

**INTERNATIONAL PRIMARY CARE
RESPIRATORY GROUP**

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

DIRECTORS' REPORT AND ACCOUNTS

31 DECEMBER 2005

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP

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

(Company number: SC256268)

(Charity Number: SC035056)

DIRECTORS' REPORT AND ACCOUNTS

31 DECEMBER 2005

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
DIRECTORS' REPORT AND ACCOUNTS FOR
THE YEAR ENDED 31 DECEMBER 2005

CONTENTS	PAGE
LEGAL AND ADMINISTRATIVE INFORMATION	1
DIRECTORS' REPORT	3
STATEMENT OF DIRECTORS' RESPONSIBILITIES	8
REPORT OF THE AUDITORS	9
STATEMENT OF FINANCIAL ACTIVITIES	10
BALANCE SHEET	11
NOTES ON THE ACCOUNTS	12

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP LEGAL AND ADMINISTRATIVE INFORMATION

CONSTITUTION

International Primary Care Respiratory Group is a company limited by guarantee (company number SC256268) and recognised as a charity by the Inland Revenue (charity number: SC035056). The charitable company is governed by its Memorandum and Articles of Association.

DIRECTORS AND TRUSTEES

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

Dr Anders Ostrem (President)
Dr Hugh J Fardy
Dr Monsur Habib
Dr Alan Kaplan
Dr Bruno F Noveletto
Dr Marianne Ostergaard
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

ORGANISATION

The company is managed by the Board of Directors.

SECRETARY

Dr Ron Tomlins

REGISTERED OFFICE

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

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

AUDITORS

Anderson Anderson & Brown
6 Carden Place
Aberdeen
AB10 1UR

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 2005.

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.

OBJECTS AND PRINCIPAL 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.

RESULTS

The net incoming resources for the period, amounting to £65,273 (2004 - £59,854), have been dealt with as shown in the Statement of Financial Activities.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

The company was recognised by HM Revenue & Customs as a charity with effect from 18 September 2003.

Over the last 12 months, the charity's objectives have been to:

- Increase awareness of the IPCRG. We participated in the World Conference Leadership Summit in Las Vegas in June 2005. As part of preparations to re-submit a bid for major research funds from the EU, we have strengthened our position in Europe through a programme of meetings with Members of the European Parliament (MEPs), GA₂LEN, and other international respiratory organisations. We were also invited to join the Asia Asthma Development Board.
- Confirm the scientific programme for the IPCRG Third World Conference to be held in Oslo in June 2006 and develop a robust and achievable budget and risk management strategy. We now possess a risk sharing agreement with the conference hosts, our Norwegian member, Lunger I Praksis and together have secured sufficient sponsorship. We are aiming for at least 100 more delegates than met at the last conference in Melbourne in 2004. Registrations as at 1 March 2006 suggest we are on course to achieve this.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP DIRECTORS' REPORT

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS (continued)

- Further develop our website. We have published our statement of research needs, position statements on matters such as the need for more research into the safety of children's medicines and launched searchable registers for current research and recent publications for primary care respiratory practitioners. We marketed to our members the use of www.theipcr.org to develop their own national home pages, such as the Norwegian page, but to date no other country has taken up the offer. Between January 2005 and January 2006, there has been a growth of 251% in the daily average of pages visited on the site, and a growth of 210% in daily visits to the site. The number of monthly visits to the website increased from 4,179 in December 2004 to 11,468 in December 2005, partly driven by the Oslo conference pages.
- 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 accepted for publication by the Primary Care Respiratory Journal in 2005 and are available in *Prim Care Resp J 2006;15(1): 1 – 74* and online at <http://www.sciencedirect.com/science/journal/14714418>.
- Convert Associate Members to Ordinary Members status. We set a target of moving two of our Associates to this level, where we judged their organisations to be sufficiently robust to take on the Board level responsibilities of IPCRG. We will be recommending that our Belgian group becomes a full member in 2006. We continue to work with our Associate Corporate Sponsors to develop relationships in Germany, Italy, France and Asia.
- Rationalise the distribution of the Primary Care Respiratory Journal. We concluded that expenditure of approximately 20% of our income on distributing the PCRJ to individual physicians was not the best way to meet our mission and objectives, and that expenditure should be reallocated to other activities in line with our Constitution. We continued to encourage our members to publish in the PCRJ and to take out group or individual subscriptions. We also set up a working party to look at the publication of IPCRG commissioned research that reported in December 2005. Its recommendations, accepted by the Executive Committee, were that the IPCRG should conduct a survey of members and associate country members' needs and that it should convey to the publisher of the PCRJ its preference for the journal to be freely available online.
- Fundraise to address our research needs. We submitted two bids for multi-national research to the EU. While both were rejected, we were encouraged to resubmit one on understanding and reducing the variation in the care of children with asthma (SPACE). We are now hopeful of success and encouraged about the increased awareness of the IPCRG that the preparatory work has brought.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP

DIRECTORS' REPORT (continued)

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS (continued)

- Initiate education programmes delivered by and for primary care practitioners. We co-badged three respiratory meetings in the first half of the year: the Asthma and Allergic Rhinitis MetaForum with the University of Southampton; the Edinburgh meeting on COPD and the Aberdeen meeting on COPD and asthma with the University of Aberdeen. We also ran this meeting in the Lebanon. In addition, we have participated in the Asia Asthma Academy.
- 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 September meetings of our director from Pakistan. In addition, a programme of encouraging the development of National Asthma Councils is being undertaken in South East Asia and Sri Lanka by one of our member bodies. Mentoring is also being provided for primary care physicians in these countries to enhance their role.
- Established an Education Working Group to develop educational resources, clinical tools and other materials to facilitate education of health professionals and consumers.

In 2006 our key priorities are to:

- Continue to undertake original IPCRG research for publication in an open access journal to demonstrate to the academic community the IPCRG's research credentials and commitment.
- To make a successful submission to the EU for funding for SPACE, a multi-national research project on the care of children with asthma.
- Deliver some education resources to our membership. These include
 1. IPCRG Opinion sheets on theophylline use in asthma COPD; smoking cessation; inhaled corticosteroids and nasal steroids.
 2. Publication in a peer-reviewed journal of a review of the importance of asthma control and the use of asthma control tools, with additional guidance to members on the website.
 3. Publication on our website of the first in a series entitled Exchanges where members from across the world exchange information about beliefs, behaviours, good practice and useful resources on specific issues. The first will be on Children with asthma.
 4. Publication of a supplement arising from our support of the MetaForum programme that reviewed the links between asthma and allergy.
- Begin an international programme of dissemination of our Guidelines with associated educational materials.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP DIRECTORS' REPORT (continued)

In 2006 our key priorities are to: *(continued)*

- Extend our collaborations with other international organisations. Our priority is to contribute effectively to the WHO-led Global Alliance against Chronic Respiratory Diseases (GARD).
- Establish a Speaker's Bureau of primary care presenters and facilitators to respond to requests for IPCRG experts to present at national meetings.
- Host a successful conference in Oslo with at least 500 delegates and high quality abstracts published in the PCRJ.
- Finalise an agreement managing risk and responsibilities with the host of our 2008 conference, GRAP, our Spanish member.
- Elect a country host for the 2010 conference.
- Increase the number of country members of the organisation by encouraging groups directly and via our associate corporate members in Latin America (in preparation for a truly bilingual conference in Seville in 2008) and in Asia.
- Continue to explore the best ways to work with our associate corporate members to ensure a mutually satisfactory relationship.
- Alter our Memorandum and Articles to reflect the structure needed to manage the growing opportunities and the increasing workload of the organisation.

DIRECTORS AND DIRECTORS' INTERESTS

The directors of the company during the year ended 31 December 2005 were as noted on page 1.

The company has no share capital or debentures.

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 is appointed by the directors to manage the day to day operations of the charity with support from a Business Manager.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
DIRECTORS' REPORT (continued)

METHOD OF APPOINTMENT AND REMOVAL OF DIRECTORS

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

RELATED PARTIES

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.

RESERVES

The directors aim to build a reserve to assure the ongoing operating costs of the organisation. This will take some time to achieve.

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 mitigate the exposure to major risks.

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.

By order of the board

.....
R TOMLINS
Director – R Tomlins

.....
7 JUNE 2006
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 MEMBERS OF INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP LIMITED

We have audited the accounts of International Primary Care Respiratory Group Limited for the year ended 31 December 2005 on pages 10 to 15 which have been prepared under the accounting policies set out therein.

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page 8 the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if 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 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 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 company's affairs as at 31 December 2005 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

ANDERSON ANDERSON & BROWN

Anderson Anderson & Brown
Chartered Accountants
Registered Auditors
Aberdeen

7 JUNE 2006

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2005

	Note	Year ended 31 December 2005 £	15 month period ended 31 December 2004 £
INCOMING RESOURCES			
Donations, legacies and similar incoming resources	2	41,038	57,469
Activities in furtherance of charity's objects:			
Subscriptions		103,899	106,367
Conference income		-	216,675
Investment income		1,457	788
TOTAL INCOMING RESOURCES		<u>146,394</u>	<u>381,299</u>
RESOURCES EXPENDED			
Cost of generating funds		5,377	6,009
Charitable expenditure:			
Cost of charitable activities	3	47,370	282,253
Management and administration		28,374	33,183
TOTAL RESOURCES EXPENDED		<u>81,121</u>	<u>321,445</u>
NET MOVEMENT IN FUNDS		65,273	59,854
Funds brought forward at 1 January 2005		59,854	-
FUNDS CARRIED FORWARD		<u>£ 125,127</u>	<u>£ 59,854</u>

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

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
BALANCE SHEET – 31 DECEMBER 2005

	Note	2005 £	2004 £
CURRENT ASSETS			
Accrued income		20,425	-
Cash at bank and in hand		174,038	105,926
		<u>194,463</u>	<u>105,926</u>
CREDITORS: <i>amounts falling due within one year</i>	7	<u>69,336</u>	<u>46,072</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 125,127</u>	<u>£ 59,854</u>
UNRESTRICTED FUNDS	8	<u>£ 125,127</u>	<u>£ 59,854</u>

Signed on behalf of the board of directors

.....
R. TOMLINS
Director – R Tomlins

.....
7 JUNE 2006
Date

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
NOTES ON THE ACCOUNTS – 31 DECEMBER 2005

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, issued in October 2000.

(b) *Incoming resources*

i) Donations

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) Conference income

Conference income, in respect of the biennial conference, is included in the Statement of Financial Activities in the year in which it is receivable.

(c) *Resources expended*

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

Management and administration comprises costs for the running of the charity itself as an organisation.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
NOTES ON THE ACCOUNTS – 31 DECEMBER 2005

1. ACCOUNTING POLICIES (continued)

(d) *Taxation*

The company is recognised by the Inland Revenue as a charity and therefore the company is not liable to taxation.

(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. DONATIONS, LEGACIES AND SIMILAR INCOMING RESOURCES

	Year ended 31 December 2005 £	15 month period ended 31 December 2004 £
IPRCG (the Association)	-	48,875
Other donations	41,038	8,594
	<u>£ 41,038</u>	<u>£ 57,469</u>

The donation received from IPRCG (“the Association”) is a non-recurring item which arose from the transfer of the net funds held by the Association at 17 September 2003. The activities of the Association were transferred to the charitable company which was incorporated on 18 September 2003.

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
NOTES ON THE ACCOUNTS – 31 DECEMBER 2005

3. CHARITABLE EXPENDITURE

	Year ended 31 December 2005 £	15 month period ended 31 December 2004 £
Guideline development	7,453	8,343
Biennial conference	-	206,364
Membership benefits	27,340	38,769
Research	7,718	8,523
Website	14,607	20,254
Exchange rate gain	(9,748)	-
	<u>£ 47,370</u>	<u>£ 282,253</u>

4. STAFF COSTS AND NUMBERS

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

5. DIRECTORS' EMOLUMENTS AND EXPENSES

The directors received no remuneration or expenses from the company during the year except for A Ostrem and R Tomlins who received honoraria totalling £8,521 (2004 - £5,536).

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

	Year ended 31 December 2005 £	15 month period ended 31 December 2004 £
Auditors' remuneration - audit fees	2,500	2,500
- non-audit fees	-	950
	<u>2,500</u>	<u>3,450</u>

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
NOTES ON THE ACCOUNTS – 31 DECEMBER 2005

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

	2005 £	2004 £
Accruals and other creditors	3,450	3,450
Deferred income	65,886	42,622
	<u>£ 69,336</u>	<u>£ 46,072</u>

8. MOVEMENT IN FUNDS

	£
Surplus for period and at 31 December 2004	59,854
Net incoming resources for the year	65,273
At 31 December 2005	<u>£ 125,127</u>

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.

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 2005

	Year ended 31 December 2005		15 month period ended 31 December 2004	
	£	£	£	£
INCOME				
Donations		41,038		8,594
Subscriptions		103,899		106,367
Conference		-		216,675
Transfer from IPRCG (unincorporated association)		-		48,875
Bank interest		1,457		788
		<hr/>		<hr/>
		146,394		381,299
EXPENDITURE				
Publications				
Books and publications		12,827		18,200
Executive officer's fees				
Consultancy		32,172		35,570
Secretariat				
Secretariat		10,453		10,412
Website costs				
Web team honorarium	863		1,352	
Website development	3,936		8,141	
		<hr/>		<hr/>
		4,799		9,493
Travel and accommodation				
Conference expenses & staff etc	-		966	
Accommodation	121		1,338	
Meals	-		(37)	
Room hire, refreshments	450		480	
Travel	4,248		5,518	
Travel & entertainment	-		2,000	
		<hr/>		<hr/>
		4,819		10,265
Executive committee honoraria				
President's honorarium	7,500		4,613	
Treasurer's honorarium	1,021		923	
		<hr/>		<hr/>
		8,521		5,536
Carried forward		<hr/>		<hr/>
		73,591		89,476

INTERNATIONAL PRIMARY CARE RESPIRATORY GROUP
INCOME AND EXPENDITURE ACCOUNT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2005

	Year ended 31 December 2005		15 month period ended 31 December 2004	
	£	£	£	£
Brought forward		73,591		89,476
Management and administration				
Bank charges	39		172	
Editorial Honoraria	-		500	
Executive meeting costs	3,007		1,545	
Indemnity insurance	1,260		1,260	
Meeting costs	-		648	
Office supplies	15		135	
Postage and delivery	5,817		8,072	
Printing and photocopying	49		478	
Professional fees – accounting	4,421		4,539	
Professional fees – legal	1,610		5,440	
Promotional material	-		1,758	
Software expenses	-		244	
Teleconferencing	1,060		1,135	
Telephone	-		5	
Exchange rate gain	(9,748)		-	
		7,530		25,931
Biennial conference		-		206,038
		81,121		321,445
SURPLUS FOR THE PERIOD		<u>£ 65,273</u>		<u>£ 59,854</u>