

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

**FINANCIAL STATEMENTS**

**31 DECEMBER 2019**

**Charity Number 1062067**

**COMPANY REGISTRATION NUMBER 03337359**

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

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### REFERENCE AND ADMINISTRATIVE DETAILS

#### Trustees and 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 2019 are as follows:

Mr Satyesh Parmar	<b>President</b> ( <i>appointed 1 January 2019</i> )  <i>Vice President (from 1 January 2018 to 31 December 2018)</i> <i>President Designate (from 1 January 2017 to 31 December 2017)</i>
Mr Ian C Martin	<b>Immediate Past President</b> ( <i>from 1 January 2019</i> ) <b>President</b> ( <i>from 1 January 2018 to 31 December 2018</i> )
Mr Robert P Bentley	<b>Vice President</b> ( <i>appointed 1 January 2019</i> )
Mr David J W Keith	<b>Honorary Treasurer</b> ( <i>appointed 1 January 2019</i> )
Mr Robert J Banks	<b>Honorary Secretary and Company Secretary</b> ( <i>appointed 1 January 2019</i> )

#### 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 2019, as follows:

#### Officers of Council

Mr Austen T Smith	President Designate ( <i>from 1 January 2019</i> )
Mr Kaveh Shakib	BJOMS Editor ( <i>appointed from 1 January 2019</i> )
Mr Patrick Magennis	Chair of Council ( <i>from 1 January 2017</i> )
Mr Peter A Brennan	Deputy Chair of Council ( <i>from 1 January 2020</i> )

#### Members of Council

Mr Ian Sharp	( <i>from 1 January 2018</i> )
Miss Anne Begley	( <i>from 1 January 2019</i> )
Miss Kanwalraj Moar	( <i>from January 2019</i> )
Mr P Praveen	( <i>from January 2019</i> )
Mr Alistair Smyth	( <i>from 1 January 2017</i> )
Mrs Vinita Shekar	Associate Fellow ( <i>from 1 January 2017</i> )
Ms Parminder Shoker	Associate Fellow ( <i>from 1 January 2018</i> )
Mr Bhavin Visavadia	Consultants and Specialists' Group Chair ( <i>from 1 October 2015</i> )
Ms Kathleen Fan	Consultants and Specialists' Group Deputy Chair ( <i>from 1 October 2018</i> )

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Mr Alexander Hills	Fellows in Training Representative ( <i>from 1 January 2019</i> )
Mr Raghuram Boyapati	Deputy Fellows in Training Representative ( <i>from 1 January 2019</i> )
Mr Gavin Nugent	Junior Trainees and Members' Representative ( <i>from August 2018</i> )
Ms Aimee Rowe	Deputy Junior Trainees and Members' Representative ( <i>from August 2019</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
Solicitor:	Hempsons London, Hempsons House, 40 Villiers Street, London WC2N 6NJ

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
Mrs Danielle Bellanca	Office Assistant

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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 2019. The financial statements have been prepared in accordance with the accounting policies set out on pages 27 to 30 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).

#### 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 3 July 2019.

#### 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 the 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 Chair 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 Chair 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 Chair of Council. The trustees consider that they, together with the Chair 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.

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The Chairman of Council, being a paid role, is remunerated by the Association to the equivalent of two Programmed Activities (units of paid clinical time in the NHS), the equivalent of one working day per week on basic salary. This amount is paid direct to the employing Trust or Organisation in recognition of clinical time spent on Association business. The Deputy Chairman (when in post) is normally remunerated with half a working day per week, again based on basic salary, and paid to their employing NHS Trust.

The day-to-day administration of the Association is carried out by Ms Sarah Durham, the Senior Administrator, Ms Susan Bailey, her assistant, and Mrs Danielle Bellanca, 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 online Patient Information Leaflets, which can be downloaded from the Association's website. In addition, a freelance Public Relations professional works with the sub-committee to help to raise the profile of the specialty to both the public and other healthcare professionals.  
The Clinical Effectiveness committee has now been replaced by Clinical Outcomes and the Quality Outcomes in oral and Maxillofacial Surgery (QOMS) project. A project manager has been appointed to deliver this work.
- 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.

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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). The Honorary Secretary and the Honorary Treasurer may 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 an online election which is 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.

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Company law requires the trustees to prepare financial statements for each financial year. 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).

Under company law, the trustees must not approve the financial statements unless they are satisfied that they 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.

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 the Accounting and Reporting by Charities: Statement of Recommended Practice;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business; and
- present the facts of the financial status of the organisation to the Annual General Meeting usually held as part of the Scientific Meeting proceedings.

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 the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

#### **Auditor**

Following a tendering process Buzzacott were appointed as the auditors in the year ended 31 December 2015 – for an agreed period of three years to be reviewed at expiry. At a Council meeting held on 19 June 2018 it was agreed to extend the appointment of the auditors for a further three year period with the next review scheduled for 2021.

#### **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.



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### 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 £758 (2018: £758).

### 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.

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.

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### 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); and
- 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 9 and 10) 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.

### 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

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Junior Trainees and 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.

There are prizes available to all categories of membership. Full information on the application process 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 and also mini travel grants)

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)

Confidential Reporting System in Surgery (CORESS)

Forum of Surgical Specialist Associations (FSSA)

The Royal College of Surgeons (RCS) of England Council

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

Royal College of Surgeons of Edinburgh Board

European Association of Cranio and Maxillo Facial Surgeons (EACMFS) Council

European Reference Network for rare diseases

UEMS Monospecialty Section in Stomatology and Oral and Maxillofacial Surgery

International Association of Oral and Maxillofacial Surgeons (IAOMS)

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BMA: CCSC Surgical Specialties Sub-Committee  
Department of Health 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 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. 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) was agreed and signed. A new Editor (the deputy) took over the role as planned in January 2019. The post is currently a five-year term of office as Editor.

#### ***BAOMS Website: [www.baoms.org.uk](http://www.baoms.org.uk)***

The website (updated version launched in December 2016) has continued to provide a useful resource for the public with online patient advice information and a facility to search for oral and maxillofacial surgeons by special interest. New articles generated by the BAOMS media professional are also available on the site at <https://www.baoms.org.uk/about/news> and various discussion forums for BAOMS members are hosted in the members’ secure area. During 2019 there were plans for website revamp with aim of refreshing the public side of the site. These changes will be implemented early 2020.

#### ***BAOMS Annual Scientific Meeting (ASM) in Birmingham***

This year there were several pre-conference courses organised by SORG and AO. These took place in Coventry and Birmingham. There was also an SAS study day on Tuesday 2 July 2019.

The main BAOMS conference and exhibition (KLS Martin being main sponsor) was held at the International Convention Centre in Birmingham from Wednesday 3 to Friday 5 July 2019. The Council Dinner took place on Tuesday 2 July with a welcome reception in the medical exhibition at the ICC on Wednesday 3 July 2019. The Annual Dinner took place on Thursday 4 July and attracted almost 300 attendees. It was held at the Great Hall at the University of Birmingham in Edgbaston and was a Bollywood themed event with authentic Indian catering and dancing.

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BAOMS offered reduced rates for Fellows in Training as well as those in other junior posts. Total overall attendance in 2019 was 630 over all three days making it BAOMS' biggest conference to date.

Feedback from the meeting has been positive. The scoring options were 1-5 with 5 as the highest score. The averages scored out of 5 were as follows:

Academic content of the meeting:	<b>4.43</b>
Relevance of lectures:	<b>4.44</b>
Speakers' communication skills:	<b>4.41</b>
Audio-visual arrangements:	<b>4.63</b>
Knowledge gain:	<b>4.01</b>
Efficiency of organisation:	<b>4.69</b>

#### **Future BAOMS ASM Meetings:**

24 - 26 June 2020, Queen Elizabeth Hall and Purcell Rooms, London, under the presidency of Mr Robert Bentley

15 - 16 April 2021, Spring Meeting at the Diamond Building at Sheffield University

#### **2019 President's Annual Fund**

The President had four main initiatives for this fund

1. Maxfaxbites: a project led by the BJOMS Editor. The aim is to develop concise, evidence based, peer reviewed learning through a high penetrating medium with good access to members and to our junior and younger membership. This is looking at changing the way we learn and engage younger members.

2. RUDY – Rare Undiagnosed Disease Study. Rudy is a collaboration of patients, families, health professionals, lawyers and computer programmers working together with equality rather than a hierarchy, achieving more by making two-way patient and public involvement in research better and easier.

Rudy is run from the University of Oxford. The project will be monitored and delivered during 2020 and so an element of the 2019 Presidential Fund will be carried over and spent during 2020 and possibly 2021.

3. Diversity and Inclusion in OMFS: to show the diversity and inclusivity of our specialty.

4. Fellowship exchange information: to provide a valuable resource for our trainees to travel abroad and for overseas trainees to come and train in the UK. Plan to launch on the website during 2020.

#### **Junior Trainees Conference 2019, Cambridge**

#### **2019 Report of Activity**

##### Conference:

The JTG annual national conference was held in London on 26 and 27 January 2019 with the theme 'Facing the Future'. The conference was sold out and attended by 150 delegates. Speakers from across the country attended

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and delivered high quality talks. Small break away workshops were also run throughout the weekend. Feedback has been collated and has been extremely positive.

#### Workshop:

On 16 November 2019 the JTG ran a pilot workshop providing training in basic surgical skills for juniors working in OMFS, including wound repair, biopsy technique, lip repair, local flaps (advancement and rotation), using both animal tissue and synthetic simulation. The synthetic simulation was devised specially for the workshop. Overall feedback has been very positive and the JTG hope to continue to offer the workshop.

#### **Fellows in Training Conference**

The 2020 annual Fellows in Training Conference was held in the historic city of Bath from January 29-31 2020. The majority of the delegates took advantage of a free pre-conference course on 3D planning in orthognathic surgery. The conference was well attended at the Apex City of Bath hotel. A group of inspirational speakers covered a wide range of both clinical and non-clinical topics relevant for the exam. The delegates and speakers also had the chance to socialise after a long day of learning and enjoyed a Greek dinner together.

#### **Restricted BAOMS fund:**

##### **e-FACE e-Learning for Health in Oral and Maxillofacial Surgery**

e-Face is hosted by e-LfH who are a Health Education England programme providing a platform for online learning for the healthcare workforce. The packages are free to access and available to anyone with a healthcare email address. The website is simple to navigate with options to track progress and bookmark useful packages. e-Face can be found in the full directory of learning resources under 'Oral and Maxillofacial Surgery (e-Face)'. Once packages are completed certificates and activity reports can be generated and kept in an individual's online account or printed. eFace has a clinical lead who is appointed by BAOMS Council. There is also a team of module editors who assist the clinical lead in the delivery of the project. Further information is available on the BAOMS website <https://www.baoms.org.uk/professionals/e-face>

## **FINANCIAL REVIEW**

### **Financial Results of Activities and Events**

During 2019, the Association generated £844,148 (2018: £761,474) of income, and expended resources of £873,110 (2018: £722,915) 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 £42,171 (2018: £44,472) and the British Journal of Oral and Maxillofacial Surgery contributed a surplus of £208,580 (2018: £202,649). These surplus provide a contribution towards the other operational costs of the Association. A significant proportion of Journal income arose 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 £129,282 (2018: losses of £108,777), resulting in a net increase in funds of £100,320 (2018: decrease of £70,218).

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### Grant Making

In 2019, grants totalling £67,311 (2018: £71,311) 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 2019, £36,000 was awarded to 18 individuals (2018: £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:

In addition to the day to day work of the Association the following and on-going areas have been identified in 2020

- Up to £12,500 for the speakers' educational fund to fund educational lectures at the Annual Meeting
- £100,000 for research and clinical / mini grants;
- £15,000 to provide complimentary membership of the Association to students studying their second degree;
- £10,000 to provide complimentary registration at the ASM for students studying for their first and second degrees;
- £30,000 to provide student bursaries/support to students studying their second degree;
- £15,000 to support the junior trainees programme, ASiT membership and recruitment
- £10,000 venue deposits for future meetings;
- £15,000 for media activity
- £10,000 for updates to the website on-going
- £5,000 towards the on-going hosting (£1,000 pcm), support and development of the website
- £30,000 for the President's Annual Fund
- £50,000 QOMS Project manager and audit registry
- £45,000 Membership system - updating and modernising existing system (will be unsupported by December 2020)
- Total of above: £347,500

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 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.

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### **Financial Position**

The total 'unrestricted funds' of the charity as at 31 December 2019 amounted to £1,583,816 of which £1,073,699 had been allocated to the Designated Research Fund (31 December 2018: £1,470,758 of which £951,712 had been allocated to the Designated Research Fund). The free reserves of the charity as at 31 December 2019 amounted to £510,117 (2018: £519,046) and is in line with the reserves policy stated above.

A consequence of the Covid-19 pandemic has been that world stock markets have experienced significant volatility and falls since the balance sheet date. In March 2020 the charity saw a significant fall in the value of investments as a result of the stock market fluctuations. At the date of signing the financial statements this situation had improved and the reduction in value of the investments was approximately £60,000 (£1,250,321 as of 30 June 2020).

### **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.

The current investment managers use a Charity Multi Asset Fund to manage the Associations' 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 2019, the portfolio increased in value by 10.9% to £1,309,643 (2018: fell in value by 8.4% to £1,180,361). The income being generated by the investments decreased by 6.6% to £59,234 (2018: 26.2% to £63,452) and is derived from a combination of exposure to high yielding equities as well as the fixed interest area of the market.



# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### 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

##### **Post balance sheet event – Review of the Association's operations in response to Covid-19**

On announcement of the lockdown, the Association conducted an assessment of the likely impact of the current Coronavirus pandemic on its operations and finances. The decision was made to postpone the Annual Scientific Meeting, due to be held on 24-26 June 2020 at the South Bank centre in London until June 2022 in light of the programme of events already planned for 2021.

The Association also moved to ensure that members and employees could continue to work with the Association digitally and where possible have moved activities online.

The direct impact on our income projections for 2020 is likely to come from several main areas. Firstly the loss of annual conference sponsorship revenue and secondly a reduction in dividend income that is used to fund the core operations of the Association.

The anticipated mitigated impact on the 2020 budget is a reduction in net income between £30,000 and £35,000 which will be funded from reserves.

##### **Annual Scientific Meeting, 24-26 June 2020 – as of March 2020 this event has been postponed until June 2022**

**The plan is for the event to be run exactly as planned below but in June 2022.**

Postponed until June 2022 due to COVID) the conference will have the theme of "Facing the Future" and will focus on education, commissioning and cutting edge research in all aspects of Oral and Maxillofacial Surgery.

The meeting will be held in the vibrant South Bank quarter of the banks of the River Thames at the Southbank Centre in the Queen Elizabeth Hall and Purcell Room immediately adjacent to the Royal Festival Hall and the London Eye.

There are a number of pre-courses planned: Two day cadaveric courses for both free Flap and TMJ surgery are planned to be held in London and organised by SORG. In addition, SORG will be running a hands on 3D Orthognathic planning course. There are also plans for an endoscopic hands on workshop in salivary endoscopy in The AO foundation are planning to host an advanced multidisciplinary symposium on Craniofacial, Skull base and NeuroTrauma and, through their international anaesthetic faculty, King's plan to host their "King's Difficult Airway" course in conjunction with the JTG and FITS sections of BAOMS.

There will be early morning masterclass on Thursday and Friday. There will be company sponsored symposia at all three lunch breaks with key note speakers and a further three symposia sponsored within the main body of the conference covering key topics. The President's lecture will be given by Lord Kerslake, former head of the British Civil Service, on living within current and future NHS regulation, and the Norman Rowe Lecture will be given by Professor Joachim Prein (Previous President of AO CMF) on a lifetime's changes in the education of trauma and

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2019

facial reconstruction in OMFS. Each session will have at least one symposium comprising three 15 minute focussed lecturers on future trends in aspects of OMFS followed by a 15 minute panel discussion as well as key note lectures.

The President's reception on Wednesday evening will have a Bavarian "Oktoberfest" theme and the annual dinner will be held at the world famous Mansion House, the home of the Lord Mayor of London, and where many state banquets are hosted.

#### **2020 Presidential Fund**

Mr Bentley has identified a number of projects which he will be focussing on during his 2020 presidential year.

These include the development and continuing support of the QOMS project.

#### **Other plans**

**Quality and Outcomes in Oral and Maxillofacial Surgery (QOMS): improving practice and patient care in OMFS** [https://www.baoms.org.uk/professionals/baoms\\_qoms.aspx](https://www.baoms.org.uk/professionals/baoms_qoms.aspx)

#### **Background for QOMS**

Escalating healthcare expenditure in the NHS is unsustainable, and service commissioners need to provide surgical procedures that demonstrate clear health benefits, best practice and cost-effectiveness. Patients should expect, and demand, high quality care and the best possible surgical outcomes from oral and maxillofacial surgery (OMFS), but the specialty lags behind other surgical specialties. To address the issue, the 2018 British Association of Oral and Maxillofacial Surgeons (BAOMS) President, Ian Martin with the 2018 Presidential Fund, initiated a specialty-wide quality improvement (QI) and clinical effectiveness initiative: The Quality and Outcomes in Oral and Maxillofacial Surgery (QOMS) project. Project aims are to set up and develop a sustainable quality management and clinical effectiveness programme that delivers continuous improvement in the care of patients undergoing OMFS within all parts of the NHS and demonstrates health-related benefits to patients from selected OMFS activities. Principles: QOMS will collect data on a series of QI and Clinical effectiveness areas agreed with the SSIG leads and deputy leads. That information will be used to compare OMFS units across the UK and identify and share best care practices. The project will focus specifically on the areas of the care process that impact on OMFS surgical teams. Since its launch in July 2018, the QOMS team has; Conducted a specialty-wide consultation led by the Sub Specialty Interest Group (SSIG) leads and deputy leads to identify potential targets for QI and Clinical effectiveness and developed an extensive protocol describing the analytical and reporting strategies the project intend to implement. In 2019 the QOMS project continued to gather information and a number of pilots will be held during the beginning of 2020.

The Quality and Outcomes in Oral and Maxillofacial Surgery (QOMS): improving practice and patient care in OMFS will remain an important area of work for the Association in 2020. The Trustees continue to support this initiative begun in 2018 with a project manager and clinical lead in place to deliver the project. The project manager will remain in post during 2020 and a review is planned.

#### **Membership services**

A new membership system to manage the membership services and subscriptions as well as conference and abstracts will be implemented in 2020 and will be a major project for the office team.

The current Chairman of Council demits office at the end of 2020 and a Deputy Chair was appointed in July 2019. He will work alongside the current Chair during 2020 to take over the role from January 2021.

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

In 2020 the Association plans to continue to use a media professional on an ad-hoc basis.

The BAOMS/FSRF Joint Research Fellowship was not awarded in 2019 and the Trustees have decided to continue to put the Research Fellowship on hold in 2020.

Recruitment and retention as well as careers advice will remain an important aspect of the Association's work. The on-going aim is to set up a network of advisors and a tool kit for use at careers events.

### **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.

These financial statements were approved and signed by the member of the committee and authorised for issue on 3 July 2020



Mr Robert P Bentley  
President



Mr David J W Keith  
Honorary Treasurer

# 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 2019

### Opinion

We have audited the financial statements of The British Association of Oral and Maxillofacial Surgeons (the 'charitable company') for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet, and statements of cash flows, the principal accounting policies and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# 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 2019

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the trustees' report which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report has been prepared in accordance with applicable legal requirements.

### 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

# 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 2019

### Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

15 July 2020

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

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

YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
<b>INCOME FROM</b>					
Investments	2	59,420	-	59,420	63,674
Charitable activities	3	778,050	6,678	784,728	697,800
<b>TOTAL INCOME</b>		<u>837,470</u>	<u>6,678</u>	<u>844,148</u>	<u>761,474</u>
<b>EXPENDITURE ON</b>					
Raising Funds					
Investments	4	(11,058)	-	(11,058)	(14,830)
Charitable activities	5	(842,636)	(19,416)	(862,052)	(708,085)
<b>TOTAL EXPENDITURE</b>		<u>(853,694)</u>	<u>(19,416)</u>	<u>(873,110)</u>	<u>(722,915)</u>
<b>NET (EXPENDITURE) INCOME FOR THE YEAR BEFORE GAINS (LOSSES) ON INVESTMENTS</b>					
Net gains (losses) on investments	12	(16,224)	(12,738)	(28,962)	38,559
		129,282	-	129,282	(108,777)
<b>NET INCOME (EXPENDITURE) FOR THE YEAR AND NET MOVEMENT IN FUNDS</b>		<u>113,058</u>	<u>(12,738)</u>	<u>100,320</u>	<u>(70,218)</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>1,470,758</u>	<u>104,492</u>	<u>1,575,250</u>	<u>1,645,468</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>1,583,816</u></u>	<u><u>91,754</u></u>	<u><u>1,675,570</u></u>	<u><u>1,575,250</u></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 31-42 form part of these financial statements

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2018

		<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total Funds 2018</i>
<i>Note</i>		<i>£</i>	<i>£</i>	<i>£</i>
<b><i>INCOME FROM</i></b>				
<i>Investments</i>	2	63,674	-	63,674
<i>Charitable activities</i>	3	671,183	26,617	697,800
<b><i>TOTAL INCOME</i></b>		<u>734,857</u>	<u>26,617</u>	<u>761,474</u>
<b><i>EXPENDITURE ON</i></b>				
<i>Raising Funds</i>				
<i>Investments</i>	4	(14,830)	-	(14,830)
<i>Charitable activities</i>	5	(697,457)	(10,628)	(708,085)
<b><i>TOTAL EXPENDITURE</i></b>		<u>(712,287)</u>	<u>(10,628)</u>	<u>(722,915)</u>
<b><i>NET INCOME FOR THE YEAR BEFORE GAINS ON INVESTMENTS</i></b>				
<i>Net (losses) gains on investments</i>	12	22,570	15,989	38,559
		(108,777)	-	(108,777)
<b><i>NET (EXPENDITURE) INCOME FOR THE YEAR AND NET MOVEMENT IN FUNDS</i></b>		<u>(86,207)</u>	<u>15,989</u>	<u>(70,218)</u>
<b><i>RECONCILIATION OF FUNDS</i></b>				
<i>Total funds brought forward</i>		<u>1,556,965</u>	<u>88,503</u>	<u>1,645,468</u>
<b><i>TOTAL FUNDS CARRIED FORWARD</i></b>		<u><u>1,470,758</u></u>	<u><u>104,492</u></u>	<u><u>1,575,250</u></u>

The notes on pages 31-42 form part of these financial statements



# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## BALANCE SHEET

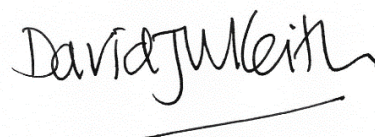
31 DECEMBER 2019

	Note	£	2019 £	2018 £
<b>FIXED ASSETS</b>				
Tangible assets	11		-	-
Investments	12		1,309,643	1,180,361
			1,309,643	1,180,361
<b>CURRENT ASSETS</b>				
Debtors	13	321,992		367,354
Cash in hand		237,190		286,061
		559,182		653,415
<b>CREDITORS: Amounts falling due within one year</b>	<b>14</b>	<b>(193,255)</b>		<b>(258,526)</b>
<b>NET CURRENT ASSETS</b>			365,927	394,889
<b>NET ASSETS</b>			1,675,570	1,575,250
<b>THE FUNDS OF THE CHARITY</b>				
Restricted income funds	16		91,754	104,492
Unrestricted funds: General	17		510,117	519,046
Unrestricted funds: Designated	17		1,073,699	951,712
<b>TOTAL CHARITY FUNDS</b>			1,675,570	1,575,250

These financial statements were approved and signed by the member of the committee and authorised for issue on 3 July 2020



Mr Robert P Bentley  
President



Mr David J W Keith  
Honorary Treasurer

Company Registration Number: 03337359

The notes on pages 31-42 form part of these financial statements

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

**STATEMENT OF CASH FLOWS**

**YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	£	2018 £
<b>CASH OUTFLOW FROM OPERATING ACTIVITIES</b>				
NET CASH USED IN OPERATING ACTIVITIES	<b>19</b>		(108,291)	(163,180)
<b>CASH INFLOW FROM INVESTING ACTIVITIES</b>				
Income from UK Listed Investments		59,234		63,452
Interest received		186		222
Net cash provided by investing activities		<u>59,420</u>	59,420	<u>63,674</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>	<b>20</b>		(48,871)	(99,506)
<b>CASH AND CASH EQUIVALENTS 1 JANUARY</b>	<b>20</b>		286,061	385,567
<b>CASH AND CASH EQUIVALENTS 31 DECEMBER</b>	<b>20</b>		<u>237,190</u>	<u>286,061</u>

The notes on pages 31-42 form part of these financial statements

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### 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 2019.

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) 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.

The full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. Estimates used in the accounts, particularly with respect to the value of listed investments (see note 12) are subject to a greater degree of uncertainty and volatility. As set out in these accounting policies under "going concern", the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

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

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2019

The trustees of the charity have concluded that, despite the global uncertainty in relation to Covid-19, 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 2020, 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.

#### **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.

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2019

Irrecoverable VAT is included within support costs and allocated as detailed below.

#### **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.

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.

#### **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 2019

### **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.

### **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 2019

### 2. INCOME FROM INVESTMENTS

	Unrestricted Funds	
	Total Funds 2019 £	Total Funds 2018 £
Income from UK listed investments	59,234	63,452
Bank interest receivable	186	222
	59,420	63,674

### 3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Subscription income from members	162,138	-	162,138	166,048
Journal income	334,922	-	334,922	332,440
Annual scientific meeting income	280,990	-	280,990	172,695
Other income	-	6,678	6,678	26,617
	778,050	6,678	784,728	697,800

During the year ended 31st December 2019 the Annual Scientific Meeting generated a surplus of £42,171 (income £280,990). During the year ended 31 December 2018 the Annual Scientific Meeting generated a surplus of £44,472 (income £128,223). All comparable income in 2018 was unrestricted apart from other income, which was all restricted.

### 4. INVESTMENT MANAGEMENT COSTS

	Unrestricted Funds	
	Total Funds 2019 £	Total Funds 2018 £
Investment management fees	11,058	14,830
	11,058	14,830

### 5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Grants awarded (note 7)	77,870	-	77,870	80,485
Costs of disseminating information on the speciality	520,829	19,416	540,245	393,330
Support costs (note 6)	243,937	-	243,937	234,270
	842,636	19,416	862,052	708,085

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

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

In 2019, costs of disseminating information on the speciality from restricted funds were £19,415 (2018: £10,628).

### 6. SUPPORT COSTS

	Unrestricted Funds	
	Total Funds 2019 £	Total Funds 2018 £
Salaries and wages	123,414	147,231
Communications costs	12,288	9,755
Audit fees	7,200	7,000
Rent	6,725	6,725
Bookkeeping	10,800	10,692
Finance costs	10,444	5,812
Depreciation	-	970
Irrecoverable VAT expense	41,295	37,793
Other office costs	11,506	8,292
Legal fees	20,265	-
	243,937	234,270



# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### 7. ANALYSIS OF GRANTS

	2019	2018
	£	£
<b>Grants to individuals</b>		
Research grants awarded to one individual (2018: six)	3,395	39,745
Travel and mini grants awarded to twenty nine individuals (2018: fourteen)	19,816	7,169
Student bursaries awarded to eighteen individuals (2018: twelve)	36,000	24,000
Poster prizes awarded to four individuals (2018: four)	700	700
<b>Grants to institutions</b>		
President's prize	500	500
Norman Rowe clinical prize to two institutions (2018: two)	500	500
Paul Toller research prize	500	500
BAOMS surgery prize	700	700
BAOMS members prize awarded to one individual (2018: two)	500	1,000
Downs surgical prize awarded to one individual (2018: two)	1,000	2,000
Trainer of the year awarded to two individuals (2018: two)	500	500
Associate fellows prize	500	500
ASiT	3,000	3,000
Returned or cancelled awards	(200)	(9,503)
	67,411	71,311
Speakers educational fund expenditure	10,459	9,174
<b>Total grants</b>	77,870	80,485

### 8. NET EXPENDITURE FOR THE YEAR BEFORE GAINS ON INVESTMENTS

This is stated after charging:

	2019	2018
	£	£
Staff costs (note 9)	123,414	147,231
Depreciation	-	970
Auditors' remuneration	7,200	7,000
Operating lease rentals	6,725	6,725
	6,725	6,725

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

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

Total staff costs were as follows:

	2019	2018
	£	£
Wages and salaries	101,028	123,040
Social security costs	7,387	9,554
Other pension costs	14,999	14,637
	<u>123,414</u>	<u>147,231</u>

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 £74,569 (2018: £94,593).

One Officer of the Council received £21,318 (2018, two Officers: £40,563) 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 £26,791 (2018: £31,696), of which five (2018: six) trustees received £17,222 (2018: £10,618).

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 £758 (2018: £778).

#### Particulars of employees:

The average number of employees during the year:

	2019	2018
	No	No
Office and administration staff	3	3
Editorial staff	-	1
	<u>3</u>	<u>4</u>

No employee earned remuneration of £60,000 or more (including taxable benefits but excluding employer's pension contributions) during the year (2018 - 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 2019

### 11. TANGIBLE FIXED ASSETS

	Office equipment £	Computer equipment £	Total £
<b>COST</b>			
At 1 January 2019	8,261	22,769	31,030
<b>At 31 December 2019</b>	<u>8,261</u>	<u>22,769</u>	<u>31,030</u>
<b>DEPRECIATION</b>			
At 1 January 2019	8,261	22,769	31,030
Charge for the year	-	-	-
<b>At 31 December 2019</b>	<u>8,261</u>	<u>22,769</u>	<u>31,030</u>
<b>NET BOOK VALUE</b>			
<b>At 31 December 2019</b>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2018	<u>-</u>	<u>-</u>	<u>-</u>

### 12. INVESTMENTS

#### Movement in market value

	2019 £	2018 £
Market value at 1 January	1,180,361	1,289,138
Net unrealised gains/(losses)	129,282	(108,777)
Market value at 31 December	<u>1,309,643</u>	<u>1,180,361</u>
Historical cost at 31 December	<u>1,193,235</u>	<u>1,193,235</u>
<b>Quoted investments</b>		
Alternative (UK)	1,309,643	1,180,361
	<u>1,309,643</u>	<u>1,180,361</u>

As at 31 December 2019 and 31 December 2018, all holdings were within Schroder Charity Multi Asset Funds.

In March 2020 the charity saw a significant fall in the value of investments as a result of the stock market fluctuations in response to Covid-19. At the date of signing the financial statements this situation had improved and the reduction in value of the investments was approximately £60,000 resulting in a market value of £1,250,321 as at 30 June 2020.

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### 13. DEBTORS

	2019	2018
	£	£
Trade debtors	3,600	18,500
Other debtors	7,485	292
Prepayments	<u>310,907</u>	<u>348,562</u>
	<u><b>321,992</b></u>	<u><b>367,354</b></u>

### 14. CREDITORS: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	57	6,699
Taxation and social security	3,699	4,285
Unpaid awards, grants and prizes	41,119	33,575
Accruals	59,960	128,207
Deferred income	<u>88,420</u>	<u>85,760</u>
	<u><b>193,255</b></u>	<u><b>258,526</b></u>

#### Deferred Income

	2019	2018
	£	£
Deferred income brought forward	85,760	89,470
Income deferred in the current year	88,420	85,760
Deferred income released in the current year	<u>(85,760)</u>	<u>(89,470)</u>
Deferred income carried forward	<u><b>88,420</b></u>	<u><b>85,760</b></u>

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

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### 15. COMMITMENTS UNDER OPERATING LEASES

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

	<b>Land and buildings</b>	
	<b>2019</b>	2018
	<b>£</b>	£
Payments which fall due:		
Within one year	<b>6,725</b>	6,564
Within 2 to 5 years	<b>37,435</b>	32,820
Greater than 5 years	<b>14,603</b>	26,256
	<hr/> <b>58,763</b> <hr/>	<hr/> 65,640 <hr/>

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### 16. RESTRICTED INCOME FUNDS

Year ended 31 December 2019	Balance at 1 Jan 2019 £	Income £	Expenditure £	Balance at 31 Dec 2019 £
e Learning Fund	94,871	-	(19,236)	75,635
Norman Rowe Fund	6,796	6,678	(180)	13,294
Map of Medicine	2,825	-	-	2,825
	<u>104,492</u>	<u>6,678</u>	<u>19,416</u>	<u>91,754</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 specialty.

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.

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.

Year ended 31 December 2018	Balance at 1 Jan 2018 £	Income £	Expenditure £	Balance at 31 Dec 2018 £
e Learning Fund	75,435	19,500	(64)	94,871
Norman Rowe Fund	10,243	7,117	(10,564)	6,796
Map of Medicine	2,825	-	-	2,825
	<u>88,503</u>	<u>26,617</u>	<u>(10,628)</u>	<u>104,492</u>

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### 17. UNRESTRICTED INCOME FUNDS

Year ended 31 December 2019	Balance at 1 Jan 2019 £	Income £	Expenditure £	Gains and losses £	Balance at 31 Dec 2019 £
Designated					
Research Fund	951,712	38,330	-	83,657	1,073,699
General Funds	519,046	799,140	(853,694)	45,625	510,117
	<u>1,470,758</u>	<u>837,470</u>	<u>(853,694)</u>	<u>129,282</u>	<u>1,583,816</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.

Year ended 31 December 2018	Balance at 1 Jan 2018 £	Income £	Expenditure £	Gains and losses £	Balance at 31 Dec 2018 £
Designated					
Research Fund	980,249	39,948	-	(68,485)	951,712
General Funds	576,716	694,909	(712,287)	(40,292)	519,046
	<u>1,556,965</u>	<u>734,857</u>	<u>(712,287)</u>	<u>(108,777)</u>	<u>1,470,758</u>

### 18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

At 31 December 2019	Tangible fixed assets £	Investments £	Net current assets £	Total £
Restricted Funds	-	-	91,754	91,754
Unrestricted Funds	-	1,309,643	274,173	1,583,816
Total Funds	<u>-</u>	<u>1,309,643</u>	<u>365,927</u>	<u>1,675,570</u>
At 31 December 2018	Tangible fixed assets £	Investments £	Net current assets £	Total £
Restricted Funds	-	-	104,492	104,492
Unrestricted Funds	-	1,180,361	290,397	1,470,758
Total Funds	<u>-</u>	<u>1,180,361</u>	<u>394,889</u>	<u>1,575,250</u>

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2019

#### 18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

Total unrealised gains (losses) as at 31 December 2019 constitute movements on revaluation and are as follows:

	2019	2018
	£	£
Unrealised gains (losses) included above:		
On investments	<b>116,408</b>	(12,874)
Total unrealised gains (losses) at 31 December	<b><u>116,408</u></b>	<u>(12,874)</u>
Reconciliation of movements on unrealised gains:		
Unrealised (losses) gains at 1 January	<b>(12,874)</b>	95,903
Add: Net gains (losses) arising on revaluations in the year	<b>129,282</b>	(108,777)
Total unrealised gains (losses) at 31 December	<b><u>116,408</u></b>	<u>(12,874)</u>

#### 19. RECONCILIATION OF NET INCOME TO NET CASH USED IN OPERATING ACTIVITIES

	2019	2018
	£	£
Net movement in funds (as per the statement of financial activities)	<b>100,320</b>	(70,218)
Income from investments	<b>(59,234)</b>	(63,452)
Interest receivable	<b>(186)</b>	(222)
(Gains) losses on investments	<b>(129,282)</b>	108,777
Depreciation	<b>-</b>	970
Decrease (increase) in debtors	<b>45,362</b>	(114,146)
Decrease in creditors	<b>(65,271)</b>	(24,889)
Net cash used in operating activities	<b><u>(108,291)</u></b>	<u>(163,180)</u>

#### 20. ANALYSIS OF CHANGES IN NET DEBT

	1 Jan 19	Cash flows	31 Dec 19
	£	£	£
Cash in hand and at bank	<b><u>286,061</u></b>	<b><u>(48,871)</u></b>	<b><u>237,190</u></b>



# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### 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 2017 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:

	<b>Technical provisions</b>	<b>Future service costs</b>
Pre-retirement discount rate	4.06% per annum	4.03% per annum
Post-retirement (non-CDF)	1.96% per annum	1.93% per annum
Post-retirement (CDF pensioners)	2.22% per annum	n/a
Price inflation – RPI	3.39% per annum	3.35% per annum
Price inflation – CPI	2.49% per annum	2.45% per annum
Salary increases	3.49% per annum	3.49% per annum
Pension increases in payment (excess over GMP):		
Pre 2016 (CPI)	2.49% per annum	n/a
Post 2016 (CPI max 2.5%)	1.77% per annum	1.70% 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 £3.149million representing 102% 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.

# THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### 22. RELATED PARTY TRANSACTIONS

One Officer of Council received £21,318, (2018: two Officers received £40,563) 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 £26,791, (2018: £31,696), of which five (2018: six) trustees received £17,222 (2018: £21,078).

In the year, £47,855, (2018:£30,071) was paid to National Confidential Enquiry into Patient Outcome and Death (NCEPOD) in relation to the project management costs of the Quality Outcomes in Oral and Maxillofacial Surgery (QOMS) project. The Immediate Past President of BAOMS is also the chair of NCEPOD.

### 23. POST BALANCE SHEET EVENTS

As a result of the reaction of markets to the Covid-19 outbreak, at the date of signing the financial statements there has been a significant fall in value of the investments of the charity. The charity's portfolio was down around 4.5%. The charity has strategies in place to manage its short-term cash needs and take the long term view in its investment policy and so does not believe that there is any risk to the sustainability of the organisation arising from current stock market fluctuations.

On announcement of the lockdown, the Association conducted an assessment of the likely impact of the current Coronavirus pandemic on its operations and finances. The decision was made to postpone the Annual Scientific Meeting, due to be held on 24-26 June 2020 at the South Bank centre in London until June 2022 in light of the programme of events already planned for 2021.

The Association also moved to ensure that members and employees could continue to work with the Association digitally and where possible have moved activities online.

The direct impact on our income projections for 2020 is likely to come from several main areas. Firstly the loss of annual conference sponsorship revenue and secondly a reduction in dividend income that is used to fund the core operations of the Association.

The anticipated mitigated impact on the 2020 budget is a reduction in net income between £30,000 and £35,000 which will be funded from our reserves.

The Trustees have reviewed the risks that Covid-19 poses to the charity and concluded that the group and the charity are in a strong financial and operational position and can continue to support beneficiaries now and for the foreseeable future.