 3,320,997          | 3,321,997            | 3,655,890          | 3,656,890            |
|  |      | <b>8,159,642</b>   | <b>8,160,642</b>     | <b>8,652,143</b>   | <b>8,653,143</b>     |
| <b>Current assets</b>                          |      |                    |                      |                    |                      |
| Debtors  | 10   | 3,112,323          | 3,186,442            | 2,982,054          | 3,028,133            |
| Stock  |      | 8,106              | -                    | 7,060              | -                    |
| Cash on deposit                                |      | 11,614,575         | 11,614,575           | 8,090,223          | 8,090,223            |
| Cash at bank and in hand                       |      | 759,340            | 422,105              | 761,738            | 381,963              |
|  |      | <b>15,494,344</b>  | <b>15,223,122</b>    | <b>11,841,075</b>  | <b>11,500,319</b>    |
| <b>Current liabilities</b>                     |      |                    |                      |                    |                      |
| Creditors: amounts falling due within one year | 11   | <b>(5,385,584)</b> | <b>(5,205,070)</b>   | <b>(4,637,901)</b> | <b>(4,510,822)</b>   |
| <b>Net current assets</b>                      |      |                    |                      |                    |                      |
|  |      | <b>10,108,760</b>  | <b>10,018,052</b>    | <b>7,203,174</b>   | <b>6,989,497</b>     |
| <b>Net assets</b>                              |      |                    |                      |                    |                      |
|  |      | <b>18,268,402</b>  | <b>18,178,694</b>    | <b>15,855,317</b>  | <b>15,642,640</b>    |
| <b>Represented by:</b>                         |      |                    |                      |                    |                      |
| Permanent endowment funds                      | 13   | <b>1,932,416</b>   | <b>1,932,416</b>     | <b>1,990,237</b>   | <b>1,990,237</b>     |
| Restricted funds                               |      | <b>7,777,718</b>   | <b>7,777,718</b>     | <b>6,809,186</b>   | <b>6,809,186</b>     |
| Unrestricted funds:                            |      |                    |                      |                    |                      |
| General fund                                   |      | <b>5,018,715</b>   | <b>4,929,007</b>     | <b>2,934,742</b>   | <b>2,722,065</b>     |
| Designated funds                               |      | <b>3,539,553</b>   | <b>3,539,553</b>     | <b>4,121,152</b>   | <b>4,121,152</b>     |
| <b>Total funds</b>                             |      |                    |                      |                    |                      |
|  |      | <b>18,268,402</b>  | <b>18,178,694</b>    | <b>15,855,317</b>  | <b>15,642,640</b>    |

Approved by the Council and authorised for issue on 22 June 2023, and signed on its behalf by:



President  
**Professor Dame Anne Johnson PMedSci**



Treasurer  
**Professor Ed Bullmore FMedSci**

The notes on pages 27-43 form part of these financial statements.  
Company Number RC000905

# Consolidated statement of cash flows

for the year ended 31 March 2023

|  |                 | Group<br>2023<br>£ | Charity<br>2023<br>£ | Group<br>2022<br>£ | Charity<br>2022<br>£ |
|--|-----------------|--------------------|----------------------|--------------------|----------------------|
| <b>Cash from operating activities</b>                                  | <b>Note (a)</b> | <b>3,402,752</b>   | <b>3,445,292</b>     | <b>27,288</b>      | <b>(160,627)</b>     |
| <b>Cash used in investing activities</b>                               |                 |                    |                      |                    |                      |
| Interest from investments  |                 | 190,847            | 190,847              | 109,577            | 109,577              |
| Purchase of fixed assets   |                 | (70,949)           | (70,949)             | (33,584)           | (33,584)             |
| Proceeds from sale of fixed assets                                     |                 | -                  | -                    | -                  | -                    |
| Proceeds from sale of investments                                      |                 | -                  | -                    | -                  | -                    |
| Purchase of investments  |                 | (696)              | (694)                | (876)              | (876)                |
|  |                 | <b>119,202</b>     | <b>119,204</b>       | <b>75,117</b>      | <b>75,117</b>        |
| <b>Cash used in financing activities</b>                               |                 |                    |                      |                    |                      |
| Repayment of borrowings  |                 | -                  | -                    | -                  | -                    |
| <b>Increase / (decrease) in cash in the year</b>                       |                 | <b>3,521,954</b>   | <b>3,564,494</b>     | <b>102,405</b>     | <b>(85,510)</b>      |
| Cash at the beginning of the year                                      |                 | <b>8,851,961</b>   | <b>8,472,186</b>     | <b>8,749,556</b>   | <b>8,557,696</b>     |
| <b>Cash at the end of the year</b>                                     |                 | <b>12,373,915</b>  | <b>12,036,680</b>    | <b>8,851,961</b>   | <b>8,472,186</b>     |
| <b>Note (a)</b>  |                 |                    |                      |                    |                      |
| <b>Net movement in funds per the statement of financial activities</b> |                 | <b>2,413,085</b>   | <b>2,536,054</b>     | <b>3,474,735</b>   | <b>3,262,952</b>     |
| Depreciation charges   |                 | 228,557            | 228,558              | 223,571            | 223,571              |
| Loss on sale of fixed assets   |                 | -                  | -                    | 14,255             | 14,255               |
| Losses / (gains) on investments  |                 | 335,589            | 335,589              | 39,870             | 39,870               |
| Dividends & Interest from investments                                  |                 | (190,847)          | (190,847)            | (109,577)          | (109,577)            |
| (Increase) / decrease in cash in investment portfolio                  |                 | -                  | -                    | -                  | -                    |
| Decrease / (increase) in stock   |                 | (1,046)            | -                    | (3,636)            | -                    |
| Decrease / (increase) in debtors                                       |                 | (130,269)          | (158,309)            | (1,047,612)        | (976,465)            |
| Increase / (decrease) in creditors                                     |                 | 747,683            | 694,248              | (2,564,318)        | (2,615,233)          |
| <b>Net cash provided by operating activities</b>                       |                 | <b>3,402,752</b>   | <b>3,445,292</b>     | <b>27,288</b>      | <b>(160,627)</b>     |

# Notes to the financial statements

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## 1. Accounting policies

The principal accounting policies applied in the preparation of the financial statements are described below.

### a. Basis of preparation of accounts

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

### b. Group financial statements

The financial statements include transactions, assets and liabilities of Academy of Medical Sciences Trading Limited, a wholly owned subsidiary company of the Academy of Medical Sciences on a line-by-line basis. Transactions and balances between the Academy and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the Academy's balance sheet. The subsidiary's accounts are produced separately as required by the Companies Act 2006 and are summarised at Note 2. No separate Statement of Financial Activities has been presented for the charity alone, as permitted by section 408 of the Companies Act 2006. The surplus of the Charity for the year was £2,536,054 (2022 - £3,262,952).

### c. Income

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

**Donations** are included in full in the statement of financial activities when receivable.

**Trading activities** – trading income is recognised when services are delivered and is net of VAT.

**Investment income** is recognised on a receivable basis.

**Grants** are credited to the statement of financial activities when received or receivable, whichever is earlier. Where entitlement to grants receivable is dependent upon fulfilment of conditions within the Academy's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the Academy can meet such conditions, the incoming resource is deferred. Where amounts are received which relate specifically for use in a future period, they are deferred and recognised in the accounting period to which they relate, where entitlement arises.

**Donated services** are recognised when the benefit to the charity is reasonably quantifiable and measurable. The value

placed on these services is the estimated value to the charity of the service received. The value is included in incoming resources and a corresponding amount is shown as expenditure under the relevant charitable activity.

### d. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity.

**Support costs** - where costs cannot be directly attributed, they have been allocated to activities on the basis of the average amount of staff time spent on each activity, except where the terms of restricted funding specifies a particular overhead recovery. Included in support costs are governance costs which are incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements. The costs of Council meetings and the Annual General Meeting, together with related Fellows' travel costs, are included.

**Raising funds** includes fundraising costs expended in seeking new sources of funding for the Academy; the costs of conferencing and office rentals in the trading company; and expenditure on property to be used to generate income.

**Grants payable** - Clinician Scientist Fellowships, Starter Grants for Clinical Lecturers, Springboard Grants for Biomedical Researchers, Global Challenges Research Fund Networking, and Daniel Turnberg Memorial Fund are charged in the year the grant is awarded. Newton Fellowships are charged in the year when the conditions for each award are fulfilled.

### e. Tangible fixed assets

Tangible fixed assets are included at cost except for the leasehold premises, which are held at deemed cost (see accounting policy g), and antiques, which are shown at their insurance value. Because of the long-term nature of the antiques, the Academy does not consider it appropriate to charge annual depreciation.

The Academy only capitalises individual items of fixed assets costing more than £2,000 and included on the balance sheet. Depreciation is provided on a straight-line basis on tangible fixed assets to write them off over their anticipated useful economic lives at the following annual rates:

Furniture, fixtures, and office equipment 10%

Computer and audio-visual equipment 25%

Computer software 25%

Leasehold premises and refurbishment in equal instalments over the remaining term of the original lease

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## **f. Investments**

Investments are included at market value at the year end. However, the investment in the trading company in the charity only balance sheet is at cost. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

## **g. Mixed used property**

As a result of the change in FRS 102 referred to policy 1e, the Academy analysed its use of 41 Portland Place/8 Weymouth Mews to be able to identify any separate element that needed to be accounted for as an investment property. The Academy generates rental income from 41 Portland Place from surplus space it does not use itself. For the space in 41 Portland Place which is leased to Academy of Medical Sciences Trading Limited, the accounting policy choice permitted under SORP paragraph 10.48A has been applied whereby property leased to other entities in the group can be accounted for as operational fixed assets.

The property is also used by third parties for meeting room hire. Due to the nature of this use of the property by third parties, a reliable valuation cannot be reasonably obtained. In addition, the areas of the property which are used by third parties cannot be sold separately (or leased out separately under a finance lease) as this would render them unusable by AMS.

Therefore, in line with SORP section 10.47 the entire property at 41 Portland Place is accounted for as property within tangible fixed assets and held at historic cost less depreciation.

## **h. Funds**

Unrestricted funds comprise a General Fund, held for the general objects of the Academy's work, and several Designated Funds which have been earmarked by the Council for specific purposes; a Business Fund to support the trading subsidiary, an Asset Fund for the leasehold premises at 41 Portland Place, a Building Repair Fund to provide for the future maintenance of the property and a Development Fund to hold significant unrestricted donations. Restricted funds are funds used for specific purposes as required by the donor. Permanent endowment funds are restricted funds that the donor has stated are to be held as capital.

## **i. Pension policy**

The Academy operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Academy in an independently administered scheme. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

## **j. VAT**

The Academy is registered for VAT and, because of a significant part of its activities being exempt or outside the scope of VAT, is not able to recover all the purchase VAT relating to those activities. An amount of irrecoverable VAT of £284,408 (2022: £181,009) has been included in resources expended and allocated to the relevant cost headings on the basis described at (d) above.

## **k. Critical accounting estimates and areas of judgement**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The estimates and underlying assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis.

The Academy has included 8 Weymouth Mews in the financial statements at fair market value as determined by external valuers.

## **l. Going concern**

The financial impact of the COVID-19 pandemic has been monitored by the executive and trustees since March 2020 through the risk management processes including the review of budget and cashflow forecasts for both the charity and the trading subsidiary. At its meeting of 22 June 2023, the Academy's Council reviewed the forecasts and agreed that the level of unrestricted reserves held by the Academy was sufficient to be able to manage a similar future pandemic. The period that has been considered in assessing the going concern is greater than 12 months from the date of approval of these financial statements.

The principal accounting policies, as set out above, have all been applied consistently throughout the year and the preceding year.

## 2. Results of the subsidiary company

The charity has one wholly owned subsidiary company, Academy of Medical Sciences Trading Limited, which was incorporated in England and Wales on 25 February 2010 with registered number 07170258. The details of the investment are given at note 17. A summary of the results for the year and the balance sheet at 31 March 2023 are shown below.

|  | 2023<br>£      | 2022<br>£        |
|--|----------------|------------------|
| Turnover   | 883,454        | 572,979          |
| Costs of sales   | (634,946)      | (307,430)        |
| <b>Gross profit</b>  | <b>248,508</b> | <b>265,549</b>   |
| Administrative expenses                                      | (156,072)      | (50,144)         |
| <b>Operating profit for the year</b>                         | <b>92,436</b>  | <b>(215,405)</b> |
| Interest receivable  | -              | -                |
| Interest payable   | (3,500)        | (3,500)          |
| Donation to the charity                                      | -              | -                |
| <b>Profit / (Loss) for the year</b>                          | <b>88,936</b>  | <b>211,905</b>   |
| Tax write-back / (tax) on profit on ordinary activities      | -              | (181)            |
| <b>Profit / (Loss) on ordinary activities after taxation</b> | <b>88,936</b>  | <b>211,724</b>   |
| <b>Balance sheet</b>   |                |                  |
| Current assets   | 436,394        | 477,419          |
| Current liabilities  | (245,686)      | (163,742)        |
| Net current assets   | 190,708        | 313,677          |
| Loan from the charity  | (100,000)      | (100,000)        |
| <b>Net assets</b>  | <b>90,708</b>  | <b>213,677</b>   |
| <b>Share capital and reserves</b>                            |                |                  |
| Share capital  | 1,000          | 1,000            |
| Profit & loss account  | 301,613        | 212,677          |
| Distributions to parent charity under gift aid               | (211,905)      | -                |
| <b>Shareholders' funds</b>                                   | <b>90,708</b>  | <b>213,677</b>   |

On consolidation these results have been adjusted to eliminate income from meeting room hire to the Academy and the management fee payable to the Academy. The balance is included as income £724,500 and expenditure £701,018 at Notes 3 and 4: Trading subsidiary income and expenditure.

The parent charity's income and the results for the year are disclosed as follows:

|                                    | 2023<br>£        | 2022<br>£        |
|------------------------------------|------------------|------------------|
| Income                             | 18,348,343       | 17,142,367       |
| Net movement in funds for the year | <b>2,566,238</b> | <b>3,262,952</b> |

### 3. Income from:

|  | General Fund<br>£ | Designated Funds<br>£ | Restricted Funds<br>£ | Endowed Funds<br>£ | Total 2023<br>£   | Total 2022<br>£   |
|--|-------------------|-----------------------|-----------------------|--------------------|-------------------|-------------------|
| <b>Donations</b>                               |                   |                       |                       |                    |                   |                   |
| Fellows' subscriptions and contributions       | 390,445           | -                     | -                     | -                  | 390,445           | 398,472           |
| Department of Health and Social Care           | 478,000           | -                     | -                     | -                  | 478,000           | -                 |
| Other donations                                | 234,777           | -                     | 56,337                | -                  | 291,114           | 327,532           |
| Donated services                               | -                 | -                     | 100,778               | -                  | 100,778           | 78,397            |
|  | <b>1,103,222</b>  | <b>-</b>              | <b>157,115</b>        | <b>-</b>           | <b>1,260,337</b>  | <b>804,401</b>    |
| <b>Charitable activities</b>                   |                   |                       |                       |                    |                   |                   |
| Support UK biomedical and health research      | -                 | -                     | 568,310               | -                  | 568,310           | 819,113           |
| Support the next generation of researchers     | -                 | -                     | 13,116,851            | -                  | 13,116,851        | 13,386,400        |
| Influencing policy and practice                | -                 | -                     | 1,665,006             | -                  | 1,665,006         | 1,061,916         |
| Increase the Academy's impact on global health | -                 | -                     | 882,949               | -                  | 882,949           | 795,125           |
| Build our resources                            | -                 | -                     | 489,739               | -                  | 489,739           | -                 |
|  | <b>-</b>          | <b>-</b>              | <b>16,722,855</b>     | <b>-</b>           | <b>16,722,855</b> | <b>16,062,554</b> |
| <b>Trading activities</b>                      |                   |                       |                       |                    |                   |                   |
| Trading subsidiary income                      | 724,500           | -                     | -                     | -                  | 724,500           | 559,253           |
| Other rental income                            | 174,304           | -                     | -                     | -                  | 174,304           | 165,837           |
|  | <b>898,804</b>    | <b>-</b>              | <b>-</b>              | <b>-</b>           | <b>898,804</b>    | <b>725,090</b>    |
| <b>Investments</b>                             |                   |                       |                       |                    |                   |                   |
| Income on investments                          | 70,159            | 22,793                | 58,026                | 10,532             | 161,510           | 105,926           |
| Short term deposits                            | 29,337            | -                     | -                     | -                  | 29,337            | 3,651             |
|  | <b>99,496</b>     | <b>22,793</b>         | <b>58,026</b>         | <b>10,532</b>      | <b>190,847</b>    | <b>109,577</b>    |
| <b>Total Income</b>                            | <b>2,101,522</b>  | <b>22,793</b>         | <b>16,937,996</b>     | <b>10,532</b>      | <b>19,072,843</b> | <b>17,701,622</b> |

## 4. Expenditure on:

|  | Direct Costs<br>£ | Grant Funding<br>£ | Support Costs<br>£ | Total 2023<br>£   | Total 2022<br>£   |
|--|-------------------|--------------------|--------------------|-------------------|-------------------|
| <b>Raising Funds</b>                           |                   |                    |                    |                   |                   |
| Fundraising costs                              | 188,197           | -                  | 23,797             | 211,994           | 97,248            |
| Trading subsidiary expenditure                 | 542,064           | -                  | -                  | 542,064           | 323,765           |
|  | <b>730,261</b>    | <b>-</b>           | <b>23,797</b>      | <b>754,058</b>    | <b>421,013</b>    |
| <b>Charitable activities</b>                   |                   |                    |                    |                   |                   |
| Support UK biomedical and health research      | 697,861           | -                  | 32,166             | 730,027           | 605,355           |
| Support the next generation of researchers     | 1,996,176         | 8,837,958          | 1,369,867          | 12,204,001        | 11,948,560        |
| Influencing policy and practice                | 1,595,591         | -                  | 201,746            | 1,797,337         | 688,578           |
| Increase the Academy's impact on global health | 596,702           | -                  | 38,372             | 635,074           | 523,511           |
| Build our resources                            | 186,957           | -                  | 16,715             | 203,672           | -                 |
|  | <b>5,073,287</b>  | <b>8,837,958</b>   | <b>1,658,866</b>   | <b>15,570,111</b> | <b>13,766,004</b> |
| <b>Total expenditure</b>                       | <b>5,803,548</b>  | <b>8,837,958</b>   | <b>1,682,663</b>   | <b>16,324,169</b> | <b>14,187,017</b> |

Total expenditure in the year to 31 March 2023 was £16,324,169 (2022: £14,187,017) comprising expenditure under: General Funds £2,718,786 (2022: £1,446,507); Designated Funds £71,420 (2022: £71,421); Restricted Funds £13,553,963 (2022: £12,669,512) and Endowed Funds £Nil (2022: £423).

### Analysis of support costs

|  | Cost of Premises<br>£ | Office & IT Costs<br>£ | Staff & Related Costs<br>£ | Governance Costs<br>£ | Total 2023<br>£  | Total 2022<br>£  |
|--|-----------------------|------------------------|----------------------------|-----------------------|------------------|------------------|
| <b>Raising Funds</b>                           | 9,112                 | 2,982                  | 5,443                      | 6,260                 | <b>23,797</b>    | <b>2,000</b>     |
| <b>Charitable activities</b>                   |                       |                        |                            |                       |                  |                  |
| Support UK biomedical and health research      | 12,318                | 4,030                  | 7,357                      | 8,461                 | <b>32,166</b>    | <b>25,990</b>    |
| Support the next generation of researchers     | 524,546               | 171,650                | 313,315                    | 360,356               | <b>1,369,867</b> | <b>1,183,734</b> |
| Influencing policy and practice                | 77,251                | 25,280                 | 46,144                     | 53,071                | <b>201,746</b>   | <b>22,804</b>    |
| Increase the Academy's impact on global health | 14,693                | 4,808                  | 8,776                      | 10,095                | <b>38,372</b>    | <b>29,232</b>    |
| Build our resources                            | 6,400                 | 2,095                  | 3,823                      | 4,397                 | <b>16,715</b>    | -                |
| <b>Total support costs</b>                     | <b>644,320</b>        | <b>210,845</b>         | <b>384,858</b>             | <b>442,640</b>        | <b>1,682,663</b> | <b>1,263,760</b> |

The Academy initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. The remaining support costs, which include the depreciation charge for the year, together with the governance costs, are allocated based on average staff time, except where the terms of restricted funding specify a particular overhead recovery.

## 5. Trustee and employee information

### a. Trustee information

None of the Council (trustees) received or waived emoluments in the current or preceding year. During the year 10 Council members (2022: 4) received reimbursed travel expenses of £7,079 (2022: £1,224).

### b. Employee information

|                                  | 2023<br>£        | 2022<br>£        |
|----------------------------------|------------------|------------------|
| Salaries                         | 3,296,092        | 2,349,315        |
| Employer's national insurance    | 381,117          | 260,044          |
| Employer's pension contributions | 226,446          | 167,264          |
| Donated staff services           | 100,778          | 78,397           |
|                                  | <b>4,004,433</b> | <b>2,855,020</b> |

The average number of salaried staff employed during the year was 72 (2022: 55).

The full-time average equivalent for salaried staff during the year was 70 (2022: 48).

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

|                     | 2023 | 2022 |
|---------------------|------|------|
| £60,001 - £70,000   | 3    | 1    |
| £70,001 - £80,000   | -    | 1    |
| £80,001 - £90,000   | 3    | 1    |
| £90,001 - £100,000  | 1    | 1    |
| £100,001 - £110,000 | 1    | 1    |
| £110,001 - £120,000 | 1    | -    |

Pension contributions paid by the Academy relating to higher paid employees as defined above amounted to £51,840 (2022: £32,870).

The total salaries of the Senior Management Team, including pension contributions, was £654,723 (2022: £524,434).

## 6. Net incoming/(outgoing) resources after charging:

|  | 2023<br>£ | 2022<br>£ |
|--|-----------|-----------|
| <b>Auditor's fees:</b>                       |           |           |
| Audit – charity                              | 13,293    | 13,080    |
| Audit – trading subsidiary                   | 3,123     | 2,100     |
| Other services                               | 14,110    | 9,488     |
| <b>Investment management fees</b>            | (660)     | (876)     |
| <b>Depreciation of tangible fixed assets</b> | 228,557   | 187,056   |



## 7. Grants payable

The Academy administers nine grant schemes: the Clinician Scientist Fellowship Scheme (CSFS) funded by The Health Foundation; the Starter Grants for Clinical Lecturer Scheme (CLS) funded by the Wellcome Trust, the British Heart Foundation, Arthritis Research UK, the Medical Research Council, Diabetes UK, British Thoracic Society, Association of Physicians of UK and Ireland; the Springboard Awards Scheme (SBS) funded by the Wellcome Trust (this also incorporates the Research Talent Fund and previously the Global Challenges Research Fund, both funded by the Department for Science, Innovation and Technology (DSIT)), British Heart Foundation, Diabetes UK; the Newton Fellowships (NFS) funded by the Newton Fund (DSIT), the Global Challenges Research Fund Networking Scheme (GCRFN) funded by DSIT, the Research Professorship scheme (RST) funded by DSIT, Cross Sector Grants (CSG) funded by Wellcome Trust and DSIT, INSPIRE Grants funded by the Wellcome Trust (INSPG), and the Daniel Turnberg UK/Middle East Travel Fellowship Scheme funded by the Daniel Turnberg Memorial Fund (DTMF). Details of the schemes are as follows:

|  | CSFS<br>£     | CLS<br>£         | SBS<br>£         | NFS<br>£       | GCRFN<br>£     | RST<br>£         | CSG<br>£     | INSPG<br>£     | DTMF<br>£    | Total<br>2023<br>£ |
|--|---------------|------------------|------------------|----------------|----------------|------------------|--------------|----------------|--------------|--------------------|
| <b>Grants at 1 April</b>                         | -             | 422,686          | 2,658,865        | -              | -              | 624,032          | -            | -              | 33,398       | <b>3,738,981</b>   |
| Grants awarded                                   | 44,084        | 1,266,630        | 4,272,768        | 661,410        | 567,258        | 1,987,558        | 6,500        | 421,096        | 9,897        | <b>9,237,201</b>   |
| Grants written-back                              | -             | -                | (183,626)        | (119,887)      | (100,601)      | (5,000)          | -            | -              | (2,000)      | <b>(411,114)</b>   |
| Grant payments during the year                   | -             | (1,379,809)      | (4,434,223)      | (541,523)      | (268,677)      | (1,886,212)      | (6,500)      | (112,076)      | (41,295)     | <b>(8,670,315)</b> |
| <b>Grants balance at 31 March</b>                | <b>44,084</b> | <b>309,507</b>   | <b>2,313,784</b> | <b>-</b>       | <b>197,980</b> | <b>720,378</b>   | <b>-</b>     | <b>309,020</b> | <b>-</b>     | <b>3,894,753</b>   |
| <b>Developing talented researchers</b>           |               |                  |                  |                |                |                  |              |                |              |                    |
| Grants to institutions                           | -             | 1,278,501        | 4,089,141        | 541,523        | 466,657        | 1,982,559        | 6,500        | 421,096        | -            | <b>8,785,977</b>   |
| Grants to individuals                            | 44,084        | -                | -                | -              | -              | -                | -            | -              | 7,897        | <b>51,981</b>      |
| <b>Total research grants charged in the year</b> | <b>44,084</b> | <b>1,278,501</b> | <b>4,089,141</b> | <b>541,523</b> | <b>466,657</b> | <b>1,982,559</b> | <b>6,500</b> | <b>421,096</b> | <b>7,897</b> | <b>8,937,958</b>   |

Grants payable of £3,894,753 are shown under creditors amounts falling due within one year at note 11.

Grants awarded are shown as grant funding expenditure in note 4.

Grants to 73 institutions were awarded in the year to a total value of £8,837,958 (2022: £9,090,001 to 67 institutions). The principal institutions benefiting from the grants were:

|                                       | £       |
|---------------------------------------|---------|
| University of Edinburgh               | 604,015 |
| Imperial College London               | 595,560 |
| Newcastle University                  | 544,861 |
| Queen Mary University of London       | 500,821 |
| University of Oxford                  | 470,775 |
| University of Birmingham              | 357,838 |
| University of Bath                    | 336,646 |
| University College London             | 306,484 |
| Liverpool School of Tropical Medicine | 268,823 |
| University of Essex                   | 236,592 |

## 8. Tangible fixed assets – Group and Charity

|                         | Leasehold Premises | Refurbished Property | Furniture, fixtures & equipment | Computer equipment | Computer software | Total            |
|-------------------------|--------------------|----------------------|---------------------------------|--------------------|-------------------|------------------|
|                         | £                  | £                    | £                               | £                  | £                 | £                |
| <b>Cost</b>             |                    |                      |                                 |                    |                   |                  |
| At 1 April 2022         | 1,983,607          | 3,974,596            | 524,177                         | 220,042            | 7,006             | <b>6,709,428</b> |
| Additions               | -                  | 6,305                | 49,376                          | 15,268             | -                 | 70,949           |
| Disposals               | -                  | -                    | -                               | -                  | -                 | -                |
| <b>At 31 March 2023</b> | <b>1,983,607</b>   | <b>3,980,901</b>     | <b>573,553</b>                  | <b>235,310</b>     | <b>7,006</b>      | <b>6,780,377</b> |
| <b>Depreciation</b>     |                    |                      |                                 |                    |                   |                  |
| At 1 April 2022         | 822,036            | 1,647,130            | 217,755                         | 219,248            | 7,006             | <b>2,913,175</b> |
| Charge for the year     | 71,420             | 143,363              | 12,979                          | 795                | -                 | 228,557          |
| Disposals               | -                  | -                    | -                               | -                  | -                 | -                |
| <b>At 31 March 2023</b> | <b>893,456</b>     | <b>1,790,493</b>     | <b>230,734</b>                  | <b>220,043</b>     | <b>7,006</b>      | <b>3,141,732</b> |
| <b>Net book value</b>   |                    |                      |                                 |                    |                   |                  |
| <b>31 March 2023</b>    | <b>1,090,151</b>   | <b>2,190,408</b>     | <b>342,819</b>                  | <b>15,267</b>      | <b>-</b>          | <b>3,638,645</b> |
| 31 March 2022           | 1,161,571          | 2,327,466            | 306,422                         | 794                | -                 | 3,796,253        |

Leasehold premises represent the value of the leasehold property at 41 Portland Place as transferred to the Academy from the Novartis Foundation on 31 July 2008.

Refurbished property represents the costs of construction and associated professional fees incurred in the refurbishment of 41 Portland Place between 2009 and 2011 along with any subsequent capital works.

On 22 April 2014, the Academy completed on a new over-riding lease with the immediate landlords QAS Nominees Ltd that extends the current lease term on 41 Portland Place and 8 Weymouth Mews from 2038 to 2137. The rent payable from 6 July 2038 will be at full market rate rather than at the peppercorn rent paid currently. This means that the capital value will expire in July 2038 and depreciation continues to be calculated on the original lease term. 8 Weymouth Mews is treated as an investment property and details of this can be found under note 1g.

Included in furniture, fixtures and equipment are antiques that are held as artefacts for the long term and depreciation, which would be immaterial, has not been charged on them. With regular maintenance their initial carrying value should be maintained and no impairment review is considered necessary.

## 9a. Investments - Group

|                                     | 2023<br>£        | 2022<br>£       |
|-------------------------------------|------------------|-----------------|
| At 1 April                          | 3,655,890        | 3,694,884       |
| Additions                           | 36               | -               |
| Disposals                           | -                | -               |
| Management fees                     | 660              | 876             |
| Increase/(decrease) in market value | <u>(335,589)</u> | <u>(39,870)</u> |
|                                     | <b>3,320,997</b> | 3,655,890       |
| Cash held for investment            | -                | -               |
| <b>Market Value at 31 March</b>     | <b>3,320,997</b> | 3,655,890       |
| <b>Cost at 31 March</b>             | <b>2,996,312</b> | 2,993,521       |

Investments to the value of £366,630 representing the Jean Shanks Memorial and the Sackler endowed funds are held in the Sarasin Endowments Fund (formerly the Alpha CIF for Endowments). Investments to the value of £1,259,256 representing the Daniel Turnberg Memorial Fund are split between the Sarasin Endowments Fund and their Income & Reserves Fund (formerly Alpha CIF for Income & Reserves). Balances held in the General Fund and Restricted funds that have been identified by the Finance Committee as suitable for retention in the medium term, are also split across the Sarasin Endowment and Income & Reserves Funds and were valued at £1,695,120 at 31 March 2023.

Investments of £3,321,996 shown in the Charity only balance sheet include an investment in the Academy of Medical Sciences Trading Limited share capital of £1,000 which is valued at cost.

## 9b. Investment Property – Group and Charity

|                                    | 2023<br>£        | 2022<br>£ |
|------------------------------------|------------------|-----------|
| At 1 April                         | 1,200,000        | 1,200,000 |
| Transfer from fixed assets         | -                | -         |
| Revaluation of investment property | -                | -         |
| <b>Fair value at 31 March</b>      | <b>1,200,000</b> | 1,200,000 |

Investment property comprises 8 Weymouth Mews, London. The last valuation was at 31 March 2020 and was reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global Standards. During 2020/21 the tenant entered into a new 5-year lease, which was on a similar basis to their previous lease and following review the valuation has been kept unchanged.

## 10. Debtors

|   | <b>Group<br/>2023<br/>£</b> | <b>Charity<br/>2023<br/>£</b> | <b>Group<br/>2022<br/>£</b> | <b>Charity<br/>2022<br/>£</b> |
|---|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| <b>Amounts falling due within one year:</b>         |                             |                               |                             |                               |
| Trade debtors                                       | 695,120                     | 593,930                       | 631,774                     | 570,654                       |
| Provision for doubtful debts                        | (36,329)                    | (26,192)                      | (9,529)                     | (9,529)                       |
| Prepayments   | 286,816                     | 286,816                       | 103,698                     | 103,698                       |
| Accrued income                                      | 2,135,970                   | 2,135,970                     | 2,205,407                   | 2,205,407                     |
| Other debtors                                       | 27,106                      | 27,106                        | 35,453                      | 35,453                        |
| VAT receivable                                      | 3,640                       | 9,384                         | 15,251                      | 7,151                         |
| Amount due from subsidiary                          | -                           | 59,428                        | -                           | 15,299                        |
| <b>Amount falling due after more than one year:</b> |                             |                               |                             |                               |
| Loan to subsidiary                                  | -                           | 100,000                       | -                           | 100,000                       |
|   | <b><u>3,112,323</u></b>     | <b><u>3,186,442</u></b>       | <b><u>2,982,054</u></b>     | <b><u>3,028,133</u></b>       |

## 11. Creditors

|   | <b>Group<br/>2023<br/>£</b> | <b>Charity<br/>2023<br/>£</b> | <b>Group<br/>2022<br/>£</b> | <b>Charity<br/>2022<br/>£</b> |
|---|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| <b>Amounts falling due within one year:</b> |                             |                               |                             |                               |
| Grants payable                              | 3,894,753                   | 3,894,753                     | 3,738,981                   | 3,738,981                     |
| Trade creditors                             | 278,484                     | 202,190                       | 323,090                     | 255,496                       |
| Accruals                                    | 184,956                     | 171,717                       | 159,677                     | 157,637                       |
| Deferred income                             | 859,074                     | 768,093                       | 289,753                     | 232,308                       |
| PAYE/NIC Liability                          | 129,308                     | 129,308                       | 77,588                      | 77,588                        |
| Other Creditors                             | 39,009                      | 39,009                        | 48,812                      | 48,812                        |
| Corporation Tax                             | -                           | -                             | -                           | -                             |
|   | <b><u>5,385,584</u></b>     | <b><u>5,205,070</u></b>       | <b><u>4,637,901</u></b>     | <b><u>4,510,822</u></b>       |

## 12. Deferred Income

|   | <b>Group<br/>2023<br/>£</b> | <b>Charity<br/>2023<br/>£</b> | <b>Group<br/>2022<br/>£</b> | <b>Charity<br/>2022<br/>£</b> |
|---|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| Deferred income brought forward         | 289,753                     | 232,308                       | 305,589                     | 243,539                       |
| Less: Amount used in the year           | (117,945)                   | (61,160)                      | (233,232)                   | (202,391)                     |
| <b>Income deferred within the year:</b> |                             |                               |                             |                               |
| Grants from institutions                | 596,945                     | 596,945                       | 170,633                     | 170,633                       |
| Fellows' subscriptions                  | -                           | -                             | 20,527                      | 20,527                        |
| Conferencing deposits                   | 90,321                      | -                             | 26,236                      | -                             |
| <b>Deferred income carried forward</b>  | <b>859,074</b>              | <b>768,093</b>                | <b>289,753</b>              | <b>232,308</b>                |

## 13. Movement on group funds

|  | Balance<br>1 April 22<br>£ | Income<br>£       | Expenditure<br>£    | Transfers<br>£     | Revaluation<br>£ | Balance<br>31 March 23<br>£ |
|--|----------------------------|-------------------|---------------------|--------------------|------------------|-----------------------------|
| <b>Permanent endowment</b>             |                            |                   |                     |                    |                  |                             |
| The Jean Shanks Memorial Fund          | 318,629                    | 7,899             | -                   | -                  | (17,551)         | 308,977                     |
| The Sackler Fund                       | 100,043                    | 2,633             | -                   | -                  | (5,850)          | 96,826                      |
| The Daniel Turnberg Memorial Fund      | 1,571,565                  | -                 | -                   | -                  | (44,952)         | 1,526,613                   |
| <b>Total permanent endowment</b>       | <b>1,990,237</b>           | <b>10,532</b>     | <b>-</b>            | <b>-</b>           | <b>(68,353)</b>  | <b>1,932,416</b>            |
| <b>Restricted funds</b>                |                            |                   |                     |                    |                  |                             |
| DSIT funding:                          |                            |                   |                     |                    |                  |                             |
| <i>Science budget</i>                  | 464,578                    | 3,229,300         | (2,173,099)         | (1,057,341)        | -                | 463,438                     |
| <i>Research Talent Fund</i>            | 567,739                    | 6,640,953         | (5,576,182)         | (686,797)          | -                | 945,713                     |
| <i>Newton Fellowships</i>              | 126,270                    | 668,567           | (663,651)           | (111,330)          | -                | 19,856                      |
| <i>Global Challenges Research Fund</i> | (148,604)                  | 1,372,383         | (1,027,073)         | (201,898)          | -                | (5,192)                     |
| Other funders to grant schemes         | 1,836,026                  | 3,869,757         | (2,963,730)         | (207,966)          | (79,615)         | 2,454,472                   |
| Project/meeting contributions          | 13,465                     | 33,500            | (25,000)            | -                  | -                | 21,965                      |
| Mentoring & career development         | 832,357                    | 1,105,883         | (959,218)           | (112,825)          | -                | 866,198                     |
| Medical Research Society               | 789,888                    | 17,653            | -                   | -                  | (53,357)         | 754,184                     |
| Restricted Asset Fund                  | 2,327,467                  | -                 | (146,010)           | 75,628             | -                | 2,257,084                   |
| <b>Total restricted funds</b>          | <b>6,809,186</b>           | <b>16,937,996</b> | <b>(13,533,963)</b> | <b>(2,302,529)</b> | <b>(132,972)</b> | <b>7,777,718</b>            |
| <b>Unrestricted funds</b>              |                            |                   |                     |                    |                  |                             |
| General Fund                           | <b>2,934,742</b>           | 2,101,522         | (2,718,786)         | 2,763,628          | (62,391)         | <b>5,018,715</b>            |
| <b>Designated funds</b>                |                            |                   |                     |                    |                  |                             |
| Business Fund                          | 208,660                    | -                 | -                   | -                  | -                | 208,660                     |
| Asset Fund                             | 2,414,079                  | -                 | (71,420)            | (961,099)          | -                | 1,381,560                   |
| Building Repair Fund                   | 678,988                    | 12,157            | -                   | 300,000            | (38,251)         | 952,894                     |
| Development Fund                       | 819,425                    | 10,636            | -                   | 200,000            | (33,622)         | 996,439                     |
| <b>Total designated funds</b>          | <b>4,121,152</b>           | <b>22,793</b>     | <b>(71,420)</b>     | <b>(461,099)</b>   | <b>(71,873)</b>  | <b>3,539,553</b>            |
| <b>Total unrestricted funds</b>        | <b>7,055,894</b>           | <b>2,124,315</b>  | <b>(2,790,206)</b>  | <b>2,302,529</b>   | <b>(134,264)</b> | <b>8,558,268</b>            |
| <b>Total funds</b>                     | <b>15,855,317</b>          | <b>19,072,843</b> | <b>(16,324,169)</b> | <b>-</b>           | <b>(335,589)</b> | <b>18,268,402</b>           |

## Analysis of movement in funds - 2021/22

|  | Balance<br>1 April 21<br>£ | Income<br>£       | Expenditure<br>£    | Transfers<br>£     | Revaluation<br>£ | Balance<br>31 March 22<br>£ |
|--|----------------------------|-------------------|---------------------|--------------------|------------------|-----------------------------|
| <b>Permanent endowment</b>             |                            |                   |                     |                    |                  |                             |
| The Jean Shanks Memorial Fund          | 304,498                    | 7,894             | 69                  | -                  | 6,168            | 318,629                     |
| The Sackler Fund                       | 95,333                     | 2,631             | 23                  | -                  | 2,056            | 100,043                     |
| The Daniel Turnberg Memorial Fund      | 1,543,938                  | 39,936            | 331                 | -                  | (12,640)         | 1,571,565                   |
| <b>Total permanent endowment</b>       | <b>1,943,769</b>           | <b>50,461</b>     | <b>423</b>          | <b>-</b>           | <b>(4,416)</b>   | <b>1,990,237</b>            |
| <b>Restricted funds</b>                |                            |                   |                     |                    |                  |                             |
| DSIT funding:                          |                            |                   |                     |                    |                  |                             |
| <i>Science budget</i>                  | 46,088                     | 3,199,411         | (1,768,747)         | (1,018,894)        | -                | 457,858                     |
| <i>Research Talent Fund</i>            | (188,713)                  | 6,378,847         | (5,527,083)         | (169,994)          | -                | 493,057                     |
| <i>Newton Fellowships</i>              | 122,620                    | 1,154,024         | (1,076,004)         | (74,368)           | -                | 126,272                     |
| <i>Global Challenges Research Fund</i> | (435,308)                  | 279,007           | 69,778              | (62,081)           | -                | (148,604)                   |
| Other funders to grant schemes         | 1,186,492                  | 4,747,551         | (3,813,114)         | (210,224)          | -                | 1,910,706                   |
| Project/meeting contributions          | 28,373                     | 59,702            | (52,862)            | (15,028)           | -                | 20,185                      |
| Mentoring & career development         | 1,008,161                  | 438,049           | (358,396)           | (255,457)          | -                | 832,357                     |
| Medical Research Society               | 776,572                    | 17,465            | 145                 | -                  | (4,294)          | 789,888                     |
| Restricted Asset Fund                  | 2,470,697                  | -                 | (143,230)           | -                  | -                | 2,327,467                   |
| <b>Total restricted funds</b>          | <b>5,014,982</b>           | <b>16,274,056</b> | <b>(12,669,512)</b> | <b>(1,806,046)</b> | <b>(4,294)</b>   | <b>6,809,186</b>            |
| <b>Unrestricted funds</b>              |                            |                   |                     |                    |                  |                             |
| General Fund                           | <b>1,542,929</b>           | 1,354,556         | (1,446,507)         | 1,506,046          | (22,282)         | <b>2,934,742</b>            |
| <b>Designated funds</b>                |                            |                   |                     |                    |                  |                             |
| Business Fund                          | 208,660                    | -                 | -                   | -                  | -                | 208,660                     |
| Asset Fund                             | 2,485,500                  | -                 | (71,421)            | -                  | -                | 2,414,079                   |
| Building Repair Fund                   | 571,697                    | 12,026            | -                   | 100,000            | (4,735)          | 678,988                     |
| Development Fund                       | 613,045                    | 10,523            | -                   | 200,000            | (4,143)          | 819,425                     |
| <b>Total designated funds</b>          | <b>3,878,902</b>           | <b>22,549</b>     | <b>(71,421)</b>     | <b>300,000</b>     | <b>(8,878)</b>   | <b>4,121,152</b>            |
| <b>Total unrestricted funds</b>        | <b>5,421,831</b>           | <b>1,377,105</b>  | <b>(1,517,928)</b>  | <b>-</b>           | <b>(31,160)</b>  | <b>7,055,894</b>            |
| <b>Total funds</b>                     | <b>12,380,582</b>          | <b>17,701,622</b> | <b>(14,187,017)</b> | <b>-</b>           | <b>(39,870)</b>  | <b>15,855,317</b>           |

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## Endowment Funds

### The Jean Shanks Memorial Fund

This fund is held in perpetuity to fund an annual Jean Shanks Memorial Lecture. Income arising from the investment of the donation is treated as restricted income.

### The Sackler Fund

This fund was donated by The Raymond and Beverly Sackler Foundation to be held in perpetuity to fund an annual lecture and with permission of the Foundation Trustees, the lecture has currently been paused. Income arising from the investment of the donation is treated as restricted income. Income of £2,633 in the year comprises rebate after settlement of investment manager fees.

### The Daniel Turnberg Memorial Fund

The Academy holds funds as sole trustee of the Daniel Turnberg Memorial Fund set up to foster academic interchange between medical and bioscience researchers in and between the UK and countries in the Middle East by award of travel grants.

## Restricted Funds

### DSIT Funding

The Department for Science, Innovation and Technology (DSIT) provides five grants, disclosed separately as required by the terms of the funding agreements. These are:

**Core Funding** – National Academies allocation – the Academy received £3,299,300 during the year as part of the Science and Research budget to the National Academies. The grant was expended on the Academy's strategic objectives relating to policy and public dialogue.

**Research Talent Fund** – During the year, the Academy received £2,754,338 of grant funding for Springboard awards, £418,000 towards the FLIER Programme, £70,000 towards career mentoring and £2,088,284 to the AMS Professorship scheme.

**The Newton Fellowships** – Details of the grants awarded are shown in note 7 with the Academy's other grant schemes. During the year £506,717 of grant funding and £161,850 contribution for the running of the scheme was received. Of this, £663,651 was expended; £541,523 of which was awarded as grants.

**Global Challenges Research Fund** – DSIT administers the government fund set up to support cutting-edge research that addresses the challenges faced by developing countries.

**Horizon Europe Transition Fund** – DSIT is supporting the Academy with developing and planning the launch of alternative schemes to replace Horizon Europe should association not be possible. During the year £603,702 was received. The grant was expended on supporting our stakeholder engagement, planning for alternative scenarios and preparatory activity to launch alternative schemes.

### Other Funders to grant schemes

These are organisations, other than DSIT, that fund the Academy's grant schemes as detailed in note 7.

**Mentoring and career development programme** – The Wellcome Trust fund our mentoring and career development programme with supplementary funding received from DSIT (as detailed above), the Medical Research Council and the National Institute for Health and Care Research in Wales.

**Policy project/meeting contributions** – Specific donations to support meetings and other activities. Income received during the year includes £25,000 from the Shanks Foundation.

**Medical Research Society** – The Medical Research Society merged with the Academy on 31 October 2011 and the monies transferred on merger have been retained by the Academy to fulfil the charitable objectives of the Society.

**Restricted Asset Fund** – This fund represents the assets that were funded by the Capital Appeal in 2009-11.



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## Designated Funds

### **Designated Business Fund**

This fund is available to support the trading subsidiary and covers the maximum loan to the company.

### **Designated Asset Fund**

This fund comprises the value of the leasehold premises, antiques, and paintings at 41 Portland Place and 8 Weymouth Mews in July 2008 on merger with the Novartis Foundation, less associated depreciation. The costs of the refurbishment of 8 Weymouth Mews are also included in this fund along with the associated bank loan.

### **Designated Building Repair Fund**

This fund provides for future building repairs and major equipment purchases at 41 Portland Place.

### **Designated Development Fund**

This fund has been set up from significant unrestricted donations and transfers from the General Fund to be used to expand the Academy's work under its Strategic Plan and to strengthen the operational platform.

## 14. Transfer between funds

|  | General funds    | Designated funds | Restricted funds   | Permanent endowed funds | Total |
|--|------------------|------------------|--------------------|-------------------------|-------|
|  | £                | £                | £                  | £                       | £     |
| Transfer to building repair fund                   | (300,000)        | 300,000          | -                  | -                       | -     |
| Transfer to Development Fund                       | (200,000)        | 200,000          | -                  | -                       | -     |
| Contribution from Restricted Fund to General Fund  | 2,302,529        | -                | (2,302,529)        | -                       | -     |
| Contribution from Development Fund to General Fund | 961,099          | (961,099)        | -                  | -                       | -     |
|  | <b>2,763,628</b> | <b>(461,099)</b> | <b>(2,302,529)</b> | -                       | -     |

## 15. Analysis of group net assets

|  | General funds    | Designated funds | Restricted funds | Permanent endowed funds | Total             |
|--|------------------|------------------|------------------|-------------------------|-------------------|
|  | £                | £                | £                | £                       | £                 |
| Fixed assets                             | -                | 1,381,560        | 2,257,085        | -                       | 3,638,645         |
| Investments                              | 434,928          | 1,910,675        | 1,105,000        | 1,070,394               | 4,520,997         |
| Cash on deposit and at bank              | 2,965,595        | 247,318          | 8,298,980        | 862,022                 | 12,373,915        |
| Other net current assets / (liabilities) | 1,618,192        | -                | (3,883,347)      | -                       | (2,265,155)       |
|  | <b>5,018,715</b> | <b>3,539,553</b> | <b>7,777,718</b> | <b>1,932,416</b>        | <b>18,268,402</b> |

### Analysis of group net assets - 2022

|                               | General funds    | Designated funds | Restricted funds | Permanent endowment funds | Total             |
|-------------------------------|------------------|------------------|------------------|---------------------------|-------------------|
|                               | £                | £                | £                | £                         | £                 |
| Fixed assets                  | 77,504           | 1,364,816        | 2,353,933        | -                         | 3,796,253         |
| Investments                   | 497,203          | 1,976,229        | 608,950          | 1,773,508                 | 4,855,890         |
| Cash on deposit and at bank   | 125,475          | 780,107          | 7,729,650        | 216,729                   | 8,851,961         |
| Other net current liabilities | 2,234,560        | -                | (3,883,347)      | -                         | (1,648,787)       |
|                               | <b>2,934,742</b> | <b>4,121,152</b> | <b>6,809,186</b> | <b>1,990,237</b>          | <b>15,855,317</b> |

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## 16. Company status and membership

Academy of Medical Sciences is a registered charity, incorporated by Royal Charter on 3 September 2019. At 31 March 2023 there were 1,394 members.

## 17. Subsidiary undertakings

At 30 November 2019 the 1,000 £1 shares held by the Academy of Medical Sciences charitable company in Academy of Medical Sciences Trading Limited were transferred to Academy of Medical Sciences as part of the transfer of assets to the new Royal Charter body. Also on that date, the loan facility of £200,000 set out in the loan agreement of 1 April 2010 was transferred to Academy of Medical Sciences by a Deed of Novation. The debenture of 1 April 2020 securing the loan was transferred via a Deed of Assignment to Academy of Medical Sciences on 30 November 2019. At the balance sheet date £100,000 had been drawn down under the facility.

The Academy charitable company was sole trustee of the Daniel Turnberg Memorial Fund until 30 November 2019. With effect from 1 December the new Royal Charter body Academy of Medical Sciences was appointed the sole trustee and the change in appointment was approved by the Charity Commission under a Scheme dated 20 November 2019. The Commission also approved the linking direction so that Daniel Turnberg Memorial Fund, a separate charity, is treated as part of Academy of Medical Sciences for the purposes of registration and accounting under parts 4 and 8 of the Charities Act 2011. The Daniel Turnberg Memorial Fund is shown as a separate endowed fund of the Academy at note 13 and income arising from the investment of the fund is shown as restricted income in that note.



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