

**THE BRITISH ASSOCIATION OF ORAL AND  
MAXILLOFACIAL SURGEONS  
FINANCIAL STATEMENTS  
31 DECEMBER 2016**

**Charity Number 1062067**

**COMPANY REGISTRATION NUMBER 03337359**

**THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL  
SURGEONS**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2016**

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# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## TRUSTEES' ANNUAL REPORT YEAR ENDED 31 DECEMBER 2016

### REFERENCE AND ADMINISTRATIVE DETAILS

#### Trustees & Directors

For the purposes of charity and company law and in accordance with the Association's governing document, the trustees of the charity and the directors of the company are certain executive officers of the Council of the Association. The trustees and directors that have held office since 1 January 2016 are as follows:

Mr Michael Stephen Dover	<b>President</b> (from 1 January 2017) <b>Vice President</b> (from 1 January 2016 to 31 December 2016)
Professor Peter Brennan	<b>Immediate Past President</b> (from 1 January 2017) <b>President</b> (from 1 January 2016 to 31 December 2016)
Professor James Brown	<b>Immediate Past President</b> (from 1 January 2015, demitted office 31 December 2016)
Mr Ian C Martin	<b>Vice President</b> (appointed 1 January 2017) <i>President Designate</i> (from 1 January 2016 to 31 December 2016)
Mr Austen T Smith	<b>Honorary Secretary and Company Secretary</b> (appointed 1 January 2016)
Mr I S Holland	<b>Honorary Treasurer</b> (appointed 1 January 2016)

#### The Council of the Association

The trustees and directors are assisted and advised by the other officers and members of the Council of the Association, who have held office since 1 January 2016, as follows:

#### Officers of Council

Mr Satyesh Parmar	<i>President Designate</i> (appointed 1 January 2017)
Mr David A Mitchell	<i>BJOMS Editor</i> (until 31 December 2018)
Mr Michael J C Davidson	<i>Chairman of Council</i> (until 31 December 2016)
Mr Patrick Magennis	<i>Deputy Chairman of Council</i> (from 1 January 2016 until 31 December 2016) <i>Chairman of Council</i> (from 1 January 2017)

#### Members of Council

Mr Robert Bentley	(from 1 January 2015)
Mr Andrew J Cronin	(until 31 December 2016)
Ms Kathleen Fan	(from January 2016)
Mr David A Koppel	(until 31 December 2015) will continue co-opted as Chairman SAC in OMFS
Mr David Keith	(from 1 January 2016)
Professor James McCaul	(from 1 January 2016)
Mr Robert Banks	(from 1 October 2015)

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Mr Bhavin Visavadia	<i>(from 1 October 2015)</i>
Mr Neil Scott	<i>Fellows in Training Representative (from 1 January 2016)</i>
Ms Nabeela Ahmed	<i>Deputy Fellows in Training Representative (until 31 December 2016)</i> <i>Fellows in Training Representative (from 1 January 2017)</i>
Ms Ambika Chadha	<i>Deputy Fellows in Training Representative (from 1 January 2017)</i>
Mr James Higginson	<i>Junior Trainees and Members' Representative (from 1 January 2016)</i>

The principal address of the charity and the registered office of the company is the offices of the Association at The Royal College of Surgeons of England, 35/43 Lincoln's Inn Fields, London WC2A 3PE.

The charity is registered under the charity number 1062067, and the company is incorporated with the company registration number 03337359.

The trustees have made the following professional appointments:

Accountant:	Hardcastle Burton Chartered Accountants, 166 Northwood Way, Northwood, Middlesex, HA6 1RB
Auditor:	Buzzacott LLP, 130 Wood Street, London EC2V 6DL
Bankers:	Lloyds TSB Bank plc, Kings Cross Branch, 344 Gray's Inn Road, London WC1X 8BX CCLA Investment Management Limited, 80 Cheapside, London EC2V 6DZ
Investment Manager:	Cazenove Capital Management wealth management from Schroders, 12 Moorgate, London EC2A 6DA

The following key members of staff are responsible for the day-to-day management of the charity:

Ms Sarah Durham	Senior Administrator
Ms Susan Bailey	Assistant Administrator

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### STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustees present their report and the financial statements of the British Association of Oral and Maxillofacial Surgeons ("The Association" or "BAOMS") for the year ended 31 December 2016. The financial statements have been prepared in accordance with the accounting policies set out on pages 17 to 20 of the financial statements and comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applying to charities preparing their accounts in accordance with the Financial Reporting Standard in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

#### Status and History

BAOMS is a registered charity, and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £1 to the assets of the charity in the event of the charity being wound-up during the period of membership, or within one year thereafter.

Oral and Maxillofacial Surgery originated in the United Kingdom as the surgical specialty of dentistry, developing from the need for specialist services to treat jaw injuries sustained by servicemen during the two World Wars. It soon became clear that the prevalence of civilian facial injuries in peace time was at least as great, largely due to the increasing use of motor cars and motor cycles.

The specialty of Oral and Maxillofacial Surgery evolved to meet the clear demand for treatment of an increasingly large range of pathological conditions of the face, jaws and teeth. The complexity of the specialty was reflected by a change of title from The British Association of Oral Surgeons to The British Association of Oral & Maxillofacial Surgeons in the year ended 30 June 1986.

The specialty Association was incorporated on 21 March 1997 and became a registered charity on 24 April 1997. BAOMS is governed by the rules and regulations set down in its company Memorandum and Articles of Association as last updated on 8 June 2016.

#### Organisational Structure and Key Management

The overall strategic direction of the charity is determined by the trustees, who are assisted and advised by the other officers and members of the Council of the Association.

The Council normally has 18 members, but additional individuals will be co-opted to attend for specific relevant matters. The Council meets four times a year. The Council members outside Chair, Deputy Chair (when in post) and Editor receive no remuneration for their work carried out on behalf of the Association. Travel expenses are paid for all members of Council, who carry out work on behalf of the Association on various committees and working parties in the United Kingdom and throughout Europe.

A Chairman of Council is appointed by Council and holds office for a term of four years. The incumbent chairs the Council meetings and represents the Association on a number of committees. The role of Chairman of Council is non-voting. The Chairman of Council shall be appointed in the first instance as Deputy Chairman of Council for a period of one year to run in parallel with the last year of office of the out-going Chairman of Council. The trustees consider that they, together with the Chairman of Council and the Senior Administrator, comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

The trustees do not receive any remuneration for their services as trustees. The Chairman of Council is normally remunerated with 2 PAs (Programmed Activity equal to one working day) per week based on basic salary and paid to their employing NHS Trust. The Deputy Chairman (when in post) is normally remunerated with 1 PA (equal to half a working day) per week based on basic salary and paid to their employing NHS Trust and senior

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administrator. The remuneration of all office staff (including the senior administrator) is agreed annually by the honorary secretary and treasurer.

The day-to-day administration of the Association is carried out by Ms Sarah Durham, the Senior Administrator, and her assistant, Ms Susan Bailey, who together manage the overall administration and implementation of strategies for the Association. Office space is rented from and based at the Royal College of Surgeons of England. Additional facilities, such as Human Resources advice, are 'bought in' from the Royal College of Surgeons of England, as and when the need arises.

Daily correspondence is dealt with by the office staff and copies are circulated to the trustees for comment and dissemination to Council, as required. A detailed work plan is agreed annually between the Senior Administrator and the trustees, which sets out the major aims and activities for each year.

The Association's key goals (such as maintaining funding for the Research Fund) are constant factors in any given year. Other factors include:

- Developing strategy for recruitment and retention within the specialty;
- Preparing for the four Council meetings (agendas and papers are agreed by the trustees, and then collated and sent from the office);
- Organising and enhancing the clinical content of Annual Scientific Meetings (both current and future years);
- Invoicing and collecting annual Association subscriptions;
- Maintaining Association membership records; and
- Observing the requirements and obligations of a charitable organisation.

Council appoints a number of sub-committees to organise different areas of the Association's activities as detailed below:

- The Endowments sub-committee oversees the award of clinical and research grants and prizes during the year. The committee meets twice a year and considers applications from all categories of membership for approval by Council. Application for grants is governed by guidelines and an application process, which can be downloaded from the Association's website at [www.baoms.org.uk](http://www.baoms.org.uk). A formal peer review process by two independent reviewers is organised for grants in excess of £10,000.
- The Media, Public and Communications sub-committee handles press and media contact. It has also produced a number of Patient Information Leaflets, which can be downloaded from the Association's website.
- The Clinical Effectiveness sub-committee organises audits into the application of techniques and procedures within the specialty, and comments on government documents relevant to the specialty, such as National Institute of Health and Clinical Excellence ("NICE") guidelines. The committee also interfaces with the joint BAOMS and Saving Faces audit projects. In 2013 BAOMS launched a National Audit (Patients referred with impacted third molars) for the specialty in collaboration with National Facial Oral Research Centre (NFORC).
- The Education and CPD sub-committee handles CPD accreditation and revalidation.
- The Norman Rowe International Education Foundation is responsible for work with overseas doctors arranging initiatives such as distance learning courses and humanitarian type initiatives.

In addition, Council spearheads initiatives relating to other education and research issues, public awareness and general promotion of the Specialty - as these are the central main objectives of the charity.

#### **Method of Recruitment, Appointment, Election, Induction and Training of Trustees**

##### *Recruitment*

Trustees are selected from past and present Council members (excluding retired Council members). Following an amendment to the Memorandum and Articles the Honorary Secretary and the Honorary Treasurer may now also

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be recruited from the Fellows category of membership. An outline of the duties for each of the trustee positions is circulated to the relevant members of the Association.

Nominations are then submitted together with a supporting statement from the applicant. These are then considered and a trustee appointed at a Council meeting at least three months prior to the post becoming vacant.

#### *Appointment and Election*

Under the requirements of the Memorandum and Articles of Association, the members of Council are elected to serve for a period of three years. All eligible fellowship categories of the Association are circulated with an outline of the duties required and nomination forms are submitted along with a statement of intent, which is included with the ballot papers circulated to eligible voting members of the Association.

#### *Induction and Training*

Having accepted appointment, trustees are sent the main documents, which set out the operational framework of the Association, including the Memorandum and Articles of Association. In addition, trustees are directed to the Charity Commissions' guide 'the Essential Trustee'. On-going training for trustees is organised and provided by the Association as and when required. Demitting officers / trustees are encouraged to advise and inform new appointees where practicable.

#### **Risk and Corporate Governance Matters**

The trustees have reviewed the major risks facing the Association, aiming to minimise the charity's exposure to risk, whilst attending to its viability and ensuring its longevity. The management of risk is the responsibility of the whole board of trustees, who monitor exposure through regular contact with Council members and office staff. The Association carries a range of insurances, renewed annually, to cover the key insurable risks associated with the administration of the charity's activities, and office procedures ensure that daily back-ups are run for all of the Association's data, including information published on the website.

The trustees consider the key risk facing the Association to be loss of membership. If this were to happen on any significant scale, there would be no reason for the Association to continue in existence and no meetings would need to take place. They constantly review the incentives and recruitment initiatives to engage as many practitioners of OMFS as possible in Association membership categories. The Association also has a risk register which is reviewed and updated annually.

#### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of The British Association of Oral and Maxillofacial Surgeons for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulations.

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 charitable company and of the income and expenditure of the charitable company for that period. Under that law, the Trustees have prepared financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to the charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;

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- 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 business.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and 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 Companies Acts 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.

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 the legislation in other jurisdictions.

#### Statement as to Disclosure of Information to the Auditor

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charity'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.

#### Professional Indemnity Insurance

The charity has taken out a public liability insurance policy that provides professional indemnity cover (amounting to £500,000 in respect of any one claim) for the Council members (including the trustees) and the staff of the charity. The cost of this insurance policy to the charity for the year was £742 (2015: £507).

### OBJECTIVES AND ACTIVITIES

#### Charitable Objectives

The charitable objectives for which the charity is established are as follows:

- (a) To promote the advancement of education, research and the development of Oral and Maxillofacial Surgery in the British Isles.
- (b) To encourage and assist postgraduate education, study and research in Oral and Maxillofacial Surgery by:
  - (i) Arranging regular meetings at which lectures and demonstrations will be given.
  - (ii) Encouraging the publication of articles on Oral and Maxillofacial Surgery either by publishing a special journal or by other means.
  - (iii) Ensuring that Oral and Maxillofacial Surgery is represented adequately as a specialty to both the Medical and Dental Professions.
  - (iv) Promoting the advancement of the theory and practice of Oral and Maxillofacial Surgery by any other means, which may from time to time be considered appropriate by the Council of the Association.
  - (v) To hold one annual scientific meeting and one joint meeting on topics of interest to allied specialty organisations.

#### Charitable Activities

In order to meet its charitable objectives, the trustees have set an overall goal for the Association to do everything within its powers to promote and encourage education, study, research and development of Oral and Maxillofacial Surgery as a specialty.

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In pursuance of its overall goal, the Association's principal activity is the dissemination of information as it relates to the specialty.

Each year this activity is undertaken in a number of ways, including:

- Encouraging membership of the Association;
- Publishing The British Journal of Oral and Maxillofacial Surgeons ("BJOMS");
- Organising an Annual Scientific Meeting ("ASM");
- Organising, attending, and endorsing other ad hoc meetings; and
- Funding Research and Training initiatives by disbursement of Association funds (through due diligence selection procedures) to individuals, institutions and specialty sub groups.

#### Indicators, Milestones and Benchmarks

The trustees monitor a range of measures by which to try to determine the success of the charity in meeting its objectives. These measures include:

- Level of membership and the trend over time (increasing or decreasing)
- Circulation and readership of BJOMS
- Level of submission of research papers for publication in BJOMS
- Requests for publications including abstracts and papers, subscriptions and proceeds of electronic downloads from BJOMS
- Attendance at the ASM
- Feedback from delegates attending the ASM
- Uptake on new initiatives to encourage ASM attendance
- Number of visits to the Association's website and feedback from visitors
- Members' engagement with sub specialist interest groups (SSIGs)
- Media interest / requests for information or comment to printed or electronic media.

#### Public Benefit

The trustees have taken the Charity Commission's general guidance on public benefit (contained within the recently revised guidance publication "Charities and Public Benefit") into consideration in preparing their statements on public benefit contained within this trustees' annual report.

#### *Benefits and Beneficiaries*

In accordance with its charitable objectives, the Association strives to promote education, study, research and development of Oral and Maxillofacial Surgery. In doing so, BAOMS seeks to improve the quality of medical care for the benefit of patients. The charity's ultimate beneficiaries are therefore patients, and benefits to patients are provided through advancing knowledge of, practice in and standards for the specialty.

#### *Trustees' Assessment of Public Benefit*

In relation to the assessment of public benefit, the trustees monitor the public benefits which are delivered through the training and support of Oral and Maxillofacial Surgeons (OMFS) within the NHS and interface with individual hospital units. The Association is represented on a number of committees (see pages 5 and 7) to ensure that there are a sufficient number of OMFS consultants to serve the public need.

There is also a direct interface with the public via the Association's website which includes advice leaflets and information about the specialty, information on NHS hospital units and also careers advice.

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### Grant Making Policy

The Association finances a number of awards to support education and research. These are as follows:

Down Surgical Prize  
Norman Rowe Lecture Prize  
BAOMS Surgery Prize  
Norman Rowe Clinical Prize  
Paul Toller Research Prize  
Members' Prize  
Associate Fellows Prize  
Clinical and Research Poster Prizes  
IMP Technicians Lecture Prize  
Trainers Prizes

The Endowments sub-committee (which is appointed by and from Council) meets twice a year to consider applications for research and clinical placement grants. The sub-committee recommends candidates for prizes and grants to Council and advises on the distribution of available funds.

The Prizes are open to all categories of membership. Full information on application can be found on the BAOMS website ([www.baoms.org.uk](http://www.baoms.org.uk)).

In addition, the Association offers student bursaries to second degree students (studying for their BDS or MBBS) who are interested in pursuing a career in Oral and Maxillofacial Surgery, together with complimentary membership of the Association where applicable and subsidised attendance fees for the Annual Scientific Meeting. Free membership and subsidised attendance rates at the ASM are also now available to first degree students with an interest in the specialty.

### Research and Travel Grants

Grants are made available to suitable and successful applicants in respect of:

Major Travel Grant  
Trainees Travel / Study Grants  
Support for Specialty Meetings  
Small Project Grants (priming simple research projects)  
Application details are available on the Association's website at [www.baoms.org.uk](http://www.baoms.org.uk)

### Representation on Other Bodies

The specialty of Oral and Maxillofacial Surgery is represented on the following:

British Association of Surgical Oncology (BASO)  
CORESS  
Federation of Surgical Specialist Associations  
Forum of Surgery of Great Britain and Ireland  
Specialty Advisory Committee (SAC) in Oral and Maxillofacial Surgery  
Specialty Advisory Committee (SAC) in Oral Surgery  
Senate of Dental Specialties  
Intercollegiate Board: (FRCS)  
RCS Trauma Committee  
RCS Cancer Services Committee  
RCS Revalidation Board  
RCS Edin Board  
European ACMFS Council

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UEMS Monospecialty Section in Stomatology and Oral and Maxillofacial Surgery  
International Association of Oral and Maxillofacial Surgeons  
BMA: CCSC Surgical Specialties Sub-Committee  
DH Professional Bodies

The Chairman of Council represents the Association at the majority of the meetings of the organisations outlined above. If the Chairman of Council (or Deputy Chairman) is unable to attend, where possible, an alternative representative is selected from current Council members. Reports are provided to Council following each meeting. It is vital to have a working relationship on these professional bodies to achieve the overall aims of the Association at local, national and international level.

### ACHIEVEMENTS AND PERFORMANCE

#### Activities, Events and their Impact

The Association has been active in a number of areas:

##### *BJOMS*

The Association continued to organise the publication of The British Journal of Oral and Maxillofacial Surgeons ("BJOMS"), which is the official publication of the Association, through the editorial team. Members are encouraged to submit articles on Oral and Maxillofacial Surgery for publication in BJOMS.

The Journal Editorial Board is managed by the Honorary Editor and the Honorary Treasurer and meets several times a year. The Editor prepares a report for each Council meeting and also for the Annual General Meeting. The Journal (10 issues per year) is currently published in conjunction with Elsevier on a five year contract (2012-2017). Following a review and process carried out by the Editor and reported at a Council meeting the current publishers, Elsevier, were re-appointed and a five year contract (2018-2022) has been agreed and signed.

##### *BAOMS Website*

In 2016 the Association's website ([www.baoms.org.uk](http://www.baoms.org.uk)) was completely re-developed and a new site was launched in December 2016. The site continues to provide a wide range of information and the patient area in particular has been enhanced with procedures and advice for the public. The site continues to host educational videos and links and there are also lectures and presentations from the Annual Scientific Meetings available in the members' area. The sub speciality interest groups continue to be a popular resource for the membership.

##### *Annual Scientific Meeting*

The meeting this year was held at the Brighton Centre from 8-10 June 2016. The meeting was attended by over 450 members and non-members over the three days.

The theme of the conference was Training and Innovation, with speakers from various backgrounds outside of the specialty. The President's Lecture was given by Miss Clare Marx, President of the Royal College of Surgeons of England. Professor Henning Schliephake gave the Norman Rowe Lecture entitled 'Is there a place for personalised therapy in OMF surgery?' Niall Dickson, CEO of the General Medical Council, spoke about revalidation and GMC issues, a leading barrister discussed employment contract problems with trainees, Lord Ribeiro attended and spoke on current NHS issues. Four symposia were also presented during the week: current issues around surgical training, performance at work, coping at the extremes of the specialty and the latest in radiology. There were also free paper sessions and posters on display in the medical exhibition.

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The Annual Dinner attracted over 150 attendees and was held at the Brighton Centre with views over the sea. Feedback from attendees was very positive and the meeting had an excellent atmosphere. The majority of the keynote lectures were filmed and can be viewed via the members' secure area of the BAOMS website.

#### 2016 President's Annual Fund

In 2014, the Council agreed annual on-going funding of up to £30,000 for the President's Fund allowing each President to promote and fund a specific project during their term of office.

In 2016, the President has used the fund to produce an illustrated book for General Practitioners (GPs and Primary Care) educating them on the common oral and maxillofacial surgery presentations. The publication had the full support and endorsement of the Royal College of General Practitioners and was sent to every GP practice in the UK, together with posters of algorithms advising how to manage/refer these conditions. An e-version of the book is planned for 2017.

#### Junior Trainees Conference

The annual conference of the Junior Trainee group was held at the Royal College of Physicians and Surgeons of Glasgow on 9 and 10 of January 2016, and was a sell-out success. The theme of the conference was the Medical Humanities in OMFS.

Keynote speakers were James Partridge, from Changing Faces, and Patrick Hartley, an artist and fashion designer who has curated and created exhibitions related to the work of Gillies on wartime facial injuries.

BAOMS supports the meeting by providing some funding towards the speakers' travel expenses as well as offsetting the attendance fee for BAOMS members attending the JTG Conference.

#### OMFS FiT Conference

The 2016 BAOMS Fellows in Training conference was held in Nottingham on 10 and 11 November at Trent Bridge Cricket Ground, Nottingham. The conference was preceded by an aesthetics afternoon held within the Post-Graduate unit of Queens Medical Centre. This was free to the first 16 delegates who registered for the main conference. This included clinical assessment of the face, use of LASERS in OMFS and the use of botox for facial aesthetics with the opportunity to practice under supervision on models. The delegate feedback on the workshops was extremely complimentary and they were very well received. The main conference was attended by 33 OMFS trainees and we were fortunate to be supported with a visit from our President, Professor Brennan, who attended and provided an overview on Human Factors at work. Other programme highlights included: **Anthony Pogrel** – University of California, San Francisco; Giant Cell Lesions – how are they best managed? **Phil Hollows** – QMC Nottingham; How to (not) plan a disaster in head and neck cancer, and **Robert Bentley** – Kings College Hospital; Managed clinical networks and commissioning OMFS services, and the lessons from Major Trauma.

Entertainment was provided with bowling and a meal at Nottingham's finest Indian restaurant 4550 Miles from Delhi. Thanks to the Trent trainees for arranging a superb educational and social event, all the consultants who attended to speak and, of course, to our sponsors who were generous in providing their support and attendance. The delegate feedback was excellent and plans are already in place for the next FiT conference which will be held in Bristol and is being organised by Mr Rupert Scott (rupert.a.scott@googlemail.com).

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# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

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### FINANCIAL REVIEW

#### Financial Results of Activities and Events

During 2016, the Association generated £740,124 (2015: £713,574) of income, and expended resources of £787,393 (2015: £745,436) principally disseminating information as it relates to any and all of the fields that pertain to the Association's charitable objectives.

In particular, the Annual Scientific Meeting resulted in a surplus of £17,948 (2015: £28,219) and the British Journal of Oral and Maxillofacial Surgery contributed £200,401 (2015: £206,171) towards the other operational costs of the Association. A significant proportion of Journal income is being from paid electronic downloads of content – from around the globe, demonstrating the breadth of appeal of the material presented. Net investment gains in the year were £110,831 (2015: loss £16,372), resulting in a net increase in funds of £63,562 (2015: decrease £48,234).

#### Grant Making

In 2016, grants totalling £96,536 (2015: £ 61,603) were allocated during the financial year to members of the Association for research projects and travel to centres of excellence overseas.

The Association continues to support bursaries for medical students completing their double degree as part of the relatively long training programme for the specialty. In 2016, £10,000 was awarded to 5 individuals (2015: £24,000 was awarded to 12 individuals).

#### Reserves Policy

When considering the need for free reserves the trustees are mindful that they must put in place a suitable foundation for the charity to achieve its long term strategic goal, that being for the work of the Association to be continued in perpetuity. In addition the trustees have identified the following areas in which expenditure will be required in the near future:

- Up to a total of £30,000 to jointly fund a Research Fellowship in Oral and Maxillofacial Surgery;
- Up to £12,500 for the speakers educational fund to fund educational lectures at the Annual Meeting;
- £100,000 for research and clinical and mini grants;
- £20,000 for development of national audit projects and revalidation (to include the BAOMS Information Scientist);
- £10,000 to provide complimentary membership of the Association to students studying their second degree;
- £7,500 to provide complimentary registration at the ASM for students studying for their first and second degrees;
- £20,000 to provide student bursaries/support to students studying their second degree;
- £10,000 to support junior trainees programme and recruitment;
- £20,000 venue deposits for future meetings;
- £15,000 for media activity;
- £15,000 for maintenance and updates to the website on-going;
- £10,000 for on-going hosting, support and development of the website to continue to increase its educational and interactive capacity and to further widen communication with the membership;
- £30,000 for the President's Annual Fund.

Total possible spend in 2017: £300,000 estimated.

Bearing this in mind the trustees consider that, in order to limit financial risk and based on current staffing levels, the level of free reserves should be equal to £500,000. This will allow the capacity to operate the work of the

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Association effectively in the event of unforeseen financial difficulties. It is expected that this would be sufficient to cover the operational costs of the Association for a period of nine months.

#### **Financial Position**

The total 'unrestricted funds' of the charity as at 31 December 2016 amounted to £1,467,080 of which £918,207 had been allocated to the Designated Research Fund (31 December 2015: £1,424,987 of which £824,444 had been allocated to the Designated Research Fund). The free reserves of the charity as at 31 December 2016 amounted to £548,873 (2015: £600,543), which is in line with the policy stated above.

#### **Investments Policy**

The trustees have wide ranging powers to invest the funds of the Association as they see fit, and in practice, they receive advice from the Association's investment managers on appropriate investments. The Association's investment portfolio is now managed by Cazenove Capital Management wealth management from Schroders. Previously the Association's investments were managed by UBS who managed the portfolio funds on the open stock market in separate stocks and shares. The current investment managers use a Charity Multi Asset Fund to manage the Association's investment funds.

#### *Investment Objective*

A balance between capital growth and income which, over the long run, will endeavour to maintain the real value of the assets.

#### *Investment Restrictions*

There are to be no companies held within the portfolio which derive 10% or greater of overall turnover from tobacco or armaments.

#### *Investment Strategy*

The investment objective is to be achieved by investment in a balanced portfolio, which can include equities, fixed interest securities and cash, with a medium risk profile. Exposure to hedge funds, structured investments and property funds will also be permissible. Trustees have taken advice and rely on an approach to provide real returns on funds, but avoiding High Risk / High Yield (Casino) patterns of investment, in line with responsible charitable organisation strategy.

#### *Review*

In order to monitor progress of the performance of the Association's investments against this policy Cazenove Capital Management wealth management from Schroders provides valuation reports six monthly on 30 June and 31 December. Figures showing the capital performance and a range of indices including the APCIMS Balanced Index are included within these valuation reports.

The trustees will periodically consider whether there is a need to revise the Investment Strategy.

In 2016, the portfolio grew in value by 9.8% to £1,240,793 (2015: grew in value by 10.6% to £1,129,962). The income being generated by the investments grew by 50.8% to £49,198 (2015: grew by 1% to £32,605).

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2016

### PLANS FOR FUTURE PERIODS

#### Future Strategy

The trustees' long term goal is for the work of the Association to be continued in perpetuity.

#### Future Activities and Events

##### Annual Scientific Meeting, International Convention Centre, Birmingham 28-30 June 2017

Pre-congress courses are planned (Monday 26 and Tuesday 27 June 2017) and will be a two day cadaveric dissection course to include aesthetic surgery, endoscopic and open procedures to the tm joint, approaches to the orbit and coronal flap exposure of the upper face, (Coventry). In addition, two, one day implant training courses (Birmingham) are planned. The President's lecture will be given by Andrew Monaghan.

Keynote lecture subjects will include: Management of complex trauma, defect repair by distraction or free tissue transfer, aesthetic surgery, cranial vault reconstruction, TMJ reconstruction, research opportunities and higher degrees in training, advances in paediatric, cleft and craniofacial surgery, and skull base access. Invited speakers include: Jaime Gateno, Andrew Heggie, Gosla Reddy, Richard Hopper, Louis Mercuri, Timothy Mellor, Robert Bentley, Nils Gellrich, Alex Schramm, and Alberto Ferrera.

There will be a number of Masterclass discussion sessions, with limited attendance.

In 2017 the Association plans to continue to use a media professional on an ad-hoc basis.

The establishment of national audits and revalidation continue to be major projects for Council led by the Clinical Effectiveness sub-committee.

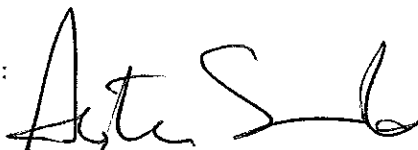
Using the new website to best effect will be an on-going activity in 2017. Further enhancing the patient/public areas as well as encouraging engagement for members via the members' area.

#### Impact of Activities and Events

The continuing success of the Association's meetings with a structured educational element and a platform for the presentation of research within the specialty programme will result in high attendances and once again positive feedback from delegates.

Signed on behalf of the trustees:

Mr Austen T Smith  
Honorary Secretary



Date:

28 MARCH 2017.

The notes on pages 19-33 form part of these financial statements

# **THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS**

**YEAR ENDED 31 DECEMBER 2016**

We have audited the financial statements of the British Association of Oral and Maxillofacial Surgeons for the year ended 31 December 2016, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

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

### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR**

As explained more fully in the statement of the trustees' responsibilities set out in the trustees' report, the trustees are responsible for the preparation of financial statements which give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE ACCOUNTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **OPINION ON THE ACCOUNTS**

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 December 2016 and of its income and expenditure for the year then ended;

**The notes on pages 19 to 32 form part of these financial statements.**



# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

YEAR ENDED 31 DECEMBER 2016

- ◆ 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.

### OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Trustees' Report has been prepared in accordance with applicable legal requirements. In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- ◆ adequate accounting records have not been kept; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to take advantage of the small company's exemption from the requirement to prepare a Strategic Report.



Catherine Biscoe  
Senior Statutory Auditor  
For and on behalf of Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London EC2V 6DL

5 April 2017

The notes on pages 19 to 32 form part of these financial statements.

**THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL  
SURGEONS**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE  
INCOME AND EXPENDITURE ACCOUNT)**

**YEAR ENDED 31 DECEMBER 2016**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
<b>INCOME FROM</b>					
Investments	2	51,230	148	51,378	35,378
Charitable activities	3	659,234	29,422	688,746	678,196
<b>TOTAL INCOME</b>		<u>710,554</u>	<u>29,570</u>	<u>740,124</u>	<u>713,574</u>
<b>EXPENDITURE ON</b>					
Cost of Raising Funds					
Investment management costs	4	(2,736)	-	(2,736)	(1,872)
Charitable activities	5/6/7	(776,556)	(8,101)	(784,657)	(743,564)
<b>TOTAL EXPENDITURE</b>		<u>(779,292)</u>	<u>(8,101)</u>	<u>(787,393)</u>	<u>(745,436)</u>
<b>NET EXPENDITURE FOR THE YEAR BEFORE /GAINS/(LOSSES) ON INVESTMENTS</b>					
Net gains/ (losses) on investments		(68,738)	21,469	(47,269)	(31,862)
		<u>110,831</u>		<u>110,831</u>	<u>(16,372)</u>
<b>NET MOVEMENT IN FUNDS/NET INCOME/ EXPENDITURE FOR THE YEAR</b>					
		42,093	21,469	63,562	(48,234)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>1,424,987</u>	<u>103,839</u>	<u>1,528,826</u>	<u>1,577,060</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>1,467,080</u>	<u>125,308</u>	<u>1,592,388</u>	<u>1,528,826</u>

All recognised gains and losses are included in the above statement of financial activities.

All of the above amounts relate to continuing activities.

The notes on pages 19 to 32 form part of these financial statements.

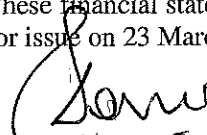
# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS


## BALANCE SHEET

31 DECEMBER 2016

		2016		2015
	Note	£	£	£
<b>FIXED ASSETS</b>				
Tangible assets	11		2,425	3,880
Investments	12		1,240,793	1,129,962
			<b>1,243,218</b>	<b>1,133,842</b>
<b>CURRENT ASSETS</b>				
Debtors	13	299,464		276,088
Cash in hand		343,352		443,366
		<b>642,816</b>		<b>719,454</b>
<b>LIABILITIES</b>				
<b>CREDITORS: Amounts falling due within one year</b>	14	<b>(293,646)</b>		<b>(324,470)</b>
<b>NET CURRENT ASSETS</b>			<b>349,170</b>	<b>394,984</b>
<b>NET ASSETS</b>			<b>1,592,388</b>	<b>1,528,826</b>
<b>THE FUNDS OF THE CHARITY</b>				
Restricted income funds	16		125,308	103,839
Unrestricted funds: General	17		548,873	600,543
Unrestricted funds: Designated	17		918,207	824,444
<b>TOTAL CHARITY FUNDS</b>			<b>1,592,388</b>	<b>1,528,826</b>

These financial statements were approved and signed by the member of the committee and authorised for issue on 23 March 2017.

  
Mr Michael Stephen Dover  
President

  
Mr Ian S Holland  
Honorary Treasurer

Company Registration Number: 03337359

The notes on pages 19 to 33 form part of these financial statements.

**THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL  
SURGEONS**

**STATEMENT OF CASH FLOWS  
YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £	£	2015 £
<b>CASH OUTFLOW FROM OPERATING ACTIVITIES</b>				
NET CASH (USED IN) OPERATING ACTIVITIES	19		(151,392)	(71,287)
<b>CASH INFLOW FROM INVESTING ACTIVITIES</b>				
Income from UK Listed Investments		49,198		32,605
Interest received		2,180		2,773
Purchase of investments		-		(1,193,233)
Proceeds from sale of investments		-		1,112,123
		<hr/>		<hr/>
Net cash (provided by/used in) investing activities			51,378	(45,732)
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>	20		(100,014)	(117,019)
<b>CASH AND CASH EQUIVALENTS 1 JANUARY 2016</b>	20		443,366	560,385
<b>CASH AND CASH EQUIVALENTS 31 DECEMBER 2016</b>	20		<u>343,352</u>	<u>443,366</u>

The notes on pages 19 to 32 form part of these financial statements.

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

### 1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

#### **Basis of preparation**

These financial statements have been prepared for the year to 31 December 2016.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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 applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

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

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the liability for multi-year grant commitments; and
- ◆ estimating the useful economic life of tangible fixed assets.

#### **Assessment of going concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. With regard to the next accounting period, the year ending 31 December 2017, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets.

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

### **Income recognition**

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Credit is taken in the statement of financial activities for the proportion of subscriptions which are receivable in the financial year. All other similar types of income are accounted for on an accruals basis.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Dividends are recognised once the dividend has been declared and notification of the dividend has been received.

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

### **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include grants, direct and support costs including governance costs.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for.

All expenditure is stated inclusive of irrecoverable VAT.

### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2016

Governance costs comprise the costs involving the public accountability of the charity including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs including staff costs and governance costs are apportioned based on the proportion used by the activity.

#### **Tangible fixed assets**

All assets costing more than £5,000 and with an expected useful life exceeding one year are capitalised.

##### ◆ Furniture and equipment

Expenditure on the purchase and replacement of furniture and equipment is capitalised and depreciated over a 4-10 year period, based on the estimated useful life of the asset, on a straight line basis.

#### **Fixed asset investments**

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

#### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

#### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

### **Pension costs**

The charitable company participates in a multi-employer defined benefit pension scheme known as Superannuation Arrangements of the University of London ("SAUL"). The scheme is contracted out of the State Earnings-Related Pension Scheme, and is a centralised scheme for certain employees with the assets held in separate trustee-administered funds. The charitable company is unable to identify its share of the underlying assets and liabilities of the scheme.

The amount charged to the statement of financial activities in respect of pension costs is the total contributions payable for the year.

### **Fund Structure**

The general fund comprises the accumulated surpluses of unrestricted income over expenditure, which are available for use in furtherance of the general objectives of the charitable company.

Designated funds are a particular form of unrestricted funds consisting of amounts, which have been allocated or designated for specific purposes by the trustees. The use of designated funds remains at the discretion of the trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the funds are set out in the notes to the accounts. Amounts unspent at the year-end are carried forward in the balance sheet.



# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

### 2. INCOME FROM INVESTMENTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Income from UK listed investments	49,198	–	49,198	32,605
Bank interest receivable	2,032	148	2,180	2,773
	<u>51,230</u>	<u>148</u>	<u>51,378</u>	<u>35,378</u>

In 2015, investment income comprised £35,166 unrestricted and £212 restricted.

### 3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Subscription income from members	171,855	–	171,855	165,053
Journal income	303,229	–	303,229	304,568
Annual scientific meeting income	184,235	–	184,235	187,900
Other income	5	29,422	29,427	20,675
	<u>659,324</u>	<u>29,422</u>	<u>688,746</u>	<u>678,196</u>

During the year ended 31st December 2016 the Annual Scientific Meeting generated a surplus of £17,948, (Income £184,235 less cost £166,287). During the year ended 31 December 2015 the Annual Scientific Meeting generated a surplus of £28,219, (Income £187,900 less cost £159,681). All comparable income in 2015 was unrestricted.

### 4. INVESTMENT MANAGEMENT COSTS

	Unrestricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Investment management fees	2,736	2,736	1,872

In 2015, all investment management fees were unrestricted.

### 5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Costs of disseminating information on the speciality	516,754	8,101	524,855	490,162
Support costs (note 6)	259,802	–	259,802	253,402
	<u>776,556</u>	<u>8,101</u>	<u>784,657</u>	<u>743,564</u>

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2016

#### 5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE *(continued)*

In 2015, costs of disseminating information on the speciality from restricted funds were £16,660.

#### 6. SUPPORT COSTS

	Unrestricted Funds	Total Funds 2016	Total Funds 2015
	£	£	£
Salaries and wages	164,918	164,918	146,626
Communications costs	10,465	10,465	14,026
Accountancy and advisory fees	950	950	661
Audit fees	7,000	7,000	7,000
Rent	9,750	9,750	9,705
Bookkeeping	10,781	10,781	7,724
Finance costs	6,495	6,495	6,602
Depreciation	1,455	1,455	1,646
Irrecoverable VAT expense	33,544	33,544	32,701
Bad debt expense	7,525	7,525	14,915
Other office costs	6,919	6,919	11,796
	<b>259,802</b>	<b>259,802</b>	<b>253,402</b>

Included within support costs are governance costs of £7,000 (2015 - £7,000) in relation to auditor's remuneration.

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

### 7. ANALYSIS OF GRANTS

	2016	2015
	£	£
<b>Grants to individuals</b>		
Research grants awarded to eleven individuals (2015:seven)	53,886	65,242
Travel grants awarded to sixteen individuals (2015:eight)	18,336	11,872
Student bursaries awarded to five individuals (2015:twelve)	10,000	24,000
Poster prizes awarded to four individuals (2015:six)	700	1,200
<b>Grants to institutions</b>		
President's prize	500	500
Norman Rowe clinical prize	500	500
Paul Toller research prize	500	500
BAOMS surgery prize	700	700
BAOMS members prize	500	500
Downs surgical prize	1,000	1,000
Speakers educational fund expenditure	11,914	10,266
Returned or cancelled awards	(2,000)	(54,677)
	96,536	61,603
Total grants	96,536	61,603

### 8. NET EXPENDITURE FOR THE YEAR BEFORE GAINS/ (LOSSES) ON INVESTMENTS

This is stated after charging:

	2016	2015
	£	£
Staff costs (note 9)	164,918	146,626
Depreciation	1,455	1,646
Auditors' remuneration:		
- audit of the financial statements	7,000	7,000
- other fees (see below)	950	-
Operating lease rentals	9,750	9,705

#### Auditor's fees

The fees charged by the auditor can be further analysed under the following headings for services rendered:

	2016	2015
	£	£
Audit – current year	7,000	7,000
Audit – prior year	950	-
	7,950	7,000

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 DECEMBER 2016**

### 9. STAFF COSTS, TRUSTEES EXPENSES AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

Total staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	139,934	125,982
Social security costs	11,282	9,134
Other pension costs	13,702	11,510
	<b>164,918</b>	<b>146,626</b>

The key management personnel of the charity in charge of controlling, running and operating the charity on a day to day basis comprise the trustees, the Chairman of the Council and the Senior Administrator.

The total remuneration (including taxable benefits and pension contributions) paid to key management personnel for the year was £89,618, (2015: £75,460).

Three Officers of Council received £61,592, (2015: £48,576) for services as Council members provided to the Association. No trustees received any remuneration for their services as trustees. During the year, Council members were reimbursed for travel expenses incurred in attending Council and other relevant meetings totalling £23,452, (2015: £28,017), of which two, (2015: five) trustees received £9,380, (2015: £2,672).

The charity has taken out a public liability insurance policy that provides professional indemnity cover (amounting to £500,000 in respect of any one claim) for the Council members (including the trustees) and staff of the charity. The cost of this insurance policy to the charity for the year was £742 (2015:£507).

#### Particulars of employees:

The average number of employees during the year:

	2016	2015
	No	No
Office and administration staff	3	3
Editorial staff	1	1
	<b>4</b>	<b>4</b>

No employee earned remuneration of £60,000 or more (including taxable benefits but excluding employer's pension contributions) during the year (2015 - Nil).

### 10. TAXATION

The British Association of Oral Maxillofacial Surgeons is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

**THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL  
SURGEONS**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2016**

**11. TANGIBLE FIXED ASSETS**

	Office equipment £	Computer equipment £	Total £
<b>COST</b>			
At 1 January 2016	8,261	22,769	31,030
At 31 December 2016	<u>8,261</u>	<u>22,769</u>	<u>31,030</u>
<b>DEPRECIATION</b>			
At 1 January 2016	8,261	18,889	27,150
Charge for the year	-	1,455	1,455
At 31 December 2016	<u>8,261</u>	<u>20,344</u>	<u>28,605</u>
<b>NET BOOK VALUE</b>			
At 31 December 2016	<u>-</u>	<u>2,425</u>	<u>2,425</u>
At 31 December 2015	<u>-</u>	<u>3,880</u>	<u>3,880</u>

**12. INVESTMENTS**

**Movement in market value**

	2016 £	2015 £
Market value at 1 January 2016	1,129,962	1,065,224
Additions at cost	-	1,193,233
Proceeds of disposals	-	(1,112,123)
Net unrealised gains/(losses)	110,831	(63,269)
Net realised gains	-	46,897
Market value at 31 December 2016	<u>1,240,793</u>	<u>1,129,962</u>
Historical cost at 31 December 2016	<u>1,193,235</u>	<u>1,193,235</u>

**Analysis of investments at 31 December 2016 between funds**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
<b>Listed investments</b>				
UK Quoted fixed interest Securities	<u>1,240,793</u>	<u>-</u>	<u>1,240,793</u>	<u>1,129,962</u>

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

	2016	2015
	£	£
<b>12. INVESTMENTS <i>(continued)</i></b>		
<b>Quoted investments</b>		
Alternative	1,240,793	1,129,962
	<u>1,240,793</u>	<u>1,129,962</u>
Total UK	1,240,793	1,129,962
Total Overseas	-	-
	<u>1,240,793</u>	<u>1,129,962</u>

As at 31st December 2016, individual holdings with a market value greater than 5% were Schroder Charity Multi Asset Funds at £1,240,793 (2015:£1,129,962).

	2016	2015
	£	£
<b>13. DEBTORS</b>		
Other debtors	5,771	5,640
Prepayments	293,693	270,448
	<u>299,464</u>	<u>276,088</u>

	2016	2015
	£	£
<b>14. CREDITORS: Amounts falling due within one year</b>		
Trade creditors	5,366	2,350
Taxation and social security	5,476	10,428
Unpaid awards, grants and prizes	115,806	149,540
Accruals	81,303	77,692
Deferred income	85,695	84,460
	<u>293,646</u>	<u>324,470</u>

	2016	2015
	£	£
<b>Deferred Income</b>		
Deferred income brought forward	84,460	104,758
Income deferred in the current year	85,695	84,460
Deferred income released in the current year	<u>(84,460)</u>	<u>(104,758)</u>
Deferred income carried forward	<u>85,695</u>	<u>84,460</u>

Deferred income relates to subscription income and meeting income in advance.

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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2016**

**15. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2016 the charity had future minimum commitments under non-cancellable operating leases as set out below.

	<b>Land and buildings</b>	
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Payments which fall due:		
Within one year	<b>9,750</b>	<b>9,750</b>
Within 2 to 5 years	<b>4,875</b>	<b>14,625</b>
	<b><u>14,625</u></b>	<b><u>24,375</u></b>

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

### 16. RESTRICTED INCOME FUNDS

	Balance at 1 Jan 2016 £	Income £	Expenditure £	Balance at 31 Dec 2015 £
Restricted e Learning Fund	83,062	20,118	(61)	103,119
Restricted Norman Rowe Fund	17,957	9,448	(8,040)	19,365
Restricted Map of Medicine	2,820	4	-	2,824
	<u>103,839</u>	<u>29,570</u>	<u>(8,101)</u>	<u>125,308</u>

The e Learning Fund was set up in 2009 following the receipt of funding from the Department of Health to cover the costs incurred by BAOMS in relation to the e Learning project as it relates to the charity's speciality. In 2015, income was £146.

The Norman Rowe International Educational Foundation Fund was set up in 2007 following the receipt of a donation from the Norman Rowe Educational Trust which has become a sub-committee of the charity known as the Norman Rowe International Education Foundation (NRIEF). The funds are used to promote the oral and maxillofacial specialist needs of developing and post conflict countries. In 2015, income was £43 and outgoings were £6,790.

The Map of Medicine Fund was set up in 2009 to recognise specific sponsorship income contributing to the costs of the Map of Medicine project work. In 2015, income was £5.



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## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

### 17. UNRESTRICTED INCOME FUNDS

	Balance at 1 Jan 2016 £	Income £	Expenditure £	Gains and losses £	Balance at 31 Dec 2016 £
Designated					
Research Fund	824,444	29,640	–	64,123	918,207
General Funds	600,543	680,914	(779,292)	46,708	548,873
	<u>1,424,987</u>	<u>710,554</u>	<u>(779,292)</u>	<u>110,831</u>	<u>1,467,080</u>

The Designated Research Fund was set up by the trustees in 2005 by a transfer of £500,000 from the General Fund. These funds have been invested and will be used to provide further research and educational grants to promote wider research in the speciality. In 2015, Designated Fund income was £19,649 with investment losses of £9,148.

Included within the General Fund and Designated Research Fund are total net realised and unrealised gains arising on revaluations of investments totalling £110,831, (2015: loss £16,372)

### 18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets £	Total £
<b>Restricted Income Funds:</b>				
Restricted Research Fund	–	–	125,308	125,308
<b>Unrestricted Income Funds:</b>				
General Funds	2,425	322,586	223,862	548,873
Designated Research Funds	–	918,207	–	918,207
<b>Total Funds</b>	<u>2,425</u>	<u>1,240,793</u>	<u>349,170</u>	<u>1,592,388</u>

Total unrealised gains as at 31 December 2016 constitute movements on revaluation and are as follows:

	2016 £	2015 £
Unrealised gains included above:		
On investments	47,558	(63,273)
Total unrealised gains at 31 December 2016	47,558	(63,273)
Reconciliation of movements on unrealised gains:		
Unrealised gains at 1 January	(63,273)	118,499
Less: in respect to disposals in the year 2016	–	(118,503)
	(63,273)	(4)
Add: Net gains/(losses) arising on revaluations in the year	110,831	(63,269)
Total unrealised gains at 31 December	<u>47,558</u>	<u>(63,273)</u>

**THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL  
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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2016**

**19. RECONCILIATION OF NET INCOME/ (EXPENDITURE) TO NET CASH (USED IN)  
/PROVIDED BY FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net movement in funds (as per the statement of financial activities)	63,562	(48,235)
Income from investments	(49,198)	(32,605)
Interest receivable	(2,180)	(2,773)
(Gains)/losses on investments	(110,831)	16,372
Depreciation	1,455	1,646
(Increase)/Decrease in debtors	(23,376)	23,878
(Decrease)/Increase in creditors	(30,824)	(29,570)
Net cash used in operating activities	<u>(151,392)</u>	<u>(71,287)</u>
	2016 £	2015 £
(Decrease) in cash during the period	(100,014)	(117,019)
Cash at bank and in hand at 1 Jan 2016	<u>443,366</u>	560,385
Cash at bank and in hand at 31 December 2016	<u>343,352</u>	<u>443,366</u>

**20. ANALYSIS OF CHANGES IN NET FUNDS**

	1 Jan 16 £	Cash flows £	31 Dec 16 £
Cash in hand and at bank	<u>443,366</u>	<u>(100,014)</u>	<u>343,352</u>

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

### 21. PENSION SCHEME

#### Disclosure per the financial statements

The charitable company participates in a centralised defined benefit scheme known as Superannuation Arrangements of the University of London (SAUL) for all qualified employees with the assets held in trustee administered funds. It is not possible to identify the charitable company's shares of the underlying assets and liabilities of SAUL. Therefore contributions are accounted for as if SAUL were a defined contribution scheme and pension costs are based on the amounts actually paid (cash amounts) in accordance with FRS 102. The amount charged to the statement of financial activities in respect of pension costs (as shown in note 9) is the total contributions payable for the year. No contributions were payable at the balance sheet date.

SAUL is subject to triennial valuation by professionally qualified and independent actuaries. The last available valuation was carried out as at 31 March 2014 using the projected unit method in which the actuarial liability makes allowance for projected earnings. The main assumptions used to assess the technical provisions were:

	Technical provisions	Future Service Costs
Pre-retirement discount rate	5.96% per annum	6.04% per annum
Post-retirement discount rate	3.86% per annum	3.94% per annum
General Salary increase	3.72% per annum	3.75% per annum
Price inflation – RPI	3.57% per annum	3.6% per annum
Price inflation – CPI	2.27% per annum	2.75% per annum
Pension increases in payment	2.72% per annum	2.75% per annum

The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets was £1.927million representing 97% of the liability for benefits after allowing for expected future increases in salaries.

The Trustee commissioned a detailed and independent assessment of the Employers' financial strength or "covenant" as part of the current valuation process. This analysis concluded that there was scope for a contribution increase at this valuation; as a result, the Employers agreed to increase their contributions to SAUL from 13% to 16% of Salaries with effect from 1 April 2016. The Employers have also agreed that this higher contribution will not be reduced before 31 March 2020, irrespective of SAUL's funding level.

### 22. RELATED PARTY TRANSACTIONS

In the year ended 31 December 2016, two Officers of Council received research grants from the charity totalling £11,550 (2015 - £nil). None of these amounts were outstanding as at 31 December 2016 (2015 - £nil).

Three Officers of Council received £61,592, (2015: £48,576) for services as Council members provided to the Association. No trustees received any remuneration for their services as trustees. During the year, Council members were reimbursed for travel and subsistence expenses incurred or paid for by the charity on their behalf in attending Council and other relevant meetings totalling £23,452, (2015: £28,017), of which two, (2015: five) trustees received £9,380, (2015: £2,672).

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**MANAGEMENT INFORMATION  
YEAR ENDED 31 DECEMBER 2016**

**The following pages do not form part of the statutory financial statements  
which are the subject of the independent auditor's report**

**THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL  
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**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 31 DECEMBER 2016**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>INCOME FROM INVESTMENTS</b>		
Income from UK listed investments	<b>49,198</b>	32,605
Bank interest receivable on short term cash deposits	<b>2,180</b>	2,773
	<u><b>51,378</b></u>	<u>35,378</u>
<b>CHARITABLE ACTIVITIES</b>		
Subscription income from members	<b>171,855</b>	165,053
Journal income	<b>303,229</b>	304,568
Annual scientific meeting income	<b>184,235</b>	187,900
Other income	<b>29,427</b>	20,675
	<u><b>688,746</b></u>	<u>678,196</u>
<b>TOTAL</b>	<u><b>740,124</b></u>	<u>713,574</u>
<b>EXPENDITURE ON INVESTMENT MANAGEMENT COSTS</b>		
Investment management fees	<u><b>2,736</b></u>	<u>1,873</u>

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2016

	2016	2015
	£	£
<b>CHARITABLE ACTIVITIES</b>		
Staff costs - Wages & Salaries	139,934	125,982
Staff costs - Employer's NIC	11,282	9,134
Staff costs - Pension costs	13,702	11,510
Establishment - Rent	9,750	9,705
Professional - Accountancy fees	950	661
Depreciation	1,455	1,646
AAOMS/Overseas BAOMS President's travel expenses	8,303	5,007
e Learning costs	-	12,000
JTG conference costs and JT programme	5,830	5,683
Website development and maintenance costs	51,424	9,013
BAOMS audit project cost	11,235	11,853
Strategic costs	16,362	28,759
Grants, awards and prizes	85,122	62,103
Cost of providing journals to members	102,828	98,397
Annual Scientific Meeting expenditure	166,287	159,681
Committee, council and senate expenses	32,350	34,808
Chairman of council costs	45,089	62,461
Repairs and maintenance	25	397
Other office costs	6,919	11,796
Irrecoverable VAT expense	33,544	32,701
Bad debts	7,525	14,915
Bookkeeping	10,781	7,724
Communications	10,465	14,026
Bank interest and charges	6,495	6,602
Audit fees	7,000	7,000
	<b>784,657</b>	<b>743,564</b>
<b>NET EXPENDITURE FOR THE YEAR</b>	<b>(47,269)</b>	<b>(31,863)</b>
<b>BEFORE (LOSSES)/GAINS ON INVESTMENTS</b>	<b>(47,269)</b>	<b>(31,863)</b>

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2016

	2016	2015
	£	£
<b>CHARITABLE ACTIVITIES</b>		
<b>Costs of disseminating information on the speciality</b>		
<i>Activities undertaken directly</i>		
AAOMS/Overseas BAOMS President's travel expenses	8,303	5,007
e-Learning costs	-	12,000
JTG conference costs and JT programme	5,830	5,683
Website development and maintenance costs	51,424	9,013
BAOMS audit project cost	11,235	11,853
Strategic costs	16,362	28,759
Grants, awards and prizes	85,122	62,103
Cost of providing journals to members	102,828	98,397
Annual Scientific Meeting expenditure	166,287	159,681
Committee, council and senate expenses	32,350	34,808
Chairman of council costs	45,089	62,461
Repairs and maintenance	25	397
	<b>524,855</b>	<b>490,162</b>
<i>Support costs</i>		
Staff costs - Wages & Salaries	139,934	125,982
Staff costs - Employer's NIC	11,282	9,134
Staff costs - Pension costs	13,702	11,510
Establishment - Rent	9,750	9,705
Professional - Accountancy fees	950	661
Depreciation	1,455	1,646
Other office costs	6,919	11,796
Irrecoverable VAT expense	33,544	32,701
Bad debts	7,525	14,915
Bookkeeping	10,781	7,724
Communications	10,465	14,026
Bank interest and charges	6,495	6,602
Audit fees	7,000	7,000
	<b>259,802</b>	<b>253,402</b>
	<b>784,657</b>	<b>743,564</b>
	<b>784,657</b>	<b>743,564</b>