

Annual Report and Financial Statements 31 March 2021

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Mission, vision and characteristics

The Academy of Medical Sciences is an independent organisation that represents the spectrum of medical science – from basic research through clinical application to healthcare delivery. Our mission is to advance biomedical and health research and its translation into benefits for society.

We are working to secure a future in which:

- **UK and global health is improved by the best research.**
- **The UK leads the world in biomedical and health research, and is renowned for the quality of its research outputs, talent and collaborations.**
- **Independent, high quality medical science advice informs the decisions that affect society.**
- **More people have a say in the future of health and research.**

We are guided by the following values and characteristics:

- **A Fellowship of the UK's best biomedical and health researchers.**
- **An independent source of evidence-based and expert advice.**
- **Connected to, and respected by, decision makers.**
- **Focused on realising cross-disciplinary opportunities across academia, industry and healthcare.**
- **Committed to improving and celebrating diversity - in all its forms - in the biomedical and health research community.**
- **Global in outlook, reach and influence.**
- **Catalytic, inclusive and accessible in our approach.**
- **Responsive to change and innovative in our solutions.**
- **Adept at maximising our impact through partnership working.**

Our elected Fellows are central to our success. It is their unique diversity of talent, collective experience and professionalism that enables the Academy to address complex issues of science and healthcare with expertise and authority. In this way, the Fellowship is a national, public resource of independent and expert advice on medical science and healthcare.

Administrative details

Name of charity

The Academy of Medical Sciences

Registered charity no

1185329

Registered company 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 (from 3 December 2020)
Professor of Infectious Disease Epidemiology,
University College London

Professor Sir Robert Lechler PMedSci (until 3 December 2020)

Former Executive Director, King's Health Partners and Vice Principal (Health),
King's 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 Michael Malim FRS FMedSci
Head, School of Immunology & Microbial Sciences,
King's College London

Vice-President (international)

Professor Frances Brodsky FMedSci (Interim) (from 3 December)
Professor of Cell Biology and Director, Division of Biosciences,
University College London

Professor Dame Anne Johnson FMedSci (until 3 December)

Professor of Infectious Disease Epidemiology,
University College London

Treasurer

Professor Edward Bullmore FMedSci
Professor of Psychiatry,
University of Cambridge

Registrar

Professor Philippa Saunders FRSE FMedSci
Professor of Reproductive Steroids,
University of Edinburgh

Ordinary Members of Council

Professor Frances Brodsky FMedSci *until 3 December 2020*
Professor Dame Jessica Corner FMedSci *retired 3 December 2020*
Professor Hilary Critchley FRSE FMedSci *retired 3 December 2020*

Professor Dame Anna Dominiczak FRSE FMedSci

Professor Michael Hanna FMedSci

Professor David Lomas FMedSci

Professor Margaret (Mandy) MacLean *appointed 3 December 2020*

MBE FRSE FMedSci

Professor Patrick Maxwell FMedSci

Professor Neena Modi FMedSci *appointed 3 December 2020*

Professor Eleanor Riley FRSE FMedSci *appointed 3 December 2020*

Professor David Webb FMedSci

Professor Julie Williams CBE FMedSci FLSW *retired 3 December 2020*

Co-opted members

Dr Rabinder Prinjha FMedSci *re-appointed 3 December 2020*

Professor Dame Margaret Whitehead FMedSci *re-appointed 3 December 2020*

Principal Employed Officers

Executive Director

Mr Simon Denegri, OBE

Director of Biomedical Grants and Careers Policy

Dr Suzanne Candy

Director of Communications

Mr Nick Hillier

Director of Medical Science Policy

Dr Rachel Quinn

Director of Finance and Resources

Mr Aled Bath

from 6 September 2020

Director of Finance and Resources

Mrs Chris Straw

until 30 June 2020

Aims and objectives

Our mission is to advance biomedical and health research and its translation into benefits for society.

Our four key objectives are:

1. Promoting excellence
2. Developing talented researchers
3. Influencing research and policy
4. Engaging patients, the public and professionals

Income and expenditure under the four key objectives for the financial year to 31 March 2020 are shown in the Consolidated Statement of Financial Activities at page 22.

Achievements in the year 2020/21

The following identifies key achievements in the year. These were dominated by our leading role in the national and global response to the COVID-19 pandemic. We have therefore identified these separately under each strategic objective for ease of reference.

Promoting excellence

- In April 2020 we elected 50 new Fellows to the Academy Fellowship from a pool of 415 candidates. 19 were women, representing 38% of new Fellows and 12% were from minority ethnic minority backgrounds.
- In December 2020 the Jean Shanks Lecture was delivered by Professor Irene Higginson OBE FMedSci on 'Palliative care for the 21st century'.
- Also in December 2020, we elected Sir Bruce Keogh, Professor Dame Ottoline Leyser and Professor Lucio Luzzatto as Honorary Fellows at our first virtual AGM.
- In February 2021 we published our annual report of diversity data collected across programmes, detailing gender, ethnicity, nationality, sexual orientation and disability data (our sixth report, and the fourth published externally). Previously data has been collated, analysed and reported on by Academy staff. This year, for the first time, the data has been analysed and the report written by external consultants. Their independent report was discussed and signed off by our Council in December 2020.

COVID-19 Related

- The pandemic created a media environment where the voices of diverse experts giving clear and relatable messages is ever more vital. This led to exponential increases in our work to train, coach and link Fellows and grant awardees with journalists for expert comment on COVID-19. In 2020, we logged 266 media enquiries (an increase of 151% on 2019) and 3,294 pieces of media coverage (a 541% increase). We also saw increased interest from high priority publications – estimated to be at least 41% of the total enquiries (in 2019, they made up around 24% of all enquiries).
- We have worked to address misinformation through amplifying the views of expert scientists through digital communications and our digital engagement saw a similar increase to traditional media. Our main website received more than 270,000 unique visitors in 2020/21 - an increase of 15% on the previous year, and our Twitter followers jumped to 29,000 - an increase of 20%.

Developing talented researchers

- The first cohort of our flagship Future Leaders in Innovation, Enterprise and Research (FLIER) leadership programme, completed the programme with a virtual celebration event on 24 March 2021. This was an opportunity for the FLIER participants to share their leadership journey and cross-sector projects with Academy Fellows, key leaders and supporters of the programme including Sir Dennis and Lady Mireille Gillings. The programme for cohort one was extended by three months, due to disruptions caused by the pandemic to the participants ability to engage and complete their projects. Our second cohort is now in their second year of the programme, which they are due to finish in December 2021. The pilot programme is funded from the BEIS Talent Fund and the Dennis and Mireille Gillings Foundation.
- We have continued to deliver our portfolio of grant schemes, which aim to support and develop talented and aspiring researchers. The schemes include our: Springboard Awards, Starter Grants for Clinical Lecturers, Clinician Scientist Fellowships, Newton Fellowships, GCRF Networking Grants, AMS Professorships, the Daniel Turnberg Travel Fellowship scheme and the Hamied Foundation UK-India AMR Visiting Professorship scheme. An overall total of £10,336,499 was awarded to 165 new grantees in the last financial year. Due to the COVID-19 pandemic, the Daniel Turnberg Travel Fellowship Selection Panel was moved to April 2021 from March 2020 and therefore, no awards were made within the last financial year.
- We have continued to innovate with our targeted programme of grant funding. The Academy of Medical Sciences Professorship scheme has continued to gain momentum, and we have delivered two further rounds of competition in 2020/21. This scheme, underpinned by the BEIS Talent Fund, is designed to attract and retain emerging talent from across the globe to the UK, with the specific aim to build capacity at the early-leadership career stage.
- The Academy's wider support activities for our grant holders has been a strong feature over the last year. Our Springboard awardees were brought together for an enhanced induction session. Whilst for the first time we implemented an induction meeting for our Starter Grant awardees. These meetings were successfully held in a virtual format and were an opportunity for awardees to showcase their research and benefit from career development support and cross sector networking.
- Our portfolio of programme activities to support early career researchers, funded through a range of sources, continues to grow in terms of reach and impact. Over 160 early career researchers were paired through our Mentoring programme this year, bringing the total mentoring pairs to over 1000 since the programme began. Two career development events were held online to provide support and skills training to trainees across the country.

- The fifth round of the SUSTAIN programme, to support women in their first independent research position, was launched with a series of virtual events held in early March 2021. We continued delivery of the fourth round of SUSTAIN, reconfiguring workshops to virtual and supporting these participants with mentoring, networking event and newsletters. The cohort finished in July 2021 with media training workshops.
- We have continued to engage with a number of stakeholders regarding the work started in 2017/18 in collaboration with The Health Foundation to develop an innovative transdisciplinary fellowship scheme in health of the public research. We have secured interest from several collaborators and are exploring potential funding sources to underpin the scheme. This work was delayed due to the COVID-19 pandemic, however, at the end of the year conversations were reignited, including with the other National Academies. BEIS has awarded funding a 'year zero' to further engage with stakeholders and develop the scheme, to prepare for implementation.
- Working to secure continued funding of our activities to ensure sustainability has been a major focus for 2020-21. In addition to renewing various funds for activities, we successfully secured five years of funding from Wellcome for £15.7m, these funds will support researchers transitioning to independence and to promote health innovation.
- Following approval from the Academy's Council in December 2019, the funding from Wellcome, from January 2021, will support the pilot for a cross-sector mobility scheme to support networking and innovation across career stages. We have begun planning the scheme with an aim to launch at the end of 2021.
- We set up a Project Group, made up of active and past Academy programme and grant awardees to help guide the development of a new alumni scheme (named AMS HIVE). The scheme is due to launch later in 2021.
- In July 2020, we held a sharing conference for INSPIRE leads who are part of Round five of this scheme, to discuss impact of COVID-19 on their INSPIRE activities and share best practice for delivery in a virtual environment.
- The Programmes Advisory Group, chaired by Professor Christopher Pugh FMedSci, which was set up to oversee and advise on the development and delivery of a cohesive package of support provided across the Academy's grants and programmes, did not meet during 2020-21 due to the pandemic.

- Robust monitoring and evaluation ensure that our schemes and activities remain fit for purpose and achieve impact. We have begun the independent evaluation process of the Clinician Scientist Fellowship scheme. As the final cohort of awardees near the completion of their fellowships, this evaluation will assess the impact of the scheme and develop an evidence base to inform future design and investment in this area. We have also commissioned an independent evaluation of SUSTAIN, due to report in June 2021, to review the programme delivery and identify the impacts of the programme on participants, especially those from earlier cohorts.

COVID-19 Related

- We have continued to develop our COVID-19 Careers Support Space web resource to support the wider research community during the pandemic. We brought together an Advisory Group, chaired by Professor Paul Stewart FMedSci, to help guide its development and advise on themes for resources including personal video stories, blogs and signposting to other organisations. We also delivered five virtual events open to all researchers to encourage discussion on topics related to the resources and provide networking opportunities.
- In response to the Covid-19 pandemic, we have developed new content on our website to support applicants to our schemes and our awardees, including a Covid-19 Q&A document.
- All our selection panel meetings and scheme associated events were reconfigured to be held virtually, including: two Springboard Champion Events to engage with and support the Springboard Champions and Research Office contacts.
- We have sought 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, have sought to provide additional funding.
- Our scientific conferences for aspiring medical researchers are highly valued. In response to the pandemic, the annual Winter Science meeting was replaced by the virtual launch of PILLAR (Promoting, Innovation, Learning, Leadership And Resilience in the research community), our new programme designed to support the Academy's community virtually. The Academy's grant awardees and programme participants were invited to a week of online events, hosted using the PILLAR Community Portal, a virtual platform designed to enable networking and provide additional resources. The launch week, chaired by Professor Frances Platt FMedSci, included a host of training webinars, workshops, panel discussions and networking opportunities. The launch concluded with a keynote talk from Professor John Iredale FMedSci.

Influencing research and policy

- We have followed up on previous policy reports on data-driven technologies, multimorbidity, enhancing the NHS-academia interface and improving the health of the public by 2040. The two latter reports have enabled us to contribute extensively to ongoing discussions about NHS reforms and future arrangements for public health. Following up a previous statement on climate change, we have initiated a working group with the Royal Society on the health co-benefits of possible routes to decarbonisation to inform the forthcoming climate summit.
- We have played an important role in representing the medical research sector in a challenging year. This has included articulating the impacts of the COVID pandemic on research and researchers; demonstrating the benefits of medical research to inform the 2020 Spending Review; highlighting the value of ODA-funded global health research; and advocating for UK participation in Horizon Europe.
- We have contributed our expertise to the development of numerous Government strategies, including the R&D Roadmap and have demonstrated the value of medical research in Parliament and to politicians through the All Party Parliamentary Group on Medical Research and at the 2020 Party Conferences.
- Our FORUM programme has continued online to ensure that academia, industry and the NHS have an independent platform for networking and discussion on topics such as patient and public involvement and engagement during the COVID-19 pandemic, multimorbidity, precision prevention, regulatory science and diagnostics. We also hosted our prestigious FORUM Annual Lecture on the role of science and technology in supporting the sustainability of health and social care systems in a virtual format, which convened over 160 participants from across the life sciences sectors. Despite the difficult economic situation, the vast majority of FORUM members have renewed their membership and two new members have joined. This is testament to the value that partners across the sector place in our FORUM programme of work.
- We have developed new partnerships such as a joint project with the Canadian Academy of Health Sciences on a systems approach to public health, and with the Internal Displacement Research Programme (Refugee Law Initiative of the School of Advanced Study, University of London) on the health needs of internally displaced people. In the case of the latter, we hosted two roundtables on health needs of Internally Displaced Persons within the international agenda which produced a summary report. In addition, we used the outcomes from the roundtables to produce a joint policy brief that was submitted to a High-Level Panel, which was set up to address the global crisis of internal displacement.

- We continued to provide substantial expertise and financial support to the Federation of European Academies of Medicine (FEAM), enabling it to strengthen its influence in Europe and to secure its future. FEAM member Academies actively supported the UK's efforts to associate to Horizon Europe.
- We undertook six global health policy workshops funded by GCRF. Topics included: COVID-19; Universal Health Care in LMICs (three workshops covering: Middle East and North Africa; Nigeria; Latin America); *Addressing the threat of antimalarial drug resistance to malaria elimination in Southeast Asia* (Thailand) and *Research to address the challenge of malnutrition and anaemia in the Andean region* (Peru).

COVID-19 Related

- We worked at pace to support the UK and global response to the COVID-19 pandemic. This included: developing rapid response reports on mental health science research priorities (which we have followed up with funders), immunology knowledge gaps (which was presented to SAGE and also stimulated a successful research consortia), and preparing for a challenging winter in the UK (which has been used widely by decision makers across the UK); developing a COVID-19 pre-clinical drug discovery database; convening experts to explore the role of academia and the NHS in supporting the COVID-19 diagnostic testing response; and hosting roundtables with LMICs to share knowledge and expertise.
- We have included a COVID-19 dimension to other policy projects, including the 2020 Academy of Medical Sciences and The Lancet International Health Lecture delivered by Professor Gabriel Leung, Professor Robin Shattock FMedSci and Professor Ilona Kickbusch under the title *Learning from crisis: building resilient systems to combat future pandemics*.

Looking ahead

Engaging patients, the public and professionals

- In December 2020 we launched *Life Support* an online resource to get people talking about dying, and what it means to die well by connecting with end-of-life care research. It was developed to replace the many face-to-face events that were planned to run across the country this year as part of our The Departure Lounge project with The Liminal Space. In a year when COVID-19 deaths were ever present proved to be a vital resource for the public.
- Our policy work on **Coronavirus, mental health and neuroscience** was underpinned by surveys of more than 3,000 members of the public and people with lived experience of mental health challenges. We also supported three mental health service users to join the expert group and co-author the paper published in the Lancet Psychology.
- Over the early summer we delivered a range of activities to ensure recommendations from our **Preparing for a challenging winter 2020-21** project was informed by and developed the public, patient, and carers. This included setting up a Patient and Carer Reference Group and holding online interviews and workshops with members of the public to discuss the issues, including people from Black, Asian and minority ethnic groups, and patients or carers who had received letters asking them to shield. A **People's perspective** was published alongside the full report and the project was used as a case study to demonstrate to the engagement community how public and patient voices can be included at speed in decision making.

COVID-19 Related

- The COVID-19 pandemic meant that our work to ensure that decision-making is guided by the priorities and concerns of the public, patients and carers was more important than ever and we delivered a greater number of engagement projects than in any previous year.
- Throughout the year we worked with Wowbagger Productions and Vocal to empower young adults from across the world to make sense of the pandemic through co-creating an online comic called **Planet DIVOC-91**, working with famous comic artists and storytellers. Each issue's themes and stories were developed by an editorial panel of 16-24 year olds from the UK, India and South Africa following interviews with leading scientists drawn from the Academy Fellowship and our grant awardees.

We continue to work to the Academy's 2016-2021 Strategic Plan mission of 'advancing biomedical and health research and its translation into benefits for society', whilst work is underway to develop and launch a new strategy covering the period 2022–2032. Our four strategic objectives are:

- Promoting excellence
- Developing talented researchers
- Influencing research and policy
- Engaging patients, the public and professionals

In December 2020, the Academy elected a new President, Professor Dame Anne Johnson, who reflected in an inaugural blog on the Academy's achievements to date and her Presidential priorities in the context of the organisation's future direction. As part of developing our new 10-Year Strategy we will working with our Fellows, Early Career Researchers, partner organisations and other stakeholders to review progress and identify our strategic priorities.

Diversity

- A critical over-arching theme for our work this year is how we can make greater progress in enhancing diversity. In all that we do we will endeavour to promote greater diversity across our Fellowship, community of Early Career Researchers, those who inform our policy work, those we provide a platform to, and among our staff and in our operations.
- There is much we can and will do to promote a more inclusive research culture for all, but we also recognise that our priority must be to continually examine our projects and processes to ensure equality and equity.

Strategic priorities 2021/2022

Our priorities are based on our existing mission and objectives, but COVID-19 will continue to influence our delivery plans for the foreseeable future. As the government policy response to COVID-19 and Brexit continues to develop, we anticipate working closely with key funding partners to build on current funding agreements to enhance the scope of our work. The 2021/2022 business plan will be focussed on:

1. Increasing our impact by improving how we work with and engage communities and stakeholders.
2. Demonstrating leadership and promoting innovation across medical science.
3. Building a modern, agile and diverse Academy.
4. Ensuring our future sustainability.
5. Strengthening our governance, social and environmental standards.

Each of these priorities is expanded below to capture 'headline' work and milestones that will be achieved. Individual team plans have been developed and staff objectives agreed that align with these priorities.

1. Increasing our impact by improving how we work and engage with communities and stakeholders

- a. Embedding equality, diversity and inclusion; patient and public engagement; and ECR involvement across AMS governance, policy, programmes, communications, and events.
- b. Increase the breadth of our policy stakeholders, with a focus on engaging decision makers and influencers in the devolved administrations and the regions, and a wider range of private sector organisations in the FORUM.
- c. Develop our regional presence, networks and activities to ensure our work is informed by UK-wide perspectives, including piloting Regional Cabinets in 2 or more areas.
- d. Creating partnerships and involving partner organisations from across health and social care in our work.
- e. Deliver tailored support to researchers through our existing portfolio of grants and programmes, including Professorships, Clinician Scientist Fellowships, Springboard and Starter Grant, Networking and Newton awards as well as our FLIER, SUSTAIN, mentorship and career development programmes to enable researchers to recover from the pandemic and its impact on their lives and careers.
- f. Provide a 'hub' for our ECRs through developing the PILLAR portal and provision for our alumni to integrate into the Academy and develop their research and careers through a new AMS HIVE network.
- g. Expand our communications reach to broader public audiences through connecting with new media outlets and developing digital communications that connect beyond existing or well-served audiences.

2. Demonstrating leadership and promoting innovation in medical science

- a. Harness the expertise of the Fellows and the wider research community to support the response to the pandemic including: identifying priority actions for Winter 21/22 and beyond; promoting Mental Health research needs; leading engagement with LMICs and maximising the value of our preclinical drug discovery and development database.
- b. Through a major new policy project, set out the key drivers in ensuring a long-term sustainable medical and health research base.
- c. Determine how the Academy can best support the evidence base around health inequalities and establish Academy credentials for policy leadership on health aspects of climate change.

- d. Influence government activities such as the Innovation Strategy, the People and Culture Strategy, the Spending Review and new funding schemes, to ensure the best outcomes for biomedical and health research and for society. Ensure that the impacts of the pandemic on Early and Mid-Career researchers and options for mitigation are at the forefront of our work.
- e. Reflecting changes to the global policy and research landscape such as Brexit, strengthen and develop relationships with academies and umbrella groups such as the Federation of European Academies of Medicine.
- f. Review and maximise the impact of the Academy's policy work and programmes to link Academia, Industry and the NHS (the FORUM). Through the FORUM, identify innovation in areas such as women's health, translation of chronic pain research and clinical trials in rare diseases.
- g. Provide a high profile and trusted voice in the media on biomedical and health science and the evidence that it provides.
- h. Piloting the Cross Sector Mobility Task Force recommendations as agreed by Council.
- i. Commencing engagement with other innovations such as transdisciplinary fellowships in the Health of the Public Fellowship and Clinical Innovators schemes. Explore the potential for a funding consortium to underpin these schemes.

3. Building a modern, agile and diverse Academy

- a. Promoting staff wellbeing, resilience and flexibility.
- b. Building a stronger more collaborative culture and encouraging greater cross-team working.
- c. Refreshing plans for staff training and development.
- d. Roll-out agile and hybrid working practices underpinned by improved policies, data infrastructure (CRM) and other IT resources.
- e. Introducing revised a pay and reward policy, job grading and levels.
- f. Developing more efficient and effective processes and data driven insights by leveraging the new CRM and MS365 platforms.
- g. Exploring and further defining the Academy values, behaviours and culture.
- h. Broadening the diversity of our staff by undertaking a 360 analysis of our recruitment processes and procedures, providing equality, diversity and inclusion training to existing staff.

4. Ensuring our future sustainability

- a. Develop a rolling 3-year financial strategy to enhance fundraising, make better use of our assets and diversify our income.
- b. Develop a new fundraising strategy to include major donor and legacy plans and increased fundraising team resource.
- c. Maximising the returns from 41 Portland Place.
- d. Continue to modernise our infrastructure in ways which will support more efficient, effective and agile working.
- e. Continue to develop our long-term strategic partnership with Wellcome and exploring similar opportunities with other funders.

5. Strengthening our environmental, social and governance standards

- a. Understanding our impact and having clear success measures for what we do including developing a set of corporate KPIs and measuring the economic value of our work.
- b. Deliver improvements to our governance processes in line with the Charity Governance Code.
- c. Develop a near and long-term diversity action plan.
- d. Articulate our vision for public and patient engagement across the organisation and strengthen the processes and procedures that underpin our commitment to including public, patient and carer voices in our work.
- e. Develop a plan to reduce our environmental impact such as: by developing proactive policies to reduce our carbon footprint such as agile working; adopting carbon offsetting to accompany our major programmes and activities; only investing in organisations that have high environmental and social standards.
- f. Strengthen our committee memberships to better support the delivery of the strategic plan.
- g. Review the Fellowship nominations process and implement changes that lead to a greater diversity within the Fellows.
- h. Refresh and update our HR policies including changing language to make them more accessible.
- i. Review risk management processes and implement improvements.

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 2021 had 1,283 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'. Fifty new Fellows were elected in 2020 from a pool of 413 candidates through a rigorous process of peer review, scrutiny from eight Sectional Committees and final election by Council in April. New Fellows are admitted to the Academy at a ceremony in June.

Governance

The Academy is governed by a Council of 16 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. This year Council also co-opted 2 Early Career Researchers 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 was established this year to advise Council on the election of Honorary Officers, Honorary Fellows, Council members and other appointments.

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 from 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. The Executive Director leads a permanent staff of 43, with 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 360 degree review process, which is discussed at the annual appraisals. Any salary awards, including that for the Executive Director, must be approved by the Finance Committee at its February meeting. During 2020/21 the Academy initiated a reviewed the Academy's Total Reward Approach to staff pay and reward. This will be concluded in 2021/22.

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.

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 impact of COVID-19 was separately identified a new operational risk during 2020 and the business continuity group met regularly during the year to review and manage the risk. Linked to COVID-19 the Academy's risk management activities around its investment in its trading company were increased with the trading company board meeting regularly during the year. A new risk in relation to the depletion of unrestricted reserves was recognised in the risk register, reflecting the need to increase unrestricted funding to build additional reserves and resilience.

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 four key objectives 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.

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 Director of Communications 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 2020/21 this included (but was not limited to): UK government Department for Business, Energy & Industrial Strategy (BEIS), Department of Health and Social Care, and the National Institute of Health Research, 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, Public Health England, 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, the British Academy, Royal Academy of Engineering, along with all the members of the Academy's FORUM and donors to the Daniel Turnberg Memorial Fund.

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

The Consolidated Statement of Financial Activities (SOFA) and Balance Sheet, together with the Notes to the Accounts set out on pages 25-39, 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 objectives. Comparative figures have been presented as merger accounting was adopted reflecting the transfer of business to the Royal Charter company on 30 November 2019.

Results for the year

The results for the financial year to 31 March 2021 are being reported against the background of the new health and economic challenges posed by the global COVID-19 pandemic. As a result, it is inevitable that the focus when assessing the results for 2020/21 will be more forward looking than in normal times, and the finishing position at 31 March 2021 provides a robust starting point for the uncertainties ahead in 2021/22. The Academy's core funds reduced by £91k with a General Fund balance at 31 March 2021 of £1.53 million, and the total of unrestricted funds was £5.42 million representing 44% of the total funds of £12.38 million.

As a result of COVID-19 impacting the timing of delivering activity income reduced in 2020/21, down by 11.9% to £14.7 million, with a related decrease in expenditure on charitable activities which decreased by 10.2% to £14.6 million.

Funding sources

Total incoming resources for 2020/21 were £14.7 million of which £13.3 million was received from charitable activities, all of which was provided to support specific projects and included as part of restricted income. This was a decrease of £1.1 million from the previous year which was principally as a result of programmes and events being delayed as a result of COVID-19.

Several of the Academy's grant schemes have been funded by consortia of funders that have, in recent years, included the Department of Business and Industrial Strategy (BEIS). In 2020/21 BEIS provided a total of £5.97 million to those schemes, and a further £1.33 million to career programmes, international and UK policy activities. Along with the Department of Health and Social Services and the National Institute of Health Research, the total of government funding for activities in 2020/21 was £7.89 million.

Unrestricted income for the year was £1.2 million of which £26,171 was generated by the trading subsidiary. This was a decrease of 97% from 2019/20, as a result of COVID-19 restrictions on activity. The trading company provided 2% of General Fund income for the year compared with 40% in 2019/20.

Expenditure

Total expenditure was £14.9 million, a decrease of £2.14 million, the majority of which arose under *developing talented researchers*. Much of the decrease under this objective was due to delays making awards. Expenditure on *engaging public, patients & professionals* decreased to nil as a result of programmes ending and COVID-19. Expenditure on *influencing research & policy* also decreased in the year because workshops could not be held as a result of COVID-19.

Support costs increased by 15% to £2.08 million, due principally to an increase in staff costs as a result of recruitment and lower vacancies during the year.

Cash and investment management

Investments were valued at £3,694,884 at 31 March 2021 with a £420,087 increase 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 2021.

The Academy's portfolios at Sarasin performed well in the calendar year 2020/21 and reflected a strong year for equity 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 2021 cash on deposit was £8.18 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

Reserves

The Academy's reserves at 31 March 2021 were £12.38 million an increase of £237,843 from 31 March 2020. The reserves were made up as follows:

	£
Permanent Endowment	1,943,769
Restricted Funds	5,014,982
Unrestricted Funds	
Designated Funds	3,878,902
General Fund	1,542,929
Total Funds at 31 March 2021	12,380,582

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 on pages 36 and 38.

Expenditure of £249k was incurred by the Designated Development Fund to support a variety of projects including improvements in the business and IT systems and the recruitment of the new Finance & Resources Director.

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 9 June 2020 the Finance Committee approved an uplift to the target level of reserves, in terms of General Fund resources, to a range of £1.3 million to £1.8 million due to 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 General Fund income, in the event of a significant shortfall in core funding. At 31 March 2021 the General Fund was £1,525k and within the target range

Statement of Trustees' responsibilities

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 2019 (FRS 102);
- 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 17 September 2021 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

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 2021 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 2021, 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 strategic report and the directors' report included within the Report of the Council have been prepared in accordance with applicable legal requirements.

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 2021, 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.
- We also identified potential for management bias in the judgements made around recoverability of debtors. We addressed this through examination of post year end cash received, review of correspondence with debtors and discussion of recoverability with management.
- 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.
- We also identified potential for management bias in the depreciation rate applied to tangible fixed assets, and we addressed this by considering the useful economic life applied for the types of asset held, and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- 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. 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: 13 October 2021

15 Westferry Circus
Canary Wharf
London E14 4HD

Consolidated statement of financial activities

for the year ended 31 March 2021
(Incorporating an income and expenditure account)

	Note	General Fund £	Other Unrestricted Funds £	Restricted Funds £	Permanent Endowment Funds £	Total 2021 £	Total 2020 £
Income from:							
Donations		1,015,484	8,237	100,084	-	1,123,805	1,163,290
Charitable activities		-	-	13,269,179	-	13,269,179	14,424,806
Trading activities		148,096	-	-	-	148,096	911,474
Investments		21,158	23,396	38,852	42,487	125,883	151,643
Total income	3	1,184,738	31,633	13,408,105	42,487	14,666,963	16,651,213
Expenditure On:							
Raising funds		161,181	64,574	76,365	-	302,120	786,062
Charitable activities							
Promoting excellence		-	-	-	-	-	337,781
Developing talented researchers		338,752	177,602	12,179,299	12,550	12,708,203	12,941,608
Influencing research & policy		540,065	150,585	1,174,416	-	1,865,066	2,182,092
Engaging patients, the public & professionals		-	-	-	-	-	772,118
		878,817	328,187	13,353,715	12,550	14,573,269	16,233,599
Total expenditure	4	1,039,998	392,761	13,430,080	12,550	14,875,389	17,019,661
Net income before investment gains/(losses)		144,740	(361,128)	(21,975)	29,937	(208,429)	(368,448)
Gains/(losses) on investments	9	31,188	94,260	78,168	242,652	446,268	(120,641)
Transfers between funds	14	22,198	(22,198)	-	-	-	-
Net movement in funds		198,126	(289,066)	56,193	272,589	237,843	(489,089)
Funds 1 April 2020		1,344,803	4,167,967	4,958,789	1,671,180	12,142,739	12,631,828
Funds 31 March 2021	13	1,542,929	3,878,902	5,014,982	1,943,769	12,380,582	12,142,739

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 25-39 form part of these financial statements.

Balance sheets

as at 31 March 2021

	Note	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Fixed assets					
Tangible fixed assets	8	4,000,495	4,000,495	4,251,258	4,251,258
Investment property	9b	1,200,000	1,200,000	1,200,000	1,200,000
Investments	9a	3,694,884	3,695,884	3,274,797	3,275,797
		8,895,379	8,896,379	8,726,055	8,727,055
Current assets					
Debtors	10	1,934,442	2,051,668	2,626,026	2,688,612
Stock		3,424	-	5,447	-
Cash on deposit		8,217,747	8,217,747	5,946,625	5,946,625
Cash at bank and in hand		531,809	339,949	1,498,350	1,290,556
		10,687,422	10,609,364	10,076,448	9,925,793
Current liabilities					
Creditors: amounts falling due within one year	11	(7,202,219)	(7,126,055)	(6,659,764)	(6,567,866)
Net current assets		3,485,203	3,483,309	3,416,684	3,357,927
Creditors: amounts falling due after more than one year		-	-	-	-
Net assets		12,380,582	12,379,688	12,142,739	12,084,982
Represented by:					
Permanent endowment funds	13	1,943,769	1,943,769	1,671,180	1,671,180
Restricted funds		5,014,982	5,014,982	4,958,789	4,958,789
Unrestricted funds:					
General fund		1,542,929	1,542,035	1,344,803	1,287,046
Designated funds		3,878,902	3,878,902	4,167,967	4,167,967
Total funds		12,380,582	12,379,688	12,142,739	12,084,982

Approved by the Council and authorised for issue on 17 September 2021, and signed on its behalf by:



President
Professor Dame Anne Johnson PMedSci



Treasurer
Professor Ed Bullmore FMedSci
The notes on pages 25-39 form part of these financial statements.
Company Number RC000905

Consolidated statement of cash flows

for the year ended 31 March 2021

	Note	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Cash from operating activities	(a)	1,165,062	1,180,995	(777,059)	(697,774)
Cash used in investing activities					
Interest from investments		125,883	125,883	151,643	151,643
Purchase of fixed assets		(12,543)	(12,543)	-	-
Proceeds from sale of fixed assets		-	-	-	-
Proceeds from sale of investments		-	-	125,115	125,115
Purchase of investments		26,180	26,180	(978,361)	(978,361)
		139,520	139,520	(701,603)	(701,603)
Cash used in financing activities					
Repayment of borrowings		-	-	(108,898)	(108,898)
(Decrease)/Increase in cash in the year		1,304,582	1,320,516	(1,587,560)	(1,508,275)
Cash at the beginning of the year		7,444,975	7,237,181	9,032,535	8,745,456
Cash at the end of the year		8,749,557	8,557,696	7,444,975	7,237,181
Note (a)					
Net movement in funds per the statement of financial activities		237,843	294,258	(489,089)	(546,846)
Depreciation charges		257,144	257,144	282,470	282,470
Loss on sale of fixed assets		6,162	6,162	-	-
Losses/(gains) on investments		(446,268)	(446,268)	120,641	120,641
Dividends & Interest from Investments		(125,883)	(125,883)	(151,643)	(151,643)
(Increase)/decrease in Cash in investment Portfolio		1	1	(186)	(186)
Decrease/(increase) in stock		2,023	-	(120)	-
Decrease/(increase) in debtors		691,584	636,944	(1,149,357)	(1,047,594)
Increase in creditors		542,455	558,637	610,225	645,384
Net cash provided by operating activities		1,165,062	1,180,995	(777,059)	(697,774)

Notes to the financial statements

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.

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 Newton Fellowships are charged in the year when the conditions for each award are fulfilled. Grants awarded under the Daniel Turnberg Memorial Fund are treated as payable only when funding is in place.

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 j), 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

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 1g, 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 £138,711 (2020: £354,614) 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 COVID-19 has been monitored by the executive and trustees since March 2021 with the review of budget and cashflow forecasts for both the charity and the trading subsidiary. At its meeting of 15 April 2021, 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 the uncertainties caused by the COVID-19 crisis, and approved the continued investment in the trading company during a period of unprecedented trading conditions. 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 2021 are shown below.

	2021 £	2020 £
Turnover	29,903	962,610
Costs of sales	(75,327)	(583,618)
Gross profit	(45,424)	378,992
Administrative expenses	(21,428)	(304,187)
Operating profit for the year	(66,852)	74,805
Interest receivable	-	-
Interest payable	(3,500)	(3,500)
Donation to the charity	-	-
Profit/(Loss) for the year	(70,352)	71,305
Tax write-back/(tax) on profit on ordinary activities	13,548	(13,548)
Profit/(Loss) on ordinary activities after taxation	(56,804)	57,757
Balance sheet		
Current assets	198,056	292,838
Current liabilities	(96,103)	(134,081)
Net current assets	101,953	158,757
Loan from the charity	(100,000)	(100,000)
Net assets	1,953	58,757
Share capital and reserves		
Share capital	1,000	1,000
Profit & loss account	953	57,757
Shareholders' funds	1,953	58,757

On consolidation these results have been adjusted to eliminate income from meeting room hire to the Academy and rent payable to the Academy under a head lease. The balance is included as income £26,171 and expenditure £63,707 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:

	2021 £	2020 £
Income	14,663,793	16,158,718
Net movement in funds for the year	(152,010)	(546,850)

3. Income from:

	General Fund £	Designated Funds £	Restricted Funds £	Endowed Funds £	Total 2021 £	Total 2020 £
Donations						
Fellows' subscriptions and contributions	371,922	-	-	-	371,922	356,560
Department of Health	478,000	-	-	-	478,000	478,000
Other donations	165,562	8,237	35,941	-	209,740	243,206
Donated services	-	-	64,143	-	64,143	85,524
	1,015,484	8,237	100,084	-	1,123,805	1,163,290
Charitable activities						
Promoting excellence	-	-	-	-	-	-
Developing talented researchers	-	-	12,157,294	-	12,157,294	12,889,280
Influencing research & policy	-	-	1,111,885	-	1,111,885	1,301,896
Engaging patients, the public & professionals	-	-	-	-	-	233,630
	-	-	13,269,179	-	13,269,179	14,424,806
Trading activities						
Trading subsidiary income	26,171	-	-	-	26,171	783,585
Other rental income	121,925	-	-	-	121,925	127,889
	148,096	-	-	-	148,096	911,474
Investments						
Income on investments	15,343	23,396	38,842	42,487	120,068	103,938
Short term deposits	5,815	-	-	-	5,815	47,705
	21,158	23,396	38,842	42,487	125,883	151,643
Total Income	1,184,738	31,633	13,408,104	42,487	14,666,963	16,651,213

4. Expenditure on:

	Direct Costs £	Grant Funding £	Support Costs £	Total 2021 £	Total 2020 £
Raising Funds					
Fundraising costs	112,422	-	125,991	238,413	172,301
Trading subsidiary expenditure	63,707	-	-	63,707	613,761
	176,129	-	125,991	302,120	786,062
Charitable activities					
Promoting excellence	-	-	-	-	337,781
Developing talented researchers	1,490,588	10,161,343	1,056,272	12,708,203	12,941,608
Influencing research & policy	820,337	149,136	895,593	1,865,066	2,182,092
Engaging patients, the public & professionals	-	-	-	-	772,118
	2,310,925	10,310,479	1,951,865	14,573,269	16,233,599
Total expenditure	2,487,054	10,310,479	2,077,856	14,875,389	17,019,661

Total expenditure in the year to 31 March 2021 was £14,875,389 (2020: £17,019,661) comprising expenditure under General Funds; £1,039,998 (2020: £1,649,481) Designated Funds; £392,761 (2020: £414,802), Restricted Funds; £13,430,080 (2020: £14,937,528) and Endowed Funds; £12,550 (2020: £17,850).

Analysis of support costs

	Cost of Premises £	Office & IT Costs £	Staff & Related Costs £	Governance Costs £	Total 2021 £	Total 2020 £
Raising Funds	32,984	17,990	70,487	4,530	125,991	83,027
Charitable activities						
Promoting excellence	-	-	-	-	-	110,442
Developing talented researchers	276,526	150,824	590,945	37,977	1,056,272	720,105
Influencing research & policy	234,461	127,881	501,051	32,200	895,593	629,318
Engaging patients, the public & professionals	-	-	-	-	-	270,636
Total support costs	543,971	296,695	1,162,483	74,707	2,077,856	1,813,528

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 2 Council members (2020: 10) received reimbursed travel expenses of £270 (2020: £14,043).

b. Employee information

	2021 £	2020 £
Salaries	2,185,325	2,005,953
Employer's national insurance	233,588	211,763
Employer's pension contributions	179,496	141,356
Donated staff services	64,143	85,524
	2,662,552	2,444,596

The average number of salaried staff employed during the year was 51.08 (2020: 49.87).

The full-time average equivalent for salaried staff during the year was 49 (2020: 47.75).

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

	2021	2020
£60,001 - £70,000	2	1
£70,001 - £80,000	1	3
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-

Pension contributions paid by the Academy relating to higher paid employees as defined above amounted to £54,658 (2020: £28,719)

The total salaries of the Senior Management Team, including pension contributions, was £552,327 (2020: £458,281).

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

	2021 £	2020 £
Auditor's fees:		
Audit – charity	12,700	12,460
Audit – trading subsidiary	1,980	4,450
Other services	2,390	380
Investment management fees	26,180	21,548
Depreciation of tangible fixed assets	257,144	282,470

7. Grants payable

The Academy administers seven 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; the Springboard Grants Scheme (SBS) funded by the Wellcome Trust (this also incorporating the Research Talent Fund and Global Challenges Research Fund Springboard scheme, both funded by the Department for Business Energy & Industrial Strategy (BEIS)), British Heart Foundation, Diabetes UK; the Newton Fellowships (NFS) funded by the Newton Fund (BEIS), the Global Challenges Research Fund Networking Scheme (GCRFN) funded by BEIS, the Research Professorship scheme (RST) funded by BEIS and the Daniel Turnberg UK/Middle East Travel Fellowship Scheme (DTMF). Details of the schemes are as follows:

	CSFS £	CLS £	SBS £	NFS £	GCRFN £	RST £	DTMF £	Total 2021 £
Grants at 1 April	220,583	-	4,026,751	651,731	-	653,034	108,250	5,660,348
Grants awarded	299,739	1,545,626	4,747,181	1,312,815	1,686,509	744,629	-	10,336,499
Grants written-back	-	(51,448)	(48,926)	(11,205)	(64,357)	-	(11,510)	(187,445)
Grant payments during the year	(256,596)	(1,199,700)	(3,182,506)	(1,953,340)	(1,178,989)	(1,397,664)	(96,740)	(9,265,534)
Invoices received but not settled at year end	(43,143)	(8,732)	-	-	-	-	-	(51,875)
Grants balance at 31 March	220,583	285,746	5,542,500	-	443,163	-	-	6,491,993
Developing talented researchers								
Grants to institutions	299,739	1,494,178	4,698,255	1,301,610	1,622,153	744,628	-	10,160,564
Grants to individuals	-	-	-	-	-	-	(11,510)	(11,510)
Total research grants charged in the year	299,739	1,494,178	4,698,255	1,301,610	1,622,153	744,628	(11,510)	10,149,054

Grants payable of £6,491,993 are shown under creditors amounts falling due within one year at note 11 on page 34.

Grants awarded are shown as grant funding expenditure in note 4 on page 29.

Grants to 54 institutions were awarded in the year to a total value of £10,160,564 (2020: £10,363,154 to 58 institutions). The principal institutions benefiting from the grants were:

	£
King's College London	1,053,568
University College London	882,409
Imperial College London	699,330
University of Cambridge	548,829
University of Birmingham	501,437
University of Oxford	477,777
University of Leeds	466,822
University of Cardiff	391,106
University of Nottingham	284,629
Queen's University Belfast	274,872

8. Tangible fixed assets – Group and Charity

	Leasehold Premises £	Refurbished Property £	Furniture, fixtures & equipment £	Computer equipment £	Computer software £	Total £
Cost						
At 1 April	1,983,607	3,974,596	496,107	282,777	22,685	6,759,772
Additions	-	-	12,543	-	-	12,543
Disposals	-	-	-	(45,702)	-	(45,702)
	1,983,607	3,974,596	508,650	237,075	22,685	6,726,613
Depreciation						
At 1 April	679,134	1,360,671	199,760	254,859	14,090	2,508,514
Charge for the year	71,481	143,229	17,500	19,180	5,754	257,144
Disposals	-	-	-	(39,540)	-	(39,540)
	750,615	1,503,900	217,260	234,499	19,844	2,726,118
Net book value						
31 March 2021	1,232,992	2,470,696	291,390	2,576	2,841	4,000,495
31 March 2020	1,304,473	2,613,925	296,347	27,918	8,595	4,251,258

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.

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 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

	2021 £	2020 £
At 1 April	3,274,797	2,542,007
Additions	-	1,000,000
Disposals	-	(125,115)
Management fees	(26,180)	(21,639)
Increase/(decrease) in market value	446,267	(120,643)
	<u>3,694,884</u>	<u>3,274,610</u>
Cash held for investment	-	187
Market Value at 31 March	3,694,884	3,274,797
Cost at 31 March	2,993,521	2,993,521

Investments to the value of £381,640 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 £1,395,862 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 £1,917,381 at 31 March 2021.

Investments of £3,695,884 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

	2021 £	2020 £ (restated)
At 1 April	1,200,000	1,200,000
Transfer from fixed assets	-	-
Revaluation of investment property	-	-
Fair value at 31 March	1,200,000	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. As a result of COVID-19, a higher degree of caution was attached to the valuation than would normally be the case, and the valuers recommended the valuation was kept under frequent review. 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

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Amounts falling due within one year:				
Trade debtors	118,942	118,942	170,331	134,333
Provision for doubtful debts	-	-	(7,314)	-
Prepayments	49,353	49,353	39,315	39,315
Accrued income	1,714,419	1,731,619	2,392,174	2,392,174
Other debtors	33,078	33,078	16,310	16,309
VAT receivable	18,650	18,247	15,210	-
Amount due from subsidiary	-	428	-	6,481
Amount falling due after more than one year:				
Loan to subsidiary	-	100,000	-	100,000
	1,934,442	2,051,668	2,626,026	2,688,612

11. Creditors

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Amounts falling due within one year:				
Grants payable	6,491,993	6,491,993	5,660,348	5,660,348
Trade creditors	175,111	168,254	305,938	288,243
Accruals	150,872	143,615	81,523	79,573
Deferred income	305,589	243,539	375,617	316,912
Rent deposit	-	-	73,941	73,941
PAYE/NIC Liability	67,476	67,476	61,196	61,196
VAT payable	-	-	5,780	5,780
Other Creditors	11,178	11,178	81,873	81,873
Corporation Tax	-	-	13,548	-
	7,202,219	7,126,055	6,659,764	6,567,866
Amounts falling due beyond one year:				
Bank loan				
Due within two to five years	-	-	-	-
Due after five years	-	-	-	-
	-	-	-	-

12. Deferred Income

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Deferred income brought forward	375,617	316,912	1,001,269	976,079
Less: Amount used in the year	(145,907)	(102,235)	(800,380)	(775,190)
Income deferred within the year:				
Grants from institutions	25,674	25,674	37,500	37,500
Fellows' subscriptions	3,004	3,004	2,523	2,523
Rent in advance	-	-	28,410	28,410
Conferencing deposits	47,017	-	58,705	-
Other	184	184	47,590	47,590
Deferred income carried forward	305,589	243,539	375,617	316,912

13. Movement on group funds

	Balance 1 April £	Income £	Expenditure £	Transfers £	Revaluation £	Balance 31 March £
Permanent endowment						
The Jean Shanks Memorial Fund	245,859	8,542	(1,963)		52,059	304,497
The Sackler Fund	75,787	2,847	(654)		17,353	95,333
The Daniel Turnberg Memorial Fund	1,349,534	31,098	(9,933)	-	173,239	1,543,938
Total permanent endowment	1,671,180	42,487	(12,550)	-	242,651	1,943,769
Restricted funds						
BEIS funding						
Newton Fellowships	58,416	1,528,594	(1,464,391)	-	-	122,619
Science budget	-	480,210	(406,469)	-	-	73,741
FEAM	-	139,750	(167,403)	-	-	(27,653)
Research Talent Fund:		863,809	(941,463)			(77,654)
<i>Springboard scheme</i>	-	-	-	-	-	-
<i>AMS Professorships</i>	-	210,000	(189,792)	-	-	20,208
<i>FLIER leadership scheme</i>	-	200,000	(331,267)	-	-	(131,267)
Global Challenges Research Fund:		352,238	(324,415)			27,823
<i>Workshops</i>	-	-	-	-	-	-
<i>Springboard scheme</i>	-	351,847	(847,204)	-	-	(495,357)
<i>Networking scheme</i>	-	1,025,980	(993,754)	-	-	32,226
<i>FLAIR Scheme</i>	-	-	-	-	-	-
Other funders to grant schemes	763,722	7,238,170	(6,815,400)	-	-	1,186,492
Project/meeting contributions	-	66,790	(38,417)	-	-	28,373
Mentoring & career development	831,807	932,594	(756,240)	-	-	1,008,161
Medical Research Society	684,585	18,121	(4,303)	-	78,169	776,572
Restricted Asset Fund	2,620,259	-	(149,562)	-	-	2,470,697
Total restricted funds	4,958,789	13,408,103	(13,430,080)	-	78,169	5,014,982
Unrestricted funds						
General Fund	1,344,803	1,184,738	(1,039,998)	22,198	31,188	1,542,929
Designated funds						
Business Fund	200,422	8,237	-	-	-	208,659
Asset Fund	2,556,981	-	(71,481)	-	-	2,485,501
Building Repair Fund	581,010	12,478	(72,063)	-	50,272	571,697
Development Fund	829,554	10,918	(249,217)	(22,198)	43,988	613,045
Total designated funds	4,167,967	31,633	(392,761)	(22,198)	94,260	3,878,902
Total unrestricted funds	5,512,770	1,216,371	(1,432,759)	-	125,448	5,421,831
Total funds	12,142,739	14,666,963	(14,875,389)	-	446,268	12,380,582

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. Expenditure of £654 in the year comprises 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

BEIS Funding

The Department of Business Energy & Industrial Strategy (BEIS) provides seven grants, disclosed separately as required by the terms of the funding agreements. These are:

The Newton Fellowships – details of the grants awarded are shown in note 7 with the Academy's other grant schemes. During the year £1,360,594 of grant funding and £168,000 contribution for the running of the scheme was received. Of this, £1,464,391 was expended; £1,301,610 of which was awarded as grants.

Science budget – National Academies allocation – the Academy received £480,000 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.

Federation of European Academies of Medicine (FEAM) – BEIS awarded a grant of £139,750 for a 12-month programme of support to FEAM, to be led by the Academy to strengthen FEAM's capacity, this was spent in full.

Research Talent Fund – During the year, the Academy received £864,000 of grant funding for Springboard awards, £200,000 towards the FLIER Programme, £160,000 towards career mentoring and £130,000 towards the costs of running the schemes (£50,000 of this relating to the AMS Professorship scheme).

Global Challenges Research Fund – BEIS administers the government fund set up to support cutting-edge research that addresses the challenges faced by developing countries. Funding received under the GCRF in 2020/21 was split into the following grants:

Workshops – The Academy was awarded £352,238 to hold policy workshops and £129,884 of this was expended during the year.

Networking grant scheme – The Academy was awarded £830,441 of grant funding and £195,540 contribution for the running of the scheme. Of this £993,754 was expended; £804,949 of which was awarded as grants.

Springboard – In 2020/21 the Academy was awarded £321,847 for awards and £30,000 towards career mentoring for 4 years to 2021.

Other Funders to grant schemes

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

Mentoring and career development programme

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

Policy project/meeting contributions

Specific donations to support meetings and other activities. Income received during the year includes £25k from the Shanks Foundation.

Medical Research Society

The Medical Research Society merged with the Academy on 31st 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.

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 fund £	Designated funds £	Restricted funds £	Restricted funds £	Total £
Transfer to building repair fund	-	-	-	-	-
Additional support from General Fund to Restricted Funded projects	22,198	22,198	-	-	-
Contribution from endowment fund to Restricted funded projects	-	-	-	-	-
	22,198	(22,198)	-	-	-

15. Analysis of group net assets

	General funds £	Designated funds £	Restricted funds £	Permanent endowment funds £	Total £
Fixed assets	112,269	1,417,529	2,470,697	-	4,000,495
Investments	519,364	1,984,920	613,100	1,777,500	4,894,884
Cash on deposit and at bank	(711,780)	476,453	8,646,888	337,996	8,749,626
Other net current liabilities	1,623,077	-	(6,715,703)	(171,727)	(5,264,353)
	1,542,929	3,878,902	5,014,982	1,943,769	12,380,582

Analysis of group net assets - 2019

	General funds £	Designated funds £	Restricted funds £	Permanent endowment funds £	Total £
Fixed assets	135,826	1,495,173	2,620,259	-	4,251,258
Investments	491,947	1,896,215	539,235	1,547,400	4,474,797
Cash on deposit and at bank	1,065,001	776,579	5,314,214	289,181	7,444,975
Other net current liabilities	(347,971)	-	(3,514,919)	(165,401)	(4,028,291)
Liabilities due after one year	-	-	-	-	-
	1,344,803	4,167,967	4,958,789	1,671,180	12,142,739

16. Company status and membership

Academy of Medical Sciences is a registered charity, incorporated by Royal Charter on 3 September 2019. At 31 March 2021 there were 1,283 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.

On 3 December 2019 the Royal Charter body was made the sole corporate trustee of the Academy of Medical Sciences charitable company, company number 3520281. The company has not traded since 1 December 2019 and was dissolved on 11 May 2021.



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Registered Charity No. 1185329
Incorporated by Royal Charter.
Registration No. RC000905