

Company Number: 03337359
Charity Number: 1062067

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

TRUSTEES' ANNUAL REPORT & FINANCIAL STATEMENTS

31 DECEMBER 2011

Baker Tilly Tax and Accounting Limited
25 Farringdon Street
London EC4A 4AB

**TRUSTEES' ANNUAL REPORT
for the year ended 31 December 2011**

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 2011.

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 2011 are as follows:

Professor Iain L Hutchison	President (from 1 January 2012) Vice President (appointed 1 January 2011)
Professor Robert T M Woodward	Immediate Past President (from 1 January 2012) President (from 1 January 2011, to 31 December 2011)
Miss Maire E Morton	Immediate Past President (from 1 January 2011, demitted office 31 December 2011)
Professor Mark McGurk	Vice President (appointed 1 January 2012) <i>President Designate</i> (from 1 January 2011, to 31 December 2011)
Mr Cyrus J Kerawala	Honorary Secretary & Company Secretary
Mr Michael T Simpson	Honorary Treasurer

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 2011, as follows:

Officers of Council

Mr Ilanko Ilankovan	<i>President Designate</i> (from 1 January 2012)
Prof Peter A Brennan	Honorary Editor
Mr Ian C Martin	<i>Chairman of Council</i>
Mr Michael Davidson	<i>Deputy Chairman of Council</i> (from 1 January 2012)

Members of Council

Mr Rajiv Anand	(from 1 January 2012)
Ms Karen Bennett	(to 31 December 2011)
Miss Daljit K Dhariwal	(to 31 December 2011)
Mr Stephen Dover	<i>Chairman SAC</i> (from 1 January 2012)
Mr David W Macpherson	
Mr Patrick Magennis	(from 1 January 2011)
Mr Satyesh C Parmar	
Mr Austin Smith	(from 1 January 2012)
Mr Stephen F Worrall	(to 31 December 2011)
Mr Rishi Bhandari	<i>Fellows in Training Representative shared vote*</i> (from 22 June 2011)
Mr Satyajeet Bhatia	<i>Fellows in Training Representative</i> (to 22 June 2011)
Mr Athanasios Kalantzis	<i>Fellows in Training Representative shared vote*</i> (from 22 June 2011)
Mr Tom Walker	<i>Members' Representative</i> (from 1 January 2012)
Mr Iain Varley	<i>Members' Representative</i> (to 31 December 2011)
Mr Nicholas Baker	<i>Chairman SAC (co-opted)</i> (to 31 December 2011)

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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:	Baker Tilly Tax and Accounting Limited, 25 Farringdon Street, London EC4A 4AB
Auditor:	Baker Tilly UK Audit LLP, The Clock House, 140 London Road, Guildford, Surrey GU1 1UW
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 Adviser:	UBS Wealth Management (UK) Limited, 1 Curzon Street, London W1J 5UB

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 to the Senior Administrator

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status & 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 & 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 & 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 to 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 22 June 2011.

Organisational Structure

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.

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The Council normally has 16 members, but additional individuals will be co-opted to attend for specific relevant matters. The Council meets four times a year. The Council members receive no remuneration for their work carried out on behalf of the Association. Travel expenses only 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.

Following ratification at the Annual General Meeting in June 2004, and an appointment process, in December 2004, a Chairman of Council was appointed by Council. The incumbent chairs the Council meetings and represents the Association on a number of committees. The role of Chairman of Council is non-voting. At the Annual General Meeting in Nice on 22 June 2011, the role of Deputy Chairman of Council was ratified. 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 outgoing Chairman of Council. At the December 2011 Council meeting, Council appointed Mr Michel Davidson as Deputy Chairman of Council to take over as Chairman of Council in January 2013 for a three year term.

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; and
- Maintaining Association membership records.

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. A formal peer review process is organised for grants in excess of £10,000.
- The Information 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.
- The Education and CPD sub-committee handles CPD accreditation.
- The Norman Rowe International Education Foundation is responsible for work with overseas doctors arranging initiatives such as distance learning courses.

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In addition, Council spearheads initiatives relating to other education and research issues, as these are central to the main objectives of the charity.

Method of Recruitment, Appointment, Election, Induction & Training of Trustees*Recruitment*

Trustees are selected from past and present Council members (excluding retired Council members). 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 & 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 Fellows (and Associate Fellows) 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 & 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.

Risk & Corporate Governance Matters

The trustees have reviewed the major risks facing the Association, and wish in all areas to minimise the charity's exposure to risk. 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. The current situation with recruitment and retention within the specialty has resulted in the setting up of a working party to take matters forward on this issue. In addition, a leaflet to highlight the benefits of BAOMS membership has been produced in conjunction with the Journal publishers.

Trustees' & Directors' Responsibilities in the Preparation of Financial Statements

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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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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 incoming resources and application of resources, including the income and expenditure, 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 Charities SORP;
- 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.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with 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.

Auditor

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

Statement as to Disclosure of Information to the Auditor

The trustees and directors 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 and directors 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 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 £502 (2010: £473).

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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"); and
- Organising, attending, and endorsing other ad hoc meetings.

Indicators, Milestones & 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
- Interest shown in submission of research papers for publication in BJOMS
- Requests for publications including abstracts and papers
- 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

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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 & 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, the 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 page 8) 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
Members' Prize
Associate Fellows Prize
Clinical and Research Poster Prizes
IMP Technicians Lecture Prize

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).

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.

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Representation on Other Bodies

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

CORESS

Forum of Surgical Specialist Associations

The Royal College of Surgeons 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

RCS Edin Board

European ACMFS Council

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 & 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. 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 Honorary Editor prepares a report for each Council meeting and also at the Annual General Meeting. The Journal (8 issues per year) is currently published in conjunction with Elsevier on a five year contract (2008-2012).

BAOMS Website

The Association has continued to provide a wide range of information via the website, with the Trainees and Junior Trainees sections having additional input from these membership groups. In 2011 the information subcommittee completely reviewed the current website which will be launched in 2012.

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BAOMS Annual Scientific Meeting 22-24 June 2011 – Acropolis Conference Centre, Nice

The Association held its Annual Meeting from the 22-24 June 2011 at the Acropolis Conference Centre in Nice. The meeting attracted over 350 attendees during a three day conference which featured educational lectures and symposia. The theme of the meeting was the 'Interface specialities'. The President's Lecture was given by Professor Davinder Sandhu on Educational Issues. The Norman Rowe Lecture was given by Professor Brian Schmidt from the USA on Head and Neck Cancer and there were three symposia on Head and Neck Cancer care, Cleft Lip and Palate Surgery and Cosmetic and Reconstructive Surgery. There were also eight early morning master classes and on Friday the French Association organised the morning programme.

Other meetings

A joint study day was held on 8 September 2011 with ENT UK at the Royal College of Surgeons of England with 138 attendees. Speakers from both Associations presented lectures at the meeting which was held in conjunction with a Nurses meeting attended by 80 nurses and professionals allied to medicine.

Recruitment

The Association's recruitment officer has continued developing a number of initiatives to promote the specialty. In October 2011, there was a National Careers Day in Oxford (alongside the Fellows in Training meeting), which was funded by the Association and attracted in the region of 90 attendees.

Junior Trainees Group of BAOMS Annual Conference 2011, Mile End, London

The 19th Annual Junior Trainees Conference took place in Central London on Friday 8th April and Saturday 9th April 2011. Well attended by around 100 delegates, we were privileged to have consultant and specialist registrar speakers from a variety of specialties lecture on head and neck oncology, trauma, salivary gland disease, facial aesthetics, oral surgery, maxillofacial radiology and career development.

The 'keynote' Saturday morning session was a trauma themed symposium which featured speakers from plastic and reconstructive surgery and ophthalmology discussing the interface between OMFS and allied specialties in the management of head and neck trauma.

The free papers session which this year featured both poster and oral presentations was well received with the conference providing a platform for over 40 presentations from aspiring trainees. First Prize in the oral presentation category went to Simon Grant, SHO from Cardiff for his audit presentation on 'numbness following mandibular third molar surgery.' In the poster category, first prize went to James Sloane, dental student from Bristol for his poster on 'the clinical effectiveness of the head and neck MDT at University Hospitals, Bristol'. Highly commended were posters by Alex Daly, dental student at Sheffield and Nicholas Clifford, dental student at Bart's and The London.

Restricted BAOMS funds for e-Learning for Health in Oral and Maxillofacial Surgery

Further to the Department of Health freeze on capital spending for e-learning for healthcare, monies held by BAOMS were sanctioned for use in continued development of the e-Face (e-Learning in oral and maxillofacial surgery) project.

The funds thus far have been used for the creation of an e-Face area on the National Learning Management System which launched in November 2011.

This area holds imported content from other projects which are of relevance to OMFS trainees and Consultants. A registration page has been created with bulk upload of BAOMS Fellows and members who work in the NHS as users. This work continues with employment of two technical experts and input from the project manager. National e-learning will come under the remit of Health Education England in the new financial year and the project remains on hold until there is further funding.

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Public Benefit

The trustees believe that the contribution of BAOMS to the training and education of oral and maxillofacial surgeons through their Journal, the Annual Scientific meeting and its representation on professional bodies directly improves patient care. In addition in 2011, a number of national audits were launched to gather data and provide further benefit to the public through improved patient outcomes. The website was also re-designed to make navigation easier and the content revised to improve access to the public and membership.

FINANCIAL REVIEW**Financial Results of Activities & Events**

During 2011, the Association generated £579,947 (2010: £582,399) of incoming resources, and expended resources of £612,559 (2010: £572,722) 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 deficit of £22,635 (2010: a surplus of £25,296) and the British Journal of Oral and Maxillofacial Surgery contributed £145,138 (2010: £116,119) towards the other operational costs of the Association.

Grant Making

In 2011, grants totalling £105,818 (2010: £37,671) 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 2011, £22,000 was awarded to 11 individuals, being £2,000 each (2010: £12,000 was awarded to 6 individuals, being £2,000 each).

Reserves Policy

The total 'free reserves' of the charity as at 31 December 2011 amounted to £1,235,270 of which £593,234 had been allocated to the Designated Research Fund (31 December 2010: £1,308,746 of which £604,481 had been allocated to the Designated Research Fund).

The trustees had previously established a policy whereby the unrestricted funds in reserve at any point in time should be sufficient to cover the Association's expenses for one year. However, the trustees are aware that given current levels of reserves they have an opportunity to 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.

With this in mind, the Trustees intend to utilise the funds as follows:

- £21,500 to part fund a Research Fellowship in Oral and Maxillofacial Surgery;
- Up to £12,500 for the speakers education fund to fund educational lectures at the Annual Meeting;
- £100,000 for research and clinical grants;
- £10,000 for development of national audit projects and revalidation;
- £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;

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- £24,000 to provide student bursaries to students studying their second degree;
- £3,500 to support junior trainees and recruitment and research days at the higher trainees' meeting;
- £20,000 venue deposits for future meetings; and
- £10,000 for maintenance of the new website to continue to increase its educational and interactive capacity and to further widen communication with the membership.

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 continues to be managed by UBS Wealth Management (UK) Limited.

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.

Review

In order to monitor progress of the performance of the Association's investments against this policy UBS Wealth Management (UK) Limited 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 will be included within these valuation reports. In addition, a valuation of the Association's investments is provided at each Council meeting of the Association.

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

Taking into account funds withdrawn from the portfolio in 2011, the portfolio fell in value by 1.9% to £856,515 mainly as a result of the prevailing poor economic conditions (2010: grew by 10.0% to £936,675). However, the income being generated by the investments grew by 13.4% to £34,037 (2010: grew by 12.2% to £30,011) and is derived from a combination of exposure to high yielding equities as well as the fixed interest area of the market.

PLANS FOR FUTURE PERIODS**Future Strategy**

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

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Future Activities & Events

The Annual Scientific Meeting will be held at the Queen Elizabeth II Conference Centre, Westminster, London from 20-22 June 2012. The meeting will celebrate the 50th Anniversary of BAOMS with the Norman Rowe Lecture on the history of facial surgery and will also feature symposia on the Brain behind the Face which will cover the surgical aspects of craniofacial trauma, craniofacial deformity and oncological craniofacial surgery and Beauty of the Face with lectures covering anatomy, psychology and surgery of aesthetics. There will also be eight early morning master classes, aimed particularly at Senior Registrars and Consultants.

A one-day conference on trauma is planned to take place at the Royal College of Surgeons of Edinburgh in October 2012 to coincide with the joint Fellows in Training and Junior Trainees meetings.

The BAOMS/FSRF Research Fellowship was awarded in March 2012 and is planned annually in future years.

The establishment of national audits and revalidation continue to be major projects for the Council.

Impact of Activities & 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.

Public Benefit

In the future, the trustees intend to ensure that the Association continues to benefit the public by continuing to support Oral and Maxillofacial Surgeons through involvement in training, recertification, encouraging and supporting research projects and the arranging of scientific meetings and the publishing the Journal which also has a continuing professional development facility necessary for them to continuing to practice and benefit the public.

The Council have now implemented their decision to include a lay member at Endowments Sub-Committee meetings.

FUNDS HELD AS CUSTODIAN

Although the charity maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, BAOMS does not currently hold, and the trustees do not intend that it should hold in the future, any funds as custodian for any third party.

This report was approved by the trustees on 27 March 2012, and was signed for and on behalf of the board by

.....  **Honorary Secretary & Company Secretary**
Mr Cyrus J Kerawala

..... 27.3 2012

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

We have audited the financial statements of The British Association of Oral and Maxillofacial Surgeons for the year ended 31 December 2011 on pages 15 to 28. 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).

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.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Statement of Trustees' responsibilities set out on pages 4 and 5, the trustees (who are also the directors of the 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.

Our responsibility is to audit and express an opinion on the financial statements 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 AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

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 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

OPINION ON OTHER REQUIREMENTS OF 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRITISH ASSOCIATION OF ORAL AND MAXILLOFACIAL SURGEONS (Continued)

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:

- the charity has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; 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.



Perry Linton FCA (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
The Clock House
140 London Road
Guildford
Surrey GU1 1UW

13 April 2012

STATEMENT OF FINANCIAL ACTIVITIES
(including Income & Expenditure Account)
for the year ended 31 December 2011

	Notes	Unrestricted funds	Restricted funds	Total 2011	Total 2010
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	1	-	-	-	165
Investment income	2	35,614	460	36,074	32,263
Incoming resources from charitable activities					
Disseminating information on the specialty	3	538,873	5,000	543,873	549,971
TOTAL INCOMING RESOURCES		574,487	5,460	579,947	582,399
RESOURCES EXPENDED					
Costs of generating funds					
Investment management costs		2,949	-	2,949	1,753
Charitable activities					
Disseminating information on the specialty	5	581,856	13,981	595,837	554,404
Governance costs	7	13,773	-	13,773	16,565
TOTAL RESOURCES EXPENDED		598,578	13,981	612,559	572,722
NET (OUTGOING)/INCOMING RESOURCES & NET (EXPENDITURE)/INCOME FOR THE YEAR					
		(24,091)	(8,521)	(32,612)	9,677
TRANSFERS					
Gross transfers between funds		-	-	-	-
OTHER RECOGNISED GAINS/LOSSES					
(Losses)/gains on investment assets	10	(50,193)	-	(50,193)	81,190
NET MOVEMENT IN FUNDS		(74,284)	(8,521)	(82,805)	90,867
RECONCILIATION OF FUNDS					
Fund balances brought forward at 1 January 2011		1,310,870	92,021	1,402,891	1,312,024
FUND BALANCES CARRIED FORWARD AT 31 DECEMBER 2011					
	13	1,236,586	83,500	£ 1,320,086	£ 1,402,891

The net movement in funds for the year arises from the charitable company's continuing operations.

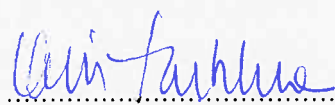
No separate statement of total recognised gains and losses has been presented as all such gains and losses have been dealt with in the statement of financial activities.


BALANCE SHEET
as at 31 December 2011

Company Number: 03337359

	Notes	2011	2010
FIXED ASSETS			
Tangible assets	9	1,316	2,124
Investments	10	856,515	936,675
		<u>857,831</u>	<u>938,799</u>
CURRENT ASSETS			
Debtors	11	232,485	207,610
Cash at bank and in hand		453,299	450,951
		<u>685,784</u>	<u>658,561</u>
LIABILITIES			
Creditors: Amounts falling due within one year	12	223,529	194,469
NET CURRENT ASSETS			
		<u>462,255</u>	<u>464,092</u>
TOTAL ASSETS LESS CURRENT LIABILITIES & NET ASSETS			
		<u>£ 1,320,086</u>	<u>£ 1,402,891</u>
THE FUNDS OF THE CHARITY			
Restricted income funds			
BAOMS/AAOMS USA Fellowship Fund	13	497	495
The Norman Rowe International Educational Foundation Fund	13	24,399	25,564
e-Learning Fund	13	46,889	58,609
e-Logbook Fund	13	8,935	4,587
Map of Medicine Fund	13	2,780	2,766
Unrestricted income funds			
General Fund	13	643,352	706,389
Designated Research Fund	13	593,234	604,481
TOTAL CHARITY FUNDS			
	15	<u>£ 1,320,086</u>	<u>£ 1,402,891</u>

The financial statements on pages 15 to 28 were approved by the trustees and authorised for issue on 27 March 2012, and are signed on their behalf by


..... **President**
Professor Iain L Hutchison


..... **Honorary Treasurer**
Mr Michael T Simpson

27.3.12
..... 2012

27 / 03 / 2012
..... 2012

Financial statements for the year ended 31 December 2011**ACCOUNTING POLICIES**

BASIS OF ACCOUNTING

The financial statements have been prepared to comply with current statutory requirements (principally being the Companies Acts 1985 to 2006, the Charities Act 2011, and the Charity (Accounts and Reports) Regulations 2008), under the historical cost convention, except as modified for the annual revaluation of fixed asset investments, and in accordance with United Kingdom Generally Accepted Accounting Practice. The recommendations in *Accounting and Reporting by Charities: Statements of Recommended Practice (revised 2005)* issued by the Charity Commission in March 2005 have been followed. The accounting policies have been applied consistently for prior years.

INCOMING RESOURCES

General donations and other similar types of voluntary income are brought into account when received, except that donated income is included gross of any attributable tax recoverable, where relevant. Donations given for specific purposes are treated as restricted income.

Investment income is accounted on a receivable basis once the dividend or interest has been declared.

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

RESOURCES EXPENDED

Resources expended are allocated to the charity's principal activity where the costs can be identified as being directly related to that activity. All costs that cannot be identified as relating directly to the charity's principal activity are categorised as either support costs or governance costs. Any costs that cannot be specifically categorised are allocated in proportions based upon a suitable ratio applicable to the nature of the cost involved.

Grants payable are recognised in the year in which the approved offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised only when the conditions attaching to the award are fulfilled. Grants offered subject to conditions, which have not been met at the balance sheet date, are noted as a potential commitment, but are not treated as a liability.

FOREIGN CURRENCIES

Transactions denominated in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. All exchange gains or losses are included in the statement of financial activities in the period to which they relate.

TANGIBLE FIXED ASSETS

All tangible assets purchased that have an expected useful economic life that exceeds one year are capitalised and classified as fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Computer equipment	over 4 years
Office equipment	over 10 years

Financial statements for the year ended 31 December 2011

ACCOUNTING POLICIES

INVESTMENTS

The charitable company's investments are included in the balance sheet at their market value. The gains or losses arising upon their annual revaluation are included in the statement of financial activities.

LEASED ASSETS AND OBLIGATIONS

All of the charitable company's leases are "operating leases" and the annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

PENSION CONTRIBUTIONS

The charitable company participates in a multi-employer defined benefit pension scheme known as the 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 ACCOUNTING

The general fund comprises the accumulated surpluses of unrestricted incoming resources over resources expended, 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 restricted funds are set out in the notes to the accounts. Amounts unspent at the year end are carried forward in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

	Unrestricted funds	Restricted funds	Total 2011	Total 2010
1. VOLUNTARY INCOME				
Donation income from The Norman Rowe Educational Trust	-	-	£ -	£ 165
2. INVESTMENT INCOME				
Bank interest receivable on short term cash deposits	1,577	460	2,037	2,252
Income from investments listed on a recognised stock exchange:				
United Kingdom	23,425	-	23,425	25,764
Overseas	10,612	-	10,612	4,247
	<u>35,614</u>	<u>460</u>	<u>£ 36,074</u>	<u>£ 32,263</u>
3. INCOME FROM DISSEMINATING INFORMATION ON THE SPECIALTY				
Subscription income from members	158,191	-	158,191	155,947
Journal income	228,703	-	228,703	195,214
Annual Scientific Meeting income	130,840	-	130,840	183,646
Study Day income	19,236	-	19,236	8,665
e-Logbook income	-	5,000	5,000	5,000
Map of Medicine income	-	-	-	750
Other income	1,903	-	1,903	749
	<u>538,873</u>	<u>5,000</u>	<u>£ 543,873</u>	<u>£ 549,971</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

	2011	2010
4. DIRECT FINANCIAL OUTCOMES		
Annual Scientific Meeting 2011:		
Income	130,840	-
Expenditure	(153,475)	-
Deficit	£ <u>(22,635)</u>	£ <u>-</u>
Annual Scientific Meeting 2010:		
Income	-	183,646
Expenditure	-	(158,350)
Surplus	£ <u>-</u>	£ <u>25,296</u>
Study Day 2011:		
Income	19,236	-
Expenditure	(9,977)	-
Surplus	£ <u>9,259</u>	£ <u>-</u>
Study Day 2010:		
Income	-	8,665
Expenditure	-	(8,441)
Surplus	£ <u>-</u>	£ <u>224</u>

The expenditure relating to the above does not include the support costs, in particular the office staff costs, which are integral to the organisation of the events.

In line with the charitable status of the Association, the delegate rate for the Annual Scientific Meeting in Nice in 2011 was set to achieve a financial break-even position; this was lower than the delegate rate set for the 2010 meeting in Manchester. However, the Sterling/Euro exchange rate changed unfavourably, resulting in the meeting cost being greater than predicted.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

	Unrestricted funds	Restricted funds	Total 2011	Total 2010
5. COSTS OF DISSEMINATING INFORMATION ON THE SPECIALTY				
Direct costs:				
Cost of providing the Journal to members	83,723	-	83,723	79,095
Annual Scientific Meeting expenditure	153,475	-	153,475	158,350
Study Day expenditure	9,977	-	9,977	8,441
Grants, awards and prizes (see note 6)	141,795	-	141,795	55,369
Committee, Council and Senate expenses	25,798	-	25,798	28,366
Chairman of Council costs	14,445	-	14,445	14,445
AAOMS/Overseas BAOMS President's travel expenses	7,055	-	7,055	3,114
e-Learning costs	-	12,013	12,013	11,523
e-Logbook costs	-	675	675	538
Norman Rowe Memorial Lecture costs	-	-	-	2,895
Norman Rowe International Educational Foundation expenses	-	1,293	1,293	2,808
Junior Trainees' Group conference costs	1,870	-	1,870	2,160
Specialist Registrar conference costs	-	-	-	3,000
Website development and maintenance costs	13,713	-	13,713	13,406
Donation to the International Association of Oral & Maxillofacial Surgeons foundation	1,048	-	1,048	1,082
BAOMS audit project cost	1,752	-	1,752	1,681
	454,651	13,981	468,632	386,273
Support costs (see note 7)	127,205	-	127,205	168,131
	581,856	13,981	£ 595,837	£ 554,404

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

	Unrestricted funds	Restricted funds	Total 2011	Total 2010
6. GRANTS, AWARDS AND PRIZES				
Research grants awarded to seven individuals (2010: six)	98,125	-	98,125	37,671
Provisions for research grants no longer required	-	-	-	(2,280)
Travel grants awarded to two individuals (2010: none)	7,693	-	7,693	-
Student bursaries awarded to eleven individuals (2010: six)	22,000	-	22,000	12,000
Poster prizes awarded to three individuals (2010: two)	600	-	600	400
Prizes awarded to one individual (2010: one) in each case:				
President's Prize	400	-	400	400
Norman Rowe Clinical Prize	400	-	400	400
Paul Toller Research Prize	400	-	400	400
Norman Rowe Lecture Prize	-	-	-	500
BAOMS Surgery Prize	700	-	700	700
BAOMS Member Prize	400	-	400	400
Institute of Maxillofacial				
Down Surgical Prize	-	-	-	1,000
Speakers' Educational Fund expenditure	11,077	-	11,077	3,778
	<u>141,795</u>	<u>-</u>	<u>£ 141,795</u>	<u>£ 55,369</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

	Support costs	Governance costs	Total 2011	Total 2010
7. SUPPORT & GOVERNANCE COSTS				
Staff costs (see note 8)	78,855	4,150	83,005	84,874
Recruitment costs	901	47	948	3,057
Office costs	12,115	638	12,753	13,101
Communications costs	17,939	944	18,883	10,088
Temporary staff costs	13,819	727	14,546	11,747
Auditor's remuneration:				
Audit fees	-	5,500	5,500	5,250
Accountancy and advisory	5,626	1,875	7,501	11,716
Bad debt expense	5,296	279	5,575	5,195
(Recovered)/irrecoverable				
Value Added Tax	(12,402)	(653)	(13,055)	32,742
Finance costs	4,288	226	4,514	4,717
Depreciation - owned assets	768	40	808	2,209
	<u>127,205</u>	<u>13,773</u>	<u>£ 140,978</u>	<u>£ 184,696</u>

Included within auditors' remuneration are amounts payable to Baker Tilly UK Audit LLP in respect of audit services of £5,500 (2010: £5,250) and amounts payable to Baker Tilly Tax and Accounting Limited in respect of accountancy and advisory services of £7,501 (2010: £11,716).

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

	2011	2010
8. STAFF COSTS		
	No.	No.
The average monthly number of persons employed by the Association (excluding Council members) during the year was, as follows:		
Office and administration	2	2
	==	==
	£	£
Staff costs for the above persons:		
Wages and salaries	68,974	71,106
Social security costs	5,065	5,113
Other pension costs	8,966	8,655
	£ 83,005	£ 84,874
	=====	=====

No employee received total emoluments in excess of £60,000 during the current or previous year. No Council member received any remuneration for services as a Council member provided to the Association during the current year or previous year. During the year, Council members were reimbursed for travel expenses incurred in attending Council and other relevant meetings totalling £15,548 (2010: £18,651), of which four (2010: five) trustees received £4,907 (2010: £12,506).

The charity has taken out a public liability insurance policy that provides professional indemnity cover 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 £502 (2010: £473).

9. TANGIBLE FIXED ASSETS	Computer equipment	Office equipment	TOTAL
Cost:			
1 January 2011 and 31 December 2011	23,716	8,998	32,714
Depreciation:			
1 January 2011	22,441	8,149	30,590
Charge for year	445	363	808
31 December 2011	22,886	8,512	31,398
Net book value:			
31 December 2011	830	486	£ 1,316
	=====	=====	=====
31 December 2010	1,275	849	£ 2,124
	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

	2011	2010
10. INVESTMENTS		
Investment listed on a recognised stock exchange at market value:		
1 January 2011	936,675	819,367
Additions at cost	140,789	206,882
Disposal proceeds	(170,756)	(170,764)
Realised losses	(3,385)	(4,090)
Unrealised (losses)/gains	(46,808)	85,280
31 December 2011	<u>£ 856,515</u>	<u>£ 936,675</u>
At the balance sheet date, the market value of the portfolio comprised:		
UK investments	617,315	597,163
Overseas investments	239,200	339,512
	<u>£ 856,515</u>	<u>£ 936,675</u>
Fixed income securities	154,445	240,636
Equities	702,070	696,039
	<u>£ 856,515</u>	<u>£ 936,675</u>
At the balance sheet date, the historical cost of the investments was £793,537 (2010: £799,464).		
	2011	2010
Individual holdings representing more than 5% of the market value of the portfolio at the balance sheet date are as follows:		
Findlay Park US small companies units	53,091	54,054
Rabobank Nederland 5.625% loan stock	-	48,000
	<u>=====</u>	<u>=====</u>
11. DEBTORS		
Amounts falling due within one year:		
Trade debtors	9,950	5,575
Prepayments and accrued income	222,535	202,035
	<u>£ 232,485</u>	<u>£ 207,610</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

	2011	2010				
12. CREDITORS						
Amounts falling due within one year:						
Subscriptions in advance	80,483	78,418				
Annual Scientific Meeting income in advance	21,167	-				
Other taxation and social security costs	3,355	-				
Other creditors	117	9,008				
Unpaid grants, awards and prizes	31,186	17,175				
Accruals	87,221	89,868				
	<u>£ 223,529</u>	<u>£ 194,469</u>				
	=====	=====				
13. THE FUNDS OF THE CHARITY						
	1 January	Incoming	Outgoing	Losses on	Transfer	31 December
	2011	resources	resources	investments	between funds	2011
Restricted income funds:						
BAOMS/AAOMS USA Fellowship Fund	495	2	-	-	-	497
The Norman Rowe International Educational Foundation Fund	25,564	128	(1,293)	-	-	24,399
e-Learning Fund	58,609	293	(12,013)	-	-	46,889
e-Logbook Fund	4,587	5,023	(675)	-	-	8,935
Map of Medicine Fund	2,766	14	-	-	-	2,780
	<u>92,021</u>	<u>5,460</u>	<u>(13,981)</u>	<u>-</u>	<u>-</u>	<u>83,500</u>
Unrestricted income funds:						
General Fund	706,389	551,517	(596,680)	(17,874)	-	643,352
Designated Research Fund	604,481	22,970	(1,898)	(32,319)	-	593,234
	<u>1,310,870</u>	<u>574,487</u>	<u>(598,578)</u>	<u>(50,193)</u>	<u>-</u>	<u>1,236,586</u>
	<u>£ 1,402,891</u>	<u>579,947</u>	<u>(612,559)</u>	<u>(50,193)</u>	<u>-</u>	<u>£ 1,320,086</u>
	=====	=====	=====	=====	=====	=====

The BAOMS/AAOMS USA Fellowship Fund was set up in 2005 as a result of a restricted donation received from Medartis Limited. The money is to be used to fund travel grants awarded to individuals working in the USA.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

13. THE FUNDS OF THE CHARITY (Continued)

The Norman Rowe International Educational Foundation Fund was set up in 2007 following the receipt of donation income from The Norman Rowe Educational Trust which has become a sub-committee of the charity known as the Norman Rowe International Educational Foundation ("NRIEF"). The funds will be used to promote the oral and maxillofacial specialist needs of developing and post-conflict countries.

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 e-Logbook Fund was set up in 2009 to recognise specific sponsorship income contributing to the costs of the charity's e-Logbook project work.

The Map of Medicine Fund was set up in 2009 to recognise specific sponsorship income contributing to the costs of the charity's Map of Medicine project work.

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 specialty.

Included within the General Fund and the Designated Research Fund are total net unrealised gains arising on the revaluation of investments totalling £62,978 (2010: net unrealised gains of £137,211).

2011 **2010**

14. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2011, the charity was committed to make the following payments during the next year under non-cancellable operating leases as follows:

In respect of land & buildings
 expiring in 2 to 5 years

	£ 8,765	£ 8,765
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2011

15. **ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Fixed assets	Net current assets	Total
Restricted income funds:			
BAOMS/AAOMS USA Fellowship Fund	-	497	497
The Norman Rowe International Educational Foundation Fund	-	24,399	24,399
e-Learning Fund	-	46,889	46,889
e-Logbook Fund	-	8,935	8,935
Map of Medicine Fund	-	2,780	2,780
Unrestricted income funds:			
General Fund	264,597	378,755	643,352
Designated Research Fund	593,234	-	593,234
NET ASSETS	<u>857,831</u>	<u>462,255</u>	<u>£ 1,320,086</u>

16. **PENSION COMMITMENTS**

The charity participates in a multi-employer defined benefit pension scheme known as the 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 charity 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 (as shown in note 8) is the total contributions payable for the year.

The pension scheme is valued formally every three years by professionally qualified and independent actuaries. The last available valuation was carried out at 31 March 2008, using the projected unit credit method in which the actuarial liability makes allowance for projected earnings. The following key actuarial assumptions (taken from the technical provisions table) were used:

Investment return – pre-retirement	6.90% per annum
Investment return – post-retirement	4.80% per annum
Retail Price Index price inflation increases	3.35% per annum
Salary increases	4.85% per annum
Pension increases in payment	3.35% per annum

The actuarial valuation applies to the scheme as a whole and does not identify surpluses or deficits applicable to individual participating employers. As a whole, the fair value of the scheme's assets was £1,266 million, the present value of the scheme's liabilities was £1,265 million, and therefore, the resulting surplus was £1 million. In order to ensure that the scheme remains adequately funded, the actuary has recommended that employer contributions continue to be 13% of pensionable salary and employee contributions continue to be 6% of pensionable salary.

The next actuarial valuation as at 31 March 2011 is expected to be finalised in the Summer of 2012.