

**INTERNATIONAL PRIMARY CARE
RESPIRATORY GROUP**

*(a company limited by guarantee and
not having share capital)*

DIRECTORS' REPORT AND ACCOUNTS

31 DECEMBER 2006

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP

*(a company limited by guarantee
and not having share capital)*

(Company number: SC256268)

(Charity Number: SC035056)

DIRECTORS' REPORT AND ACCOUNTS

31 DECEMBER 2006

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006

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INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
LEGAL AND ADMINISTRATIVE INFORMATION

DIRECTORS AND TRUSTEES

The directors of the charitable company (“the charity”) are its trustees for the purposes of charity law. The directors are:

Dr John A F Haughney (President)	(appointed 11 June 2006)
Dr Johan Buffels	(appointed 8 June 2006)
Dr Hugh John Fardy	
Dr Gm Monsur Habib	
Dr Alan Kaplan	
Dr Bruno Franco Noveletto	
Dr Marianne Ostergaard	
Dr Anders Ostrem	
Dr James J Reid	
Dr Miguel R Rodriguez	
Dr Dermot Ryan	
Dr Ivo Smeele	
Dr Reggie Spelman	
Dr Bjorn Stallberg	
Dr Ron Tomlins	
Dr Mohammad O Yusuf	
Dr Theodora Zachariadou	

SECRETARY

Dr Ron Tomlins

REGISTERED OFFICE

Department of General Practice & Primary Care
Foresterhill Health Centre
Westburn Road
Aberdeen
AB25 2AY

AUDITORS

Anderson Anderson & Brown
6 Carden Place
Aberdeen
AB10 1UR

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
LEGAL AND ADMINISTRATIVE INFORMATION (continued)

BANKERS

Bank of Scotland
Princes House
50 West Campbell Street
Glasgow

SOLICITORS

Shepherd & Wedderburn
Saltire Court
20 Castle Terrace
Edinburgh

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP DIRECTORS' REPORT

The directors submit their report and the audited accounts of the charitable company for the year ended 31 December 2006.

Legal and administrative information set out on page 1 forms part of this report. The accounts comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (revised 2005).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nature of Governing Document

International Primary Care Respiratory Group (“IPCRG”) is a company limited by guarantee (company number: SC256268) and a registered Scottish charity (charity number: SC035056). The charitable company is governed by its Memorandum and Articles of Association.

Organisational Structure

A board of directors comprising one representative from each ordinary member organisation administers the charity. There is an Executive Committee and sub-committees covering Governance, Guidelines, Membership, Research and (from September 2005) Education, including the dissemination of research and guidelines. An Executive Officer, Sian Williams, is appointed by the directors to manage the day to day operations of the charity with support from a Business Manager.

Directors and Directors' Interests

The directors of the company during the year ended 31 December 2006 were as noted on page 1.

The company has no share capital or debentures.

Recruitment and Appointment of Directors

The powers for appointment and removal of directors are set out in the company's Memorandum and Articles of Association.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP DIRECTORS' REPORT (continued)

Recruitment and Appointment of Directors (continued)

The following organisations have the power to appoint directors:

National Asthma Council
National Primary Care Respiratory Group Bangladesh
Belgian Primary Care Respiratory Group
Family Physician Airways Group of Canada
Cyprus Respiratory Group
Danish Society of General Practice Respiratory Group (DSAM Respiratory Group)
Irish GP's in Asthma Group
New Zealand Primary Care Respiratory Group
Lunger I Praksis
Pakistan, The Allergy and Asthma Clinics and The Institute of Asthma and Allergy
Saudi Respiratory Asthma Group
Grupo de Respiratorio de Atencion Primaria (GRAP)
Swedish Respiratory Group of Primary Care
COPD en Astma Huisartsen Advies Groep
General Practice Airways Group.

It is the charity's policy to seek to appoint directors who have a specific interest in its objects or whose skills can complement those already in place. Newly appointed directors are introduced to the workings of the Board through their first meetings.

The positions of Chairman of the Board, known as President, and Treasurer are elected by the Board.

Related Parties and Affiliations

The ordinary members of the charitable company are national and international organisations. Each director of the charitable company is a member of one of the ordinary member associations.

Induction and Training of Trustees

To be considered by the Board to be fit to be elected as an ordinary member, each member organisation must have its own governance structure, including a way to elect a representative, and to pass information to and from the local constituency. The IPCRG does not prescribe how this is done because it needs to be appropriate to that local country's culture and style. There is no formal, centralised process for induction and training of trustees, as they are distributed across the world. They are kept informed of progress through electronic communication. The Executive Committee is currently debating how to improve succession planning to ensure that the roles of Treasurer and President are filled by suitably experienced individuals.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP

DIRECTORS' REPORT (continued)

Risk Management

The directors have assessed the major risks to which the company is exposed, in particular those related to the operations and finance of the company and are satisfied that systems are in place to manage the exposure to major risks.

OBJECTIVES AND ACTIVITIES

The primary objects of the charity are to improve public health by raising funds to organise research and reviews into the care, treatment and prevention of respiratory illnesses, diseases and problems in a community setting, and to make available the results of such research for the benefit of the public and healthcare professionals.

In order to achieve the objectives the charity has employed various schemes and initiatives including:

- The development of, through consultation with primary care professionals with a respiratory interest across the world, a research needs framework to decide on research priorities.
- Initiation of its first original research, on the impact of antibiotic prescribing on respiratory tract infections, using voluntary contributions from two researchers, as well as the donation of a major dataset by the Medical Research Council.
- The successful encouragement and dissemination of new research and emerging findings at its biennial conference held in Oslo in June, attended by 430 practitioners with a special interest in respiratory disease. The IPCRG, and the host organiser, Lunger I Praksis, IPCRG's Norwegian member, used grants to enable researchers and primary colleagues from low income countries to attend. All other speakers and participants found their own funding. Abstracts from each presentation have been published in the IPCRG's peer-reviewed and Index Medicus-listed journal, the Primary Care Respiratory Journal (PCRJ) which is freely available online. In addition, audio-visual material from key presentations has been made freely available on the IPCRG's website.
- In February the IPCRG succeeded in publishing in the PCRJ international primary care respiratory guidelines, representing a new approach to the management of respiratory conditions, by presenting symptom, acknowledging different levels of resource available in different countries. These have been endorsed by the leading international guideline organisations and have received widespread interest amongst primary care practitioners.
- The Membership Sub-committee has facilitated the beginnings of primary care respiratory networks in a number of countries where respiratory care has traditionally been led and delivered almost exclusively by the hospital sector. New networks now exist in Sri Lanka, Ukraine, Italy and Turkey. Progress has been made due to the commitment, enthusiasm, persistence and voluntary contribution of time by academics and primary care practitioners in these countries.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP DIRECTORS' REPORT (continued)

OBJECTIVES AND ACTIVITIES (continued)

- The IPCRG now offers on its website a collection of original and practical resources for primary care practitioners to engage colleagues in debate, to provide guidance, and to lobby for changes in national and international policy.

ACHIEVEMENTS AND PERFORMANCE

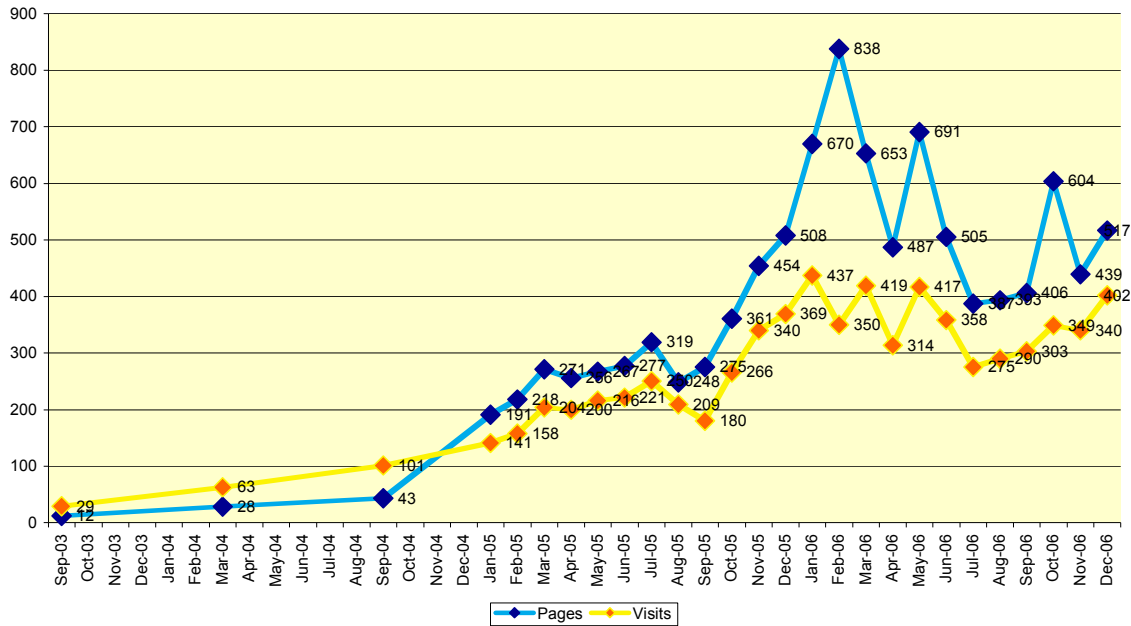
We have seen a substantial increase in the amount of projects undertaken by the IPCRG and if this level continues we will need to develop more project management time. Over the last 12 months, the charity's objectives have been to:

- **Increase awareness of the IPCRG.** The IPCRG's sustainability and effectiveness is dependent on being noticed by funders of research, researchers, and those who benefit from an improved evidence-base. Therefore the IPCRG set an objective to improve its international exposure. This has been a major area of growth for the charity during 2006. The IPCRG has been introduced to the European Parliament and Commission through successful and collaborative lobbying with our associate member, EFA, for the inclusion of allergic and respiratory diseases in the next research framework, FP7. The IPCRG also supported a meeting in Brussels to raise policy-maker and media awareness of the scope for improvements in asthma detection and care. We responded positively to an invitation by the World Health Organisation's Global Respiratory Alliance (GARD) to join the alliance. Therefore there is now primary care representation in this important forum that aims to influence national governments about the burden of respiratory disease, and the valuable contribution that primary care can make to reverse this trend. The IPCRG also accepted an invitation to join the Asia Asthma Development Board. The IPCRG also received an increase in invitations to speak at national meetings on the role of primary care practitioners in the delivery of high quality respiratory care. The organisation has responded by establishing a Speaker Bureau to ensure we match requests with appropriate speakers who will enhance the IPCRG's reputation as well as the knowledge of the audience.
- The IPCRG aimed to run its Third World Conference in Oslo in June 2006, building on the success of its Second World Conference in Melbourne in 2004 by attracting more delegates, involvement from more countries, and to not put the organisation's finances at risk. We achieved all three objectives. Four hundred and thirty participants from over thirty countries attended, and a surplus was achieved that has now been applied to a conference reserve fund to protect the organisation from financial risk in the organisation of future conferences.
- The charity regards its website as its main vehicle for dissemination of research and review, for support of members and for reliable and useful data and document storage. Further growth of the website in terms of available resources and use of the website, measured in visits, is therefore an important indicator of the health of the organisation. The total visits to the website in 2006 was 122,441, compared to 84,070 in 2005, a growth of 46%. This was partly driven by visits to the Oslo conference pages. Home pages now exist for GRAP, the Spanish member, and our Ukrainian associate member.

**INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
DIRECTORS' REPORT (continued)**

ACHIEVEMENTS AND PERFORMANCE (continued)

IPCRG Web Traffic September 2003 to December 2006 Daily Averages



- In February the IPCRG achieved its objective to publish in a peer-reviewed journal symptom based guidelines for primary care in the prevention, diagnosis and management of asthma, allergic rhinitis and COPD, using the best available evidence. The IPCRG Guidelines for the Management of Chronic Respiratory Diseases in Primary Care were published in *Prim Care Resp J 2006;15(1): 1 – 74* and are now available online for free online.
- We aim to grow the organisation year-on-year by converting Associate Members to Ordinary Members status. We set a target of moving two of our Associates to this level, The Belgian Primary Care Respiratory Group was elected as a full member at the AGM in 2006. We continue to work with our Associate Corporate Members to develop relationships in Germany, France and Asia.
- In December 2005 the Executive Committee accepted a report of its working party set up to look at the publication of IPCRG commissioned research that the IPCRG should conduct a survey of members and associate country members' needs and that it should convey to the publisher of the Primary Care Respiratory Journal (PCRJ) its preference for the journal to be freely available online. We were therefore delighted that in late December the owners of the PCRJ announced that there would be a new publisher, and that the journal would be freely available online to all IPCRG members. The new publisher has agreed to work with the IPCRG to review how best to ensure that the journal meets the needs of its international constituency. The member survey was distributed in late December, results will be analysed first quarter 2007.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP

DIRECTORS' REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

- The IPCRG set an objective to raise funds to address the research needs we identified. On the encouragement of European Commissioners we re-worked and re-submitted a bid to improve care for children with asthma, E-SPACE, with the European Federation of Allergy and Airway Diseases Patients Organisations (EFA) and the Global Allergy and Asthma European Network (GA²LEN), and several of our European members. Unfortunately this was not successful. However, at the end of December we received informal confirmation that we had received funding for another proposal generated by our Research Sub-committee investigating the effects of an exercise programme and medication for people with mild to moderate chronic obstructive pulmonary disease (COPD) to be known as Health Enhancing Activity Lung Therapy study (HEALTH).
- We planned to initiate education programmes delivered by and for primary care practitioners. We have established the IPCRG Academy in conjunction with the University of Aberdeen, and will run the first programme in January 2007. During the year we were approached by colleagues in Pakistan to share educational resources with them. This prompted an important and useful debate about how the organisation could best to respond to country members whose own members would have different educational needs both in terms of style of delivery, but also content, since what constitutes best practice will be determined, to a considerable extent, by the local availability of financial resources to pay for qualified staff, diagnostic equipment and treatments.
- We aimed to support individuals in our developing country membership through providing research mentorship and travel grants to enable them to attend international respiratory meetings. Our travel fund was used to support attendance at our biennial meeting of eight people. In addition, a programme of encouraging the development of National Asthma Councils is being undertaken in South East Asia and Sri Lanka by the National Asthma Council, Australia, our Australian member. This led to the attendance of a further 10 delegates in Oslo funded by GlaxoSmithKline (GSK).
- Since the establishment of an Education sub-committee, the IPCRG has received project funding to enable the production of several educational products to facilitate the education of health professionals and consumers. These are all freely on the worldwide web, either on the IPCRG's website or the publisher, and include:
 - The IPCRG opinion sheet on theophylline use in asthma and COPD.
 - A review of the importance of asthma control and the use of asthma control tools. A paper has also been submitted for review to BioMed Central Pulmonary Medicine.
 - The first in a series entitled "Exchanges" where members and patient representatives from across the world exchanged information about beliefs, behaviours, good practice and useful resources on caring for Children with Asthma.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP DIRECTORS' REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

- Our first sponsored supplement entitled “Improving outcomes for asthma patients with allergic rhinitis” in the peer-reviewed, Medline-listed journal, BioMed Central Pulmonary Medicine. <http://www.biomedcentral.com/1471-2466/6?issue=S1>.
- Original position statements to guide practitioners through the “grey areas” of asthma practice <http://www.theipcr.org/resources/index.php>.
- The IPCRG spent the last quarter of 2006 agreeing a risk management approach for the 2008 conference in Seville, based on our experience of the Oslo meeting. It has also elected the host for the 2010 conference – the Family Physician Airways Group of Canada.
- The charity has also begun a review of its Memorandum and Articles to ensure they support the organisation’s operation and the best achievement of its charitable purpose.

FINANCIAL REVIEW

The net incoming resources for the year, amounting to £54,895 (2005 - £65,273), have been dealt with as shown in the Statement of Financial Activities.

Review of financial position of IPCRG

The IPCRG exceeded its target income, and stayed within the limits of its budgeted expenditure. In order to cover maternity leave of the Business Manager, management costs were higher than budgeted. Project funds were greater than predicted: each project was self-financing and did not require core budget.

Principal funding sources

The IPCRG’s principal funding sources are membership subscriptions from associate corporate members, and unrestricted educational grants for projects. The level of the subscription is set at the AGM and remained constant for the first three years of the charity’s operations. For the first time the AGM in June 2006 set an increase in the subscriptions for the forthcoming year.

Application of expenditure to support key objectives

The 2006 budget allocated funds to our main activities, each managed by a sub-committee: governance – including risk management and generation of funds; membership development; research; education including education programmes, the dissemination of research, and publications; guideline development. In addition, our growing presence as a lobbying organisation and our pursuit of strategic partnerships led us to create a budget for external affairs. This is supplemented by some important pro bono work by an international public relations agency, Hill & Knowlton and the campaigning of our associate member, EFA.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP

DIRECTORS' REPORT (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

Principal financial management policies adopted.

The IPCRG manages its finances by setting an annual budget based on actual, or where this is not known at the beginning of the financial year, on predicted, income. It does not set a contingency budget, but in a rigorous iterative budget-setting process, it includes an element of contingency in various budget lines. For example, it assumes 100% travel costs for our Executive Committee and liaison officers, but sometimes these individuals find alternative funding sources. The first call on any unexpected surpluses is the reserve fund. The second call is on any initiatives that might contribute significantly to the charity's mission, such as research endeavours. However, where possible the IPCRG will seek alternative funding of any planned initiative; using its own reserves for pump-priming or matched funding if necessary, or for high quality and relevant projects that are unlikely to attract external funding.

Reserves

The reserve policy of the IPCRG is to build as quickly as possible a free liquid asset position that would enable the organisation to continue running for several months in the event of a catastrophe or permit the closure of the organization with a minimum loss of reputation. We estimate this will take some years to achieve. In addition, our risk management strategy identifies our biennial conference as our single most important exposure to risk. This is run in conjunction with a different national member and each conference is subject to a risk sharing agreement. For example, the Fourth Conference will be the first for which the IPCRG has taken 100% of the risk. Therefore the directors have agreed that there should be a specific conference reserve. This has now been established from the surplus achieved by the Third Conference with an aim to be sufficient to pay for all charges in the event that an uninsurable risk led to the cancellation of the conference.

PLANS FOR FUTURE PERIODS

In 2007 our key priorities are to:

Research

- Develop an IPCRG response to the EU framework for research, FP7 in collaboration with partners such as EFA, GA²LEN and the European Respiratory Society (ERS).
- Pursue plans for the E-SPACE project that can provide personalised, efficient electronic feedback to practices and patients about their asthma management.
- Conclude and disseminate research to identify risk factors for admissions and mortality among patients consulting a general practitioner (GP) for lower respiratory tract infection (LRTI).
- Commence a Randomised Controlled Trial named the "Health Enhancing Activity Lung Therapy" study (HEALTH) investigating the impact of exercise on the physical and psychosocial outcomes of patients with mild COPD.
- Develop a research needs statement for spirometry.
- Fundraise for a smoke cessation project that will combine low-cost smoking cessation interventions with those to reduce cooking smoke.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP DIRECTORS' REPORT (continued)

PLANS FOR FUTURE PERIODS (continued)

Education including education programmes and publications

- Disseminate the Primary Care Respiratory Journal widely both via free online version and also print copies in a new agreement with the GPIAG and publisher Sherborne Gibbs.
- Develop further position statements eg appropriate spirometry techniques and equipment for primary care.
- Produce opinion sheets on palliative care for people with COPD, smoking cessation, inhaled corticosteroids in asthma.
- Develop for dissemination by GARD, and in conjunction with WHO, simple resources to signpost patients and primary care professionals to appropriate services, including self-care, for common symptoms such as cough and breathlessness.
- Run successful IPCRG Academy programmes in conjunction with the University of Aberdeen.
- Disseminate IPCRG guidelines using the slide selector package supported by Boehringer Ingelheim and also endorsed by the Global Family Doctor organisation Wonca.
- Promote use of IPCRG resources available on www.theipcr.org including audio and visual presentations from the 3rd biennial conference in Oslo June 2006.
- Learn how best to tailor resources to local country needs by establishing a pilot educational programme in Pakistan.
- Improve the effectiveness of the IPCRG Speaker Bureau. 2007 engagements include the Cardio-Pneumo conference in Bari, Italy 17-19 May, organised by AIMEF; National Medicine Days in Antalya, Turkey 26-28.04.2007 <http://www.fammed2007.org/en/> and Wonca Paris in October 2007.

Conference

- Plan for a successful conference in Seville 28-31 May 2008, aiming for 700 delegates with particular focus on Spanish-speaking countries.

External affairs

- Support the dissemination of Brussels Declaration on Asthma.
- Contribute to the Brussels statement on allergy.
- Respond with EFA to the EU Green Paper on Smoke-Free environments.
- Continue to support and work with WHO's GARD programme as a full member – attend the GARD AGM in Seoul and contribute to at least 2 work streams.
- Pursue our aim to be an organisation in collaborative relations with Wonca, and work with Wonca to lobby GARD and national governments for primary care advice and support for people with respiratory conditions.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
DIRECTORS' REPORT (continued)

PLANS FOR FUTURE PERIODS (continued)

Membership

- Analyse results of member survey and feed into planning process.
- Support associate members to develop robust organisations through administration of small grants and provision of web sites nested within www.theipcr.org so that they can become full voting members.
- Continue to listen to, and develop relationships with all members including associate corporate members, individual invited specialists and international organisations.
- Produce a recommendation about nurse involvement in IPCRG.
- Work with the National Asthma Council, Australia, to support the development of lung organisations with strong primary care representation throughout Asia Pacific.

Governance

- Revise our Memorandum and Articles to reflect the way the IPCRG now operates, and wishes to operate over the next few years.
- Continue to actively manage risk, including the development of reserves, paying particular attention to the IPCRG conference.

PROVISION OF INFORMATION TO AUDITORS

As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Anderson Anderson & Brown have expressed their willingness to continue in office and a resolution proposing their re-appointment will be submitted at the annual general meeting.

Signed on behalf of the Board of Directors

.....
Director – R Tomlins

.....
Date

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the net income or expenditure of the charity for that period. In preparing those accounts, the directors are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether or not applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- d) prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP

We have audited the accounts of International Primary Care Respiratory Group for the year ended 31 December 2006 which comprise the Statement of Financial Activities, the Company Balance Sheet and the related notes. These accounts have been prepared under the historical cost convention and in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The responsibilities of the directors for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether or not the accounts give a true and fair view, are properly prepared in accordance with the Companies Act 1985 and the information given in the directors' report is consistent with the accounts. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed. We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

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

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

Opinion

In our opinion:-

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 December 2006 and of its incoming resources and application of resources for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Directors' Report is consistent with the accounts.

Anderson Anderson & Brown
Chartered Accountants
Registered Auditors
Aberdeen

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2006

	Note	2006 £	2005 £
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income	2	35,139	41,038
Incoming resources from charitable activities			
External affairs - subscriptions		146,404	103,899
Education		42,170	-
Bank interest		3,343	1,457
TOTAL INCOMING RESOURCES		<u>227,056</u>	<u>146,394</u>
RESOURCES EXPENDED			
Cost of generating voluntary income			
Charitable activities	3	13,222	5,377
External affairs	3	45,004	32,200
Education	3	95,361	33,327
Research	3	15,574	7,717
Governance	3	3,000	2,500
TOTAL RESOURCES EXPENDED		<u>172,161</u>	<u>81,121</u>
NET INCOME/ MOVEMENT IN FUNDS			
Funds brought forward	8	54,895	65,273
		<u>125,127</u>	<u>59,854</u>
FUNDS CARRIED FORWARD	8	<u>£ 180,022</u>	<u>£ 125,127</u>

The charitable company has made no gains or losses other than as reported above.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
BALANCE SHEET – 31 DECEMBER 2006

	Note	2006 £	2005 £
CURRENT ASSETS			
Accrued income		40,302	20,425
Cash at bank and in hand		194,911	174,038
		<u>235,213</u>	<u>194,463</u>
CREDITORS: <i>amounts falling due within one year</i>	7	<u>55,191</u>	<u>69,336</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 180,022</u>	<u>£ 125,127</u>
UNRESTRICTED FUNDS	8	<u>£ 180,022</u>	<u>£ 125,127</u>

Signed on behalf of the board of directors

Director – R Tomlins

Date

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
NOTES ON THE ACCOUNTS – 31 DECEMBER 2006

1. ACCOUNTING POLICIES

(a) *Basis of accounts preparation*

The accounts are prepared under the historical cost convention, and in accordance with applicable accounting standards, the Companies Act 1985 and the Statement of Recommended Practice – Accounting and Reporting by Charities (revised 2005).

(b) *Incoming resources*

i) Voluntary income

Donations including donations in kind, are included in the Statement of Financial Activities in the year in which they are receivable.

ii) Subscriptions

Annual subscriptions are included in full in the year to which they relate. Subscriptions received in advance are released to the Statement of Financial Activities in the year to which they relate.

iii) Education

The company's share of the conference income, in respect of the biennial conference, is included in the Statement of Financial Activities in the year in which the conference is held.

(c) *Resources expended*

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of irrecoverable VAT.

Expenditure is directly attributed to the relevant category in the Statement of Financial Activities where practical. Executive officer and business support fees are allocated across activities based on time incurred in each area.

Governance costs comprise costs for the running of the charity itself as an organisation.

(d) *Taxation*

The company is recognised by HM Revenue and Customs as a charity and, as a consequence of the tax relief's available in relation to current year, income is not liable to taxation.

The company is not registered for VAT.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
NOTES ON THE ACCOUNTS – 31 DECEMBER 2006

1. ACCOUNTING POLICIES (continued)

(e) *Foreign currencies*

Assets, liabilities, revenues and costs denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions; monetary assets and liabilities at the balance sheet date are translated at the year-end rate of exchange. The resulting profits or losses are dealt with in the profit and loss account.

(f) *Funds*

Unrestricted funds include incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds. These funds can be used in accordance with the charitable objects at the discretion of the directors.

2. VOLUNTARY INCOME

	2006	2005
Donations	<u>£ 35,139</u>	<u>£ 41,038</u>

3. RESOURCES EXPENDED

	Cost of generating funds £	Charitable activities £	Governance £	2006 Total £	2005 Total £
Publications	-	8,436	-	8,436	12,827
Executive Officer	6,875	49,060	-	55,935	32,172
Secretariat	1,316	7,893	-	9,209	10,453
Website	-	5,620	-	5,620	4,799
Travel & accommodation	1,805	24,872	-	26,677	4,819
Executive committee honoraria	-	3,665	-	3,665	8,521
Support costs (Note b)	3,226	56,393	3,000	62,619	7,530
	<u>£ 13,222</u>	<u>£155,939</u>	<u>£ 3,000</u>	<u>£172,161</u>	<u>£ 81,121</u>

Note (a)

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
NOTES ON THE ACCOUNTS – 31 DECEMBER 2006

3. RESOURCES EXPENDED (continued)

(a) Charitable Expenditure

	External affairs £	Education £	Research £	2006 Total £	2005 Total £
Publications	8,436	-	-	8,436	12,827
Executive Officer	13,749	28,436	6,875	49,060	26,810
Secretariat	2,631	3,947	1,315	7,893	10,453
Website	5,620	-	-	5,620	4,799
Travel & accommodation	9,710	15,162	-	24,872	4,819
Executive committee honoraria	-	3,665	-	3,665	8,521
Support costs (Note b)	4,858	44,151	7,384	56,393	5,015
	<u>£ 45,004</u>	<u>£ 95,361</u>	<u>£ 15,574</u>	<u>£155,939</u>	<u>£ 73,244</u>

(b) Support Costs

	Cost of generating funds £	Charitable activities £	Governance £	2006 Total £	2005 Total £
Editorial honoria	-	13,500	-	13,500	-
Professional fees	-	23,437	-	23,437	-
Auditors' remuneration	-	-	3,000	3,000	2,500
Other support costs	3,226	19,456	-	22,682	5,030
	<u>£ 3,227</u>	<u>£ 56,392</u>	<u>£ 3,000</u>	<u>£ 62,619</u>	<u>£ 7,530</u>

4. STAFF COSTS AND NUMBERS

The company had no employees during the current or prior year except the directors.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
NOTES ON THE ACCOUNTS – 31 DECEMBER 2006

5. DIRECTORS' EMOLUMENTS AND EXPENSES

The following directors received honoraria totalling £9,377 (2005 - £8,521) from the company during the year: A Ostrem, J Haughney, A Kaplan, R Tomlins and M Rodriguez.

A total of 8 directors received travel expenses totalling £9,484 in connection with undertaking the company's charitable activities.

6. MOVEMENT IN TOTAL FUNDS FOR THE YEAR *is stated after charging:*

	2006 £	2005 £
Auditors' remuneration - audit fees	3,000	2,500
- non-audit fees	1,000	-
	<u>4,000</u>	<u>2,500</u>

7. CREDITORS: *amounts falling due within one year*

	2006 £	2005 £
Accruals and other creditors	11,531	3,450
Deferred income	43,660	65,886
	<u>£ 55,191</u>	<u>£ 69,336</u>

8. MOVEMENT IN FUNDS

	At 31 December 2005 £	Incoming resources £	Resources expended £	Transfer £	At 31 December 2006 £
General	125,127	227,056	(172,161)	(42,170)	137,852
Designated	-	-	-	42,170	42,170
	<u>£ 125,127</u>	<u>£ 227,056</u>	<u>£(172,161)</u>	<u>£ -</u>	<u>£ 180,022</u>

The designated fund has been set up to provide a fund for insurable costs relating to potential cancellation costs of future biennial conferences.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
NOTES ON THE ACCOUNTS – 31 DECEMBER 2006

9. RELATED PARTY TRANSACTIONS

Control

Throughout the year the company was controlled by the directors. Details of the directors' interests in the share capital are set out in the directors' report.

Transactions

There were no transactions with related parties during the year other than those disclosed in Note 5 of the accounts.

10. LEGAL STATUS

International Primary Care Respiratory Group is a company limited by guarantee and not having a share capital. The members' liability in the event of winding up is limited by guarantee not exceeding £1 per member.

**The following statement does not form part of
the audited statutory accounts of the company**

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2006

	£	2006 £	£	2005 £
INCOME				
Donations		35,139		41,038
Subscriptions		146,404		103,899
Conference		42,170		-
Bank interest		3,343		1,457
		<u>227,056</u>		<u>146,394</u>
EXPENDITURE				
Publications				
Books and publications		8,436		12,827
Executive officer's fees				
Consultancy		55,935		32,172
Secretariat				
Secretariat		9,209		10,453
Website costs				
Web team honorarium	1,359		863	
Website development	4,261		3,936	
		<u>5,620</u>		<u>4,799</u>
Travel and accommodation				
Conference expenses & staff etc	2,339		-	
Accommodation	5,744		121	
Meals			-	
Room hire, refreshments	3,160		450	
Travel	15,434		4,248	
		<u>26,677</u>		<u>4,819</u>
Executive committee honoraria				
President's honorarium	2,644		7,500	
Treasurer's honorarium	1,021		1,021	
		<u>3,665</u>		<u>8,521</u>
Carried forward		109,542		73,591

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
INCOME AND EXPENDITURE ACCOUNT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2006

	2006	2005
	£	£
Brought forward	109,542	73,591
Management and administration		
Bank charges	699	39
Editorial honoraria	13,500	-
Executive meeting costs	-	3,007
Indemnity insurance	1,260	1,260
Meeting costs	34	-
Office supplies	-	15
Postage and delivery	520	5,817
Printing and photocopying	129	49
Professional fees – accounting	3,855	4,421
Professional fees – legal	4,565	1,610
Professional fees – other	23,423	-
Project funding	7,384	-
Promotional material	562	-
Subscriptions	2,874	-
Software expenses	-	-
Teleconferencing	693	1,060
Exchange rate loss/(gain)	3,121	(9,748)
	<u>62,619</u>	<u>7,530</u>
	<u>172,161</u>	<u>81,121</u>
SURPLUS FOR THE YEAR	<u><u>£ 54,895</u></u>	<u><u>£ 65,273</u></u>

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006

	2006	2005
	£	£
Surplus for year	54,895	65,273
Increase in accrued income	(19,877)	(20,425)
(Decrease)/ increase in creditors	(14,145)	23,264
	<hr/>	<hr/>
Increase in cash	£ 20,873	£ 68,112
	<hr/> <hr/>	<hr/> <hr/>
Cash at bank and in hand		
At 1 January	174,038	105,926
Increase	20,873	68,112
	<hr/>	<hr/>
At 31 December	£ 194,911	£ 174,038
	<hr/> <hr/>	<hr/> <hr/>