

Company number: 02657454

Charity number: 1005353

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Report and financial statements

For the year ended 30 September 2020

The British Association of Plastic Reconstructive and Aesthetic Surgeons

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For the year ended 30 September 2020

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The British Association of Plastic Reconstructive and Aesthetic Surgeons

Reference and administrative information

For the year ended 30 September 2020

Company number 02657454
Country of incorporation United Kingdom

Charity number 1005353
Country of registration England & Wales

Registered office and operational address Secretariat offices of The Royal College of Surgeons of England
35–43 Lincoln's Inn Fields
London
WC2A 3PE

Trustees Trustees who are also directors under company law, who served during the year and up to the date of this report were as follows:

| | |
|----------------|-------------------------------------------------------|
| M Henley | President |
| R Waters | Deputy President (from 1 January 2020) |
| D Ward | Deputy President (demitted 31 December 2019) |
| S Eccles | Honorary Secretary and Company Secretary |
| S Wood | Honorary Treasurer (appointed 1 January 2020) |
| N James | Honorary Treasurer (demitted office 31 December 2019) |
| K Allison | 2019–2021 (appointed 1 March 2019) |
| M Henley | 2017–2019 (demitted office 31 December 2019) |
| I Josty | 2017–2019 (demitted office 31 December 2019) |
| R Winterton | 2017–2019 (demitted office 31 December 2019) |
| R Agarwal | 2018–2019 (demitted office 31 December 2019) |
| R Cole | 2018–2019 (demitted office 31 December 2019) |
| M Fawzy | 2018–2019 (demitted office 31 December 2019) |
| D Gordon | 2018–2019 (demitted office 31 December 2019) |
| J O'Donoghue | 2018–2019 (demitted office 31 December 2019) |
| S Sinclair | 2018–2019 (demitted office 31 December 2019) |
| R Waters | 2018–2019 (demitted office 31 December 2019) |
| J Haeney | 2019–2020 (appointed 1 January 2019) |
| S Hettiaratchy | 2019–2020 (appointed 1 January 2019) |
| W Lam | 2019–2020 (appointed 1 January 2019) |
| A Pandya | 2019–2020 (appointed 1 January 2019) |
| S Veeramani | 2019–2020 (appointed 1 January 2019) |
| R Agarwal | 2020–2021 (appointed 1 January 2020) |
| R Cole | 2020–2021 (appointed 1 January 2020) |
| M Dalal | 2020–2021 (appointed 1 January 2020) |
| A Dancy | 2020–2021 (appointed 1 January 2020) |
| J O'Donoghue | 2020–2021 (appointed 1 January 2020) |
| P Drew | 2020–2021 (appointed 1 January 2020) |
| M Fawzy | 2020–2021 (appointed 1 January 2020) |
| D Gordon | 2020–2021 (appointed 1 January 2020) |

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Reference and administrative information

For the year ended 30 September 2020

The Trustees of the Charity are assisted and advised by the following individuals, who are invited to Council, but in that capacity, are neither trustees of the charity nor directors of the company:

| | |
|---------------|----------------------------------------------------------------------------|
| A Hart | Editor 2016–2021 |
| T Goodacre | RCS England Council |
| P Harris | President, The British Association of Aesthetic Plastic Surgeons 2018–2020 |
| P Regan | President, The Irish Association of Plastic Surgeons 2017–2019 |
| B Kneafsey | President, The Irish Association of Plastic Surgeons 2019–2021 |
| J Atherton | Patient Liaison Representative 2014–2019 |
| M Ragbir | Chair, SAC in Plastic Surgery 2018–2020 |
| R Staurch | President, Plastic Surgery Trainees Association (PLASTA) 2018–2019 |
| M Fell | Vice President, Plastic Surgery Trainees Association (PLASTA) 2018–2019 |
| B Baker | President, Plastic Surgery Trainees Association (PLASTA) 2019–2020 |
| S Hendrickson | Vice President, Plastic Surgery Trainees Association (PLASTA) 2019–2020 |
| A Perks | Chair, Professional Standards Committee 2016–2018 |
| S Eccles | Chair, Professional Standards Committee 2019 |
| A Jain | Chairman, Research Committee 2016–2021 |
| D Boyce | Chairman, Education Committee 2018–2020 |
| J Scott | Chair, Intercollegiate Board in Plastic Surgery 2017–2020 |

Key management personnel

| | |
|-------------|--------------------------------------|
| H Roberts | Head of Secretariat (till June 2020) |
| G Adlington | Head of Operations (from July 2020) |
| B Olusina | Head of Finance |
| C Voisin | Events Manager |
| K Prashar | Events Coordinator |
| J Richards | Finance Coordinator |
| M Burrows | Committee and Membership Coordinator |
| C Smith | Course and Committee Coordinator |
| S Ross | Workforce Planning Coordinator |

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Reference and administrative information

For the year ended 30 September 2020

Bankers

National Westminster Bank PLC
PO Box 2021
10 Marylebone High Street
LONDON
W1A 1FH

CCLA Investment Management Limited
80 Cheapside
LONDON
EC2Y 6DZ

Lloyds TSB Bank PLC
Southampton Row Branch
Victoria House
Southampton Row
LONDON
WC2B 5HR

Solicitors

Radcliffes Le Brasseur
5 Great College Street
LONDON
SW1P 3SJ

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Executive Summary

For the year ended 30 September 2020

The Trustees of the Charity are the elected Officers and members of the Council of The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS).

The Trustees are assisted by invited advisors, who are neither trustees of the charity nor directors of the company.

The Charity is supported by a secretariat of 13 part and full-time employed staff. The Association was founded in 1946 and incorporated on 21 October 1991.

The work of the Association is carried out by numerous committees, which report regularly to the Council. The Council meets 4 times per year.

The charitable aims of the Association are to relieve sickness and to promote and protect public health by the promotion and development of plastic surgery and to advance education in the field of plastic surgery.

The Association is one of 10 surgical specialty associations and it is a statutory body charged with directing training and education in plastic surgery.

The Association is therefore represented on a number of bodies, including the BMA, FSSA, The Scar Free Foundation, the Intercollegiate Board and JCST, NICE, ABS, The Royal College of Surgeons Council, IPRAS, ESPRAS, EBOPRAS and so on.

The Journal, JPRAS, is owned by the Association and Professor A Hart is the editor.

Financially, the Association is in good health with 'free reserves' of £2,167,610. The Trustees are in the process of determining a suitable target for the level of 'free reserves' that the Charity should aim to hold. The Trustees are consulting with the Association's stakeholders to determine how best the 'free reserves' should be used in line with the charitable aims of the Association (see 'future strategies' below).

Key areas of development for the Association in 2019/2020 have been:

- Research and education grants were awarded to the sum of £76,139.
- Hosted two scientific meetings, three advanced educational conferences, one masterclass in aesthetic surgery and one undergraduate study day.
- Continued to fund a workforce planning group to determine NHS requirements for consultant plastic surgeons in the future.
- Worked collaboratively with other professional bodies on the review to regulate aesthetic surgery training and practice in order to better protect the public.
- Continued a review of Communications strategy and public relations.
- The UK National Flap Registry continued successfully.

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Executive Summary

For the year ended 30 September 2020

Future strategies for the Association include:

- Developing plans and policies for communication with the public and the membership.
- Developing high quality research initiatives with the Association's partners, including The Scar Free Foundation.
- Using some of the 'free reserves' to continue development of the BAPRAS remote e-learning platform known as e-LPRAS.

COVID Impact

COVID had limited impact on the Association's activities. Much of the Association's business was moved to an online format and educational output increased over the lockdown period, with series of webinars for members in a variety of categories. While a formal scientific meeting was not held in winter of 2020, an online component was organised and the hope is that an in person meeting will be arranged in 2021. Similarly, committee and council meetings continued online, and while the Secretariat office was shut, a full service continued remotely.

This executive summary was approved by the Trustees on 15 March 2021, and was signed for and on behalf of the board by

M Henley
President

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Trustees' annual report

For the year ended 30 September 2020

The trustees present their report and the audited financial statements for the year ended 30 September 2020.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Charitable Objectives

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

- To relieve sickness and to protect and preserve public health by the promotion and development of plastic surgery; and
- To advance education in the field of plastic surgery.

In interpreting its charitable objectives, BAPRAS has formulated the following strategic statement:

Mission Statement

To promote the best evidence-based practice in plastic, reconstructive and aesthetic surgery in order to achieve the highest standard of patient care through professional support in education, research and the development of knowledge.

Charitable Activities

In pursuance of its charitable objectives, and in order to achieve the overall aims and goals of its mission statement, the Association's principal activity is the dissemination of information as it relates to the specialty.

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Trustees' annual report

For the year ended 30 September 2020

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

- Leading and guiding professional practice and being responsive to the needs of constituent members of the Association;
- Forming a governing body to formulate and implement policy and manage the affairs of the Association;
- Defining professional competency in terms of knowledge and skills;
- Promoting under-graduate and post-graduate education and continuing professional development;
- Advancing the science of plastic surgery by stimulating and supporting research and disseminating knowledge at meetings and events and through the Journal of Plastic, Reconstructive and Aesthetic Surgery (JPRAS); and
- Being responsive to the needs and aspirations of patients and their representatives.

The membership of the Association comprises plastic surgeons, plastic surgeons in training and those aspiring to undertake a career in plastic surgery, allied health professionals working in plastic surgery-related roles plus a small number of surgeons and scientists from allied disciplines. As part of the membership subscription, Full, Honorary, Senior Trainee and Junior members receive access to JPRAS as well as receiving details of current events, plastic surgery conferences, and information on recent and relevant plastic surgery issues.

The Association itself subscribes to the European Board of Plastic, Reconstructive and Aesthetic Surgery (EBOPRAS) and the European Society of Plastic, Reconstructive and Aesthetic Surgery (ESPRAS).

BAPRAS organises one scientific meeting annually. These meetings are run to disseminate new medical information to members and include lectures and discussion forum sessions. These meetings play an important part in the training of plastic surgeons and continuing medical education of consultants. Medical practitioners submit papers to the Programme Committee for acceptance and review. The accepted papers form an integral part of the meeting programmes.

The Journal of Plastic, Reconstructive and Aesthetic Surgery (JPRAS) is owned by the Association and published by Elsevier Science. The Editor is supported by the Committee of Management for the Journal of Plastic, Reconstructive and Aesthetic Surgery representing the Association and an Editorial Board with an International Faculty. The entire back archive of JPRAS (formerly BJPS) can be viewed online.

The Association organises an Advanced Educational Programme in Plastic Surgery consisting of eight two to three day courses over a four-year period. The programme is aimed at trainees in plastic surgery from initial to advanced levels and is based upon the curriculum for the FRCS(Plast) examination. The programme is also of value to trainees and specialists in interface specialties and provides valuable updates for continuing medical education. The Education Committee has established an annual two-day masterclass in aesthetic surgery, being organised in conjunction with the Royal Society of Medicine and held at that venue. A regular one day course for medical

students is run to provide an opportunity to undergraduates interested in seeking information about a career in plastic surgery.

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 as a percentage of total relevant consultants and the trend over time (increasing or decreasing);
- Attendance at the annual Scientific Meetings;
- Feedback from delegates attending the Scientific Meetings, the uptake on new initiatives to encourage attendance, and feedback on individual sessions, papers, and lectures at the Scientific Meetings;
- Circulation and readership of JPRAS;
- Levels of submission of papers for the Scientific Meetings and for publication in JPRAS;
- Requests for publications including abstracts and papers;
- Throughput of delegates attending the Educational Programme in Plastic Surgery;
- Number of visits to the Association's website and feedback from visitors;
- Number of medical students attending National Study days giving introductions to the discipline of plastic surgery; and
- Risk assessment of possible future developments within the specialty.

Public Benefit

The Trustees have taken The Charity Commission's general guidance on public benefit (contained within their 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 improve patient care and to improve the quality of medical and surgical care for the benefit of patients within the specialty of plastic, reconstructive and aesthetic surgery. The Charity's ultimate beneficiaries are therefore patients, and benefits to patients are provided through continuing dissemination of information in relation to the specialty by the Association.

Trustees' Assessment of Public Benefit

The main charitable aims of the Association are to provide education and research for the ultimate betterment of patients. This is achieved by the Association's organisation of regular Scientific Meetings and also the provision of advanced educational courses on various subjects related to plastic surgery. Charitable funds are used to support research in the specialty.

In addition, the Association offers advice to the GMC via the Royal Colleges of Surgeons with regard to revalidation and reaccreditation of plastic surgeons. The Association also furthers

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Trustees' annual report

For the year ended 30 September 2020

education by a collaborative project (the remote e-learning platform, e-LPRAS) to provide education via the internet.

Grant Making Policy

The Education Committee exists to further the education and training agenda of BAPRAS. In doing so, the committee reviews applications for the Association's range of existing bursaries, prizes, grants and fellowships, and develops new bursaries as a need becomes apparent. The range of BAPRAS bursaries are advertised in various Association publications, including JPRAS, and on the Association's website. Where appropriate, application forms are available and can be supplied from the BAPRAS Secretariat offices. The Education Committee makes recommendations to the Council on the awarding of bursaries.

Relationships with Connected Parties

BAPRAS shares its Secretariat office with the British Society for Surgery of the Hand. The British Elbow and Shoulder Society (BESS) joined the Secretariat in June 2013, with one member of staff working from home for BESS. BAPRAS has set up a charity called BFIRST and this is managed within the Secretariat. The charity is a separate entity and is not controlled by BAPRAS, though a close relationship is maintained and administrative support is provided. The President of BAPRAS is a Trustee of BFIRST.

The Association is a founder member of The Scar Free Foundation and continues to be represented on the Research Council of that organisation. The Association has established some jointly funded research fellowships in areas of mutual interest.

Representation on Other Bodies

In pursuing its charitable objectives, the Association has representation on other external bodies, such as the Council of the Royal College of Surgeons of England and Forum and receives reports from them. In particular, BAPRAS was represented by the following individuals:

BMA Central Consultants & Specialists Committee BMA Surgical Specialties Committee

Post is currently vacant

Federation of Surgical Specialty Associations/The Surgical Forum

M Henley

Scar Free Foundation – Research Council

B Dheansa

H Giele

A Reid

BFIRST

M Henley

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Trustees' annual report

For the year ended 30 September 2020

Intercollegiate Board in Plastic Surgery

J O'Donoghue

J Scott

S Wharton

S Wood

Association of Breast Surgeons

Post is currently vacant

National Institute for Health & Clinical Excellence

S K Veeramani

The Royal College of Surgeons of Edinburgh Surgical Specialty Group

J Scott

The Royal College of Surgeons of England Council

T Goodacre

The Royal College of Surgeons of England Invited Review Mechanism

S Eccles

European Board of Plastic, Reconstructive and Aesthetic Surgery

T Goodacre

A Pandya

European Society of Plastic, Reconstructive and Aesthetic Surgery

M Henley

International Confederation for Plastic, Reconstructive and Aesthetic Surgery

G Perks

Union Européenne De Médecins Spécialistes (Mono-Specialist Committee for Plastic Surgery)

T Goodacre

International Confederation of Plastic Surgery Societies

A Perks appointed as Director of the Board

A Dancey is Deputy National delegate

Strategic report

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on raising awareness of the breadth of plastic surgery and promoting innovation in teaching, learning and research, ultimately with an aim to improving patient safety and are undertaken to further The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS)'s charitable purposes for the public benefit.

Activities & Events

In 2019/2020, BAPRAS continued to manage its' Advanced Educational Courses Programme and scientific meetings, continued the expansion of the e-learning project, maintained and continued on-going improvement to the BAPRAS website and social media presence, and repeated its survey of the plastic surgery workforce within the NHS.

Inevitable disruption to the scheduled events programme occurred during the COVID pandemic, with the cancellation of one Advanced Educational Course in the 2019–2020 financial year. An opportunity was taken to implement increased online teaching, including a series of thirteen webinars on topics surrounding COVID 19, aimed at Consultant and Trainee members, and a series of twenty-three webinars aimed at medical students.

The membership of the Association at 30 September 2020 totalled 1,335 (30 September 2019: 1,287). The number of Honorary Members increased to 85, Full Members is 524, Trainee Members is 250, Junior Members is 110, Associate Members is 28, Affiliate Members is 4, and Overseas is 72. The number of Senior Members is 107 and Interspecialty Members is 14. A new membership category had been introduced in 2016 of Junior (Student) and there are now 128 members in that category. The Association aim to encourage those Consultants not currently Full Members to take up membership. Trainees in plastic surgery in the NHS will be granted free membership for one year upon joining.

The Winter Scientific Meeting 2019 was held at Le Meridien Beach Plaza Hotel in Monaco. This event was attended by 239 (2018: 692) participants. A total of 70 papers (2018: 89) papers were presented, and 42 (2018:57) posters. The meeting was also supported and attended by 8 (2018: 24) exhibitors.

A decision was made by Council in 2019 to move towards holding one larger winter event, with the first event in this new format being scheduled for December 2020 but this did not happen due to the COVID 19 pandemic and has been postponed till 2021. The final Summer Scientific Meeting was held at the Bournemouth International Centre. This event was attended by 244 participants. A total of 55 papers were presented, and 36 poster presentations. The meeting was also supported and attended by 20 trade exhibitors.

The British Association of Plastic Reconstructive and Aesthetic Surgeons

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For the year ended 30 September 2020

The Journal of Plastic Reconstructive and Aesthetic Surgery (JPRAS) is owned by the Association and continues to be published in conjunction with Elsevier Science. Professor A Hart commenced as Editor from the start of 2016. The number of papers submitted to the Journal in 2019/2020 was 1,259, in the same period 446 were accepted for publication (2018/2019: 923 papers were submitted. Of these 363 were accepted). The Journal holds an Impact Factor of 2.390, has global market penetration and had 847,581 article downloads in 2019/2020.

It was anticipated that course four and five of the ongoing Advanced Educational Courses in Plastic Surgery series would be held in the 2019/20 financial year. The fourth course, on head and neck surgery ran as planned in October 2019, and was attended by 116 delegates and 19 faculty and guests. The equivalent course in the previous series attracted 141 delegates and 22 faculty.

Owing to the COVID pandemic, which shut down access to in-person events and training, the fifth course, focusing on breast surgery, due to take place in April 2020 was cancelled. This has been rescheduled for 2021.

An Undergraduate Study Day was held in February 2020 in Birmingham. The aim of these events is to raise the awareness of plastic surgery amongst medical students at all stages and from all areas of the UK. The event was attended by 169 medical students (March 2019: 136), 18 faculty (March 2019: 18) and 14 helpers (March 2018: 14). The next Undergraduate Study Day is scheduled for September 2021.

The next scheduled event in the aesthetic masterclass series, held in collaboration with the Royal Society of Medicine was to be held in May 2020. This was cancelled due to the COVID pandemic.

The Section 2 Fellowship examinations in plastic surgery were held in London during 2019/2020. Of the 55 (2019: 102) candidates taking the examination in total 40 (2019: 66) achieved the standard required to pass the examination.

BAPRAS finalised work on the updated guidelines to open fractures of the lower limb. These guidelines were an update of the 2010 guidelines and were once again produced in collaboration with the British Orthopaedic Association. Electronic copies of the guidelines have been made available to members and print copies will be distributed in 2021.

Over recent years BAPRAS has supported the development of an online e-learning programme to support both the curriculum for plastic surgery trainees and consultant revalidation. Development of the e-learning in plastic reconstructive and aesthetic surgery project (e-LPRAS) has been sponsored by BAPRAS and hosted by e-Learning for Healthcare (e-LfH), under the auspices of Health Education England (HEE). The content of the course has been developed by a team of plastic surgeons headed by Mrs Sarah Pape, as National Clinical Lead, and a group of Instructional Designers, who convert the content to a suitable format for the learning management platform.

From the end of January 2018, BAPRAS ceased to fund the e-LPRAS project. As a result, the Instructional Designers were redeployed, and development of new content ceased. However, a

Trustees' annual report

For the year ended 30 September 2020

separate funding stream was created by BAPRAS to appoint a content editor to review and update content that was produced some years ago. This workstream has been ongoing.

In December 2019, BAPRAS and HEE agreed new funding arrangements for the National Clinical Lead and Instructional Designers. It is anticipated that work on this project will be completed in 2021.

The communications team continued to deliver its strategic objectives throughout 2019/2020, running a 24-hour press desk and producing proactive media stories, which allow the scope and breadth of the specialty to be demonstrated and this involved working with a number of members across the UK. Media outreach work was vastly reduced in the 2019/20 period as the world media concentrated efforts on reporting on the COVID 19 pandemic, none the less, included 40 press enquiries (95 for 2018/19).

The BAPRAS Code of Practice was implemented and adopted by the membership in 2013. The purpose of this code is to define acceptable behaviour in plastic surgery, to encourage the maintenance of the highest surgical standards, to support the professional regulation of the specialty and to provide a model for reflective practice in line with on-going appraisal and revalidation. This document was reviewed in 2016 and the updated copy was published in 2018.

The Association continued to form links with specialist societies in plastic surgery worldwide.

Special Interest Groups (SIGs) are undergoing a reformation, guided by Council. These groups traditionally provide a small specialist group for sharing ideas and problem solving, however Council is looking to increase the work of these groups and are undergoing consultation to decide on their remit and scope.

Impact of Activities & Events

The impact of activities and events is indicated by the following items:

1 Level of membership of Plastic Surgery Consultants who are members of the Association:
At 30 September 2020, 524 Consultants (2019: 480) were members of the Association, which is approximately 76% (2019: 81%) of Consultant Plastic Surgeons in NHS practice in the UK.

2 Attendance at Scientific Meetings:
There were 239 (2019: 692) attendees at the 2019 Winter Scientific Meeting. 70 papers and 42 posters presented (2019: 89 papers and 57 posters presented).

3 Attendance at other meetings/courses:
A total of 116 people (2019: 244 people) attended the Advanced Educational Programme during 2019/2020. The decrease in delegate numbers is due to the cancellation of the second course of the year, following the nationwide lockdown due to the COVID 19 pandemic. This course is due to be rescheduled in 2021.

Public Benefit

- During the year 2019/20 the following activities were undertaken for public benefit:
Distribution of patient information guidelines on breast reconstruction and reduction; and skin cancer
- Continued maintenance of the public-facing area of the BAPRAS website, which provides information on safety of surgery;
- The feedback from individual patients and patient groups with regard to plastic surgery and their involvement with the Association; and
- The Association continues to have lay representation on Council to ensure that the needs of the general public continue to be taken into consideration in Association business.

Beneficiaries of our services

Activities this year have, in the first instance benefitted plastic surgery consultants, trainees and those interested in a career in plastic surgery, via our programme of events (both in person and online), journal, JPRAS, and e-learning project (eLPRAS).

As noted above, while our ability to provide our planned educational events programme has been impacted by the COVID pandemic, the Association has put on a large number of webinars attracting participation worldwide from almost 5000 attendees. It is anticipated that this move towards online education will continue post-pandemic, and into future years.

During the year 2019/2020 the Trustees gathered the following evidence that demonstrates to their satisfaction that BAPRAS continues to benefit the public through its activities targeted to achieve its charitable objectives:

- The number of members and non-members attending the Summer and Winter Scientific Meetings, as above;
- The number of attendees at the Advanced Educational Programme in Plastic Surgery, again as above;
- A total of £76,139 (2019: £77,174) was awarded in educational grants; and
- A total of £29,122 (2019: £34,140) was awarded to support research.

Financial review

Financial Results of Activities and Events

During the year, the Association generated £1,057,524 (2019: £1,243,679) of income and spent of £1,083,046 (2019: £1,283,322) disseminating information as it relates to any and all of the fields that pertain to the Association's charitable objectives.

In particular, subscription income from members contributed £343,852 (2019: £322,751) and the Journal of Plastic, Reconstructive and Aesthetic Surgeons contributed a net amount of £306,497 (2019: a net amount of £337,000) towards the other operational costs of the Association.

The British Association of Plastic Reconstructive and Aesthetic Surgeons

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After a decrease in the market value of the Association's investments during the year, at the balance sheet date, the Charity still had a very healthy net assets level of £2,167,896 (2019: £2,216,379).

Grant Making

The Education Committee was allocated a budget of £72,950 for 2019/2020. The Research Committee was allocated a budget of £45,000. BFIRST continues with the development of an overseas fellowship scheme and was awarded a budget of £40,000 for 2019/2020.

Grants and donations actually awarded during 2019/2020, including commitments in respect of payments to be made in future years, were as follows:

| | £ |
|----------------------------------------------------|---------------|
| Travelling bursaries | 17,550 |
| Joint Scar Free Foundation/BAAPS/BAPRAS Fellowship | 12,000 |
| Student bursaries | 850 |
| European scholarship awards | 1,000 |
| Other awards and prizes | 4,739 |
| | <u>36,139</u> |

Principal risks and uncertainties

Risk and Corporate Governance Matters

The Trustees believe that BAPRAS does not need to expose itself to a high level of risk in order to achieve its present aims and goals. Therefore, a policy is followed to ensure that only risks that are, or can be mitigated to, medium risk level are accepted by the Trustees and the Association. This overall assessment of risk may change at a later date depending upon initiatives being considered at the time.

The Honorary Treasurer and Head of Finance undertake the initial annual risk review, and then present the results for scrutiny by the Finance Committee and thereafter, by Council. Any significant changes in the Association's risk profile will be highlighted to the membership at the Annual General Meeting. Risks are reviewed annually.

The main areas of risk that have been identified are adverse publicity, inadequate management of employment issues, and loss of key staff. A public relations company is employed to increase public awareness of plastic surgery, and part of their role is to minimise the Association's potential exposure to adverse publicity. Professional human resources advice is obtained to ensure compliance with employment law and to advise upon best practice with regard to approaches to staff retention.

Trustees' annual report

For the year ended 30 September 2020

Professional Indemnity Insurance

The Charity has taken out a charity trustees' indemnity and professional indemnity insurance policy that provides professional indemnity cover for the Trustees of the Charity. The cover provided by the policy is £5 million for any one claim. The cost of this insurance policy to the Charity for the year was £8,424 (2019: £7,590).

Reserves policy and going concern

At 30 September 2020, the Charity's 'free reserves' amounted to £2,167,610 (30 September 2019: £2,215,997).

The Trustees continue to determine a suitable target for the level of 'free reserves', and have set this at two years cost of total expenditure which is some £2.2m. This is in line with actual 'free reserves' for 2020 which is approximately £2.2m. The Trustees will continue to consult with the Charity's key stakeholders to identify how existing 'free reserves' should be used in line with the charitable aims of the Association.

The areas of emphasis will continue to be education and research including the provision of information to the public. Education continues to be supported nationally and locally, and the medical student education programme is being enhanced. In the light of this aim, it is highly likely that a proportion of existing 'free reserves' will be held on a long-term basis to generate a regular income stream in perpetuity with the balance of 'free reserves' being spent in a systematic and controlled manner on appropriate projects.

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 Cazenove Capital Management Limited, with an increase in cash holdings in view of the current economic changes.

The Trustees' new investment strategy, and the instructions that they have given to the Association's investment managers, is to aim to increase the value to the investment portfolio until it achieves a valuation of £2 million. Following the COVID 19 Pandemic however, Trustees have put a pause on drawing income from the investment portfolio until some stability is maintained. Thereafter, the Trustees will once again review the Association's planned future activities and funding requirements with a view to drawing income from the investment portfolio whilst maintaining the capital value in real terms.

Any short-term surplus cash funds are to still be held in high interest-bearing deposit accounts.

For the year ended 30 September 2020, the Charity's investments portfolio grew in value by 2.6% (2019: grew in value by 2.6%) and achieved an average income return of 3.9% (2019: 3.9%) and the Charity's unrestricted cash deposits achieved an average income return of 0.4% (2019: 0.6%).

Fundraising

BAPRAS does not undertake any specific fundraising activities and funds itself via collection of membership fees, our Journal, and investment income.

Plans for the future

Future Strategy

1. Workforce, Activity, and Patient Related Outcome rolling knowledge base:

The Association continues to develop a substantive process for continual collection and analysis of plastic surgical practice, in order to provide the highest possible quality of data from which better patient care initiatives can be championed.

2. Professional standards development:

The Association continues to engage with Governmental and College-based initiatives to ensure the provision of a plastic surgical workforce of the highest standard. It will work to support members in maintaining the highest standard of practice, with guidance for registration and re-validation when required. As part of this process, it will seek to define the scope and standard of best practice, in partnership with the Intercollegiate Examinations Board. In this context, it is important to recognise that aesthetic surgical procedures fall firmly within the sphere of plastic surgical practice. However, not all non-surgical aesthetic/cosmetic activities can be managed by the Association, and the anticipated growth of such services and therapies around the fringe of mainstream surgical methods in the 21st Century is not seen as a strategic area for the Association to embrace.

3. Support for plastic surgical education:

The Association will continue to support research Fellowships (in close association with the Scar Free Foundation), travel and educational support, undergraduate and post graduate educational courses, Journal development, e-learning initiatives, and the production of targeted material in specialist areas for surgical specialties and patient groups. It will explore initiating prestigious awards for individuals to encourage best practice from high quality research in the specialty. These educational activities will always be an element of 'pro bono' work directed at the poorest communities within the least advantaged nations.

4. High quality research initiative:

The Association operates a Research Committee to develop a strategy to further the initiation, encouragement, and promulgation of research within plastic surgery of a standard that could be expected to make a substantial change to patient care, and which competes with the highest standards of such activity seen internationally.

Trustees' annual report

For the year ended 30 September 2020

5. Development of the plastic surgical 'community':

Recognising that the benefits of harmonious working environments are immeasurable but substantial, the Association will develop activity to support the surgical community meeting for social and networking opportunities, as well as purely for education. Regional activities will be encouraged and supported, as well as development of strong means of accountability and feedback from elected regional representatives.

6. Public perception of the specialty:

The Association recognises the continual need for the high standing of practice and activity to be promoted in the public domain. Whilst recognising that the best approach to this remains energetic activity in the areas of research, education, and clinical surgery, it is clear that the support of skilled public relations management will be required for both crisis management and also to guide best practice for interaction with media organisations more generally. The Association will regularly review the supply of such services to maximise output from what can be reasonably afforded in terms of public relations support, with the best interests of the widest element of the membership as possible.

In addition to all of the above, the Association will continue to address the process of running a fully representative and responsive organisation for a membership that includes diverse subspecialties and evolving areas of clinical practice. This will include:

- Periodic review of the functions of the Association with reference to how it can support its individual members;
- Maintaining financial stability, which includes assessment of financial risks and review of an investment strategy;
- Advancing the cause of British plastic surgery locally, regionally, nationally and internationally;
- Bringing the disparate associated groups under one roof or organisation;
- Improving training and assessment, and developing new methods of training;
- Developing the plastic surgery service in terms of specialisation, but also encouraging new ideas, new technologies and new methods of practice;
- Improving relationships with other associated specialties;
- Continuing to explore and expand the establishment of an educational foundation; and
- Providing guidance at local, regional and national level about the specialty.

Future Activities and Events

During 2020/2021, BAPRAS will be undertaking the following projects:

- The rescheduled BAPRAS 2020 meeting in May/June in Nottingham Modules of the Advanced Course series will continue;
- A study day for undergraduates, due to take place in September in London;
- A scientific meeting for surgeons in Scotland, provisionally arranged for September 2021;
- BFIRST continues its work furthering the development of the overseas fellowships and advises the Association on other matters related to training and support for developing countries;
- A review of office management and activity is approaching completion and will continue to be guided by Council;

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Trustees' annual report

For the year ended 30 September 2020

- The Plastic Surgery Workforce Survey will be conducted for the eleventh year, thus establishing the current demographics of the UK plastic surgery specialty;
- The e-LPRAS project will continue. It will be structured based upon the funds already allocated for this project; and
- Performance reviews of Council members will continue. The review is intended to demonstrate to NHS Trusts the importance of Council membership, and at the same time, highlight to the Association Council members contribution to BAPRAS;

Impact of Activities & Events

The Trustees will principally assess the success of the above activities and events by evaluating the number of delegates attending the meetings and courses, the number of papers submitted and the feedback from meeting and course questionnaires.

As of 30 September 2020 there were 1,335 members of the Association, the Trustees would like to see this figure maintained or exceeded in the future. Active Consultant Plastic Surgeons in the UK, who are not members or who have left membership, continue to be consulted to learn from their experience a member's requirements from a professional supporting association.

As we move towards a new format for an annual scientific meeting, numbers should not fall below recent average levels. The number of papers and posters presented at the Scientific Meetings should not fall below recent average levels.

The Trustees are aware that the number of delegates attending the Educational Programme courses will fluctuate depending, in particular, on the specific topic being covered. Each series is made up of eight meetings held over 4 years, and the Trustees' target is that in financial terms each series should at least break even.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 21 October 1991 and registered as a charity on 28 October 1991.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Status and History

BAPRAS 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

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Trustees' annual report

For the year ended 30 September 2020

Association in the event of the Association being wound-up during the period of membership, or within one year thereafter.

The Association was founded in 1946 as the British Association of Plastic Surgeons with the aim of relieving sickness and protecting and preserving public health by the promotion and development of plastic surgery. The Association was incorporated on 21 October 1991, became a registered charity on 28 October 1991, and changed its name to The British Association of Plastic, Reconstructive and Aesthetic Surgeons on 11 July 2006.

BAPRAS is governed by its rules and regulations, as set down in the company's Memorandum and Articles of Association, which were originally adopted on 21 October 1991, and were then updated on 2 December 1998 and 11 July 2006.

Organisational Structure

The overall strategic direction of the Charity is determined by the Trustees, who are assisted and advised by invited members of the Council of the Association, and by the non-trustee members of the various BAPRAS Committees. The Committees of the Association are used to focus discussion on issues pertaining to their particular roles and titles, and these Committees then report and submit recommendations to the Council. The Council comprises the President, the Deputy President, the Honorary Secretary, the Honorary Treasurer, plus fifteen elected full members serving for a three-year period.

The day-to-day management of the Association has been delegated by the Trustees to a team of staff, that are based in the Association's Secretariat offices, and who are led by the Head of Secretariat.

Policy for remunerating senior staff and key management personnel

The pay of the senior staff, including key management personnel, is set by the Trustees following a reviewed by and upon the advice of an external human resources company (Persona People Management Ltd) which derives its recommendations from external benchmarks. The benchmarks used check pay levels of similar staff in similar posts with those of similar sized entities and, in particular, similar charities.

Committees

The Association operates the following Committees. The President, Deputy President, Honorary Secretary and Honorary Treasurer are ex-officio members of all Committees, and the following other Trustees have also served on the Committees during the year under review:

Finance

DJ Gordon

J A Haeney

R Winterton

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Trustees' annual report

For the year ended 30 September 2020

Committee of Management for the Journal of Plastic, Reconstructive and Aesthetic Surgery

No additional Trustee members

Education

S K Veeramami

Research

No additional Trustee members

Professional Standards

RP Cole

IC Josty

A Pandya

Communications

S Hettiaratchy

Awards

No additional Trustee members

Scientific Meeting

No additional Trustee members

Appointment of trustees

The Trustees of the Charity are the officers and elected members of the Council of the Association.

Recruitment

The Full Members of BAPRAS are given due notice of the forthcoming vacancies on the Council and for office holders and are invited to nominate suitable candidates. Each nomination is proposed and seconded, and each nominee provides written consent and a synopsis of why they wish to become a Council member. Only Full Members are eligible to be appointed as office holders and Council members.

Appointment and Election

Under the terms of the current Memorandum and Articles of Association, the members of the Council are elected at the Annual General Meeting. Full Members are therefore invited to vote for the number of nominees required to fill the vacancies on Council within their regions.

The President will hold post for two years and remains on Council for one further year as the Deputy President. The Honorary Secretary and the Honorary Treasurer will serve an initial term of three years and can be elected for a further term. Any such office holder who has held office for two continuous terms shall not be eligible for re-election to that office.

Trustee induction and training

All new Trustees are provided with an induction manual containing Officers and Council member job descriptions, Committee terms of reference, Association policy statements, a copy of the current BAPRAS governing document, the latest charity risk assessment, the calendar of activities, and copies of relevant up-to-date Charity Commission guidance.

In line with recommended best practice, the process for recruitment, appointment, election, induction and training of Officers and elected members of Council is periodically reviewed and updated as may be necessary. The Trustees seek professional advice particularly in relation to training and governance matters, as and when it is deemed appropriate to do so.

Statement of responsibilities of the trustees

The trustees (who are also directors of The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS) 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).

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, of the charitable company for that period. In preparing these 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 estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

The trustees are responsible for keeping adequate 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 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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

The British Association of Plastic Reconstructive and Aesthetic Surgeons

Trustees' annual report

For the year ended 30 September 2020

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 legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30 September 2020 was 19 (2019: 20). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 15 March 2021 and signed on their behalf by

R Waters
Deputy President

Independent auditor's report

To the members of

The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS)

Opinion

We have audited the financial statements of The British Association of Plastic Reconstructive and Aesthetic Surgeons (the 'charitable company') for the year ended 30 September 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. 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 30 September 2020 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
- 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.

Independent auditor's report

To the members of

The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS)

Other information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- Adequate accounting records have not been kept, 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; 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' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS)

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions

Independent auditor's report

To the members of

The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS)

are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our 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.

Joanna Pittman (Senior statutory auditor)

17 March 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS)

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 September 2020

| | Note | Unrestricted £ | Restricted £ | 2020 Total £ | Unrestricted £ | Restricted £ | 2019 Total £ |
|------------------------------------------------------------------------------|------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| Income from: | | | | | | | |
| Charitable activities | | | | | | | |
| Disseminating information on the speciality | 2 | 973,728 | 3,750 | 977,478 | 1,164,150 | 2,500 | 1,166,650 |
| Investments | 3 | 80,046 | - | 80,046 | 77,029 | - | 77,029 |
| Total income | | 1,053,774 | 3,750 | 1,057,524 | 1,241,179 | 2,500 | 1,243,679 |
| Expenditure on: | | | | | | | |
| Charitable activities | | | | | | | |
| Disseminating information on the speciality | 4 | 1,077,254 | 5,792 | 1,083,046 | 1,280,405 | 2,917 | 1,283,322 |
| Total expenditure | | 1,077,254 | 5,792 | 1,083,046 | 1,280,405 | 2,917 | 1,283,322 |
| Net income / (expenditure) before net gains / (losses) on investments | | (23,480) | (2,042) | (25,522) | (39,226) | (417) | (39,643) |
| Net gains / (losses) on investments | | (22,961) | - | (22,961) | (21,506) | - | (21,506) |
| Net income / (expenditure) for the year | 5 | (46,441) | (2,042) | (48,483) | (60,732) | (417) | (61,149) |
| Transfers between funds | | (2,042) | 2,042 | - | (417) | 417 | - |
| Net movement in funds | | (48,483) | - | (48,483) | (61,149) | - | (61,149) |
| Reconciliation of funds: | | | | | | | |
| Total funds brought forward | | 2,216,379 | - | 2,216,379 | 2,277,528 | - | 2,277,528 |
| Total funds carried forward | | 2,167,896 | - | 2,167,896 | 2,216,379 | - | 2,216,379 |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 16 to the financial statements.

The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS)

Balance sheet

Company no. 02657454

As at 30 September 2020

| | Note | £ | 2020 £ | £ | 2019 £ |
|------------------------------------------------|------|------------------|------------------|------------------|------------------|
| Fixed assets: | | | | | |
| Tangible assets | 10 | | 286 | | 382 |
| Investments | 11 | | 2,000,365 | | 1,949,395 |
| | | | <u>2,000,651</u> | | <u>1,949,777</u> |
| Current assets: | | | | | |
| Debtors | 12 | 99,046 | | 221,504 | |
| Short term deposits | | 154,206 | | 153,141 | |
| Cash at bank and in hand | | 222,738 | | 161,169 | |
| | | <u>475,990</u> | | <u>535,814</u> | |
| Liabilities: | | | | | |
| Creditors: amounts falling due within one year | 13 | (308,745) | | (269,212) | |
| | | | <u>167,245</u> | | <u>266,602</u> |
| Net current assets | | | <u>167,245</u> | | <u>266,602</u> |
| Total net assets | | | <u>2,167,896</u> | | <u>2,216,379</u> |
| The funds of the charity: | 16 | | | | |
| Restricted income funds | | | - | | - |
| Unrestricted income funds: | | | | | |
| General fund | | 2,167,896 | | 2,216,379 | |
| Total unrestricted funds | | <u>2,167,896</u> | | <u>2,216,379</u> | |
| Total charity funds | | | <u>2,167,896</u> | | <u>2,216,379</u> |

Approved by the trustees on 15 March 2021 and signed on their behalf by

R Waters
Deputy President

The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS)

Statement of cash flows

For the year ended 30 September 2020

| | 2020 | | 2019 | |
|-------------------------------------------------------------------------------------------------------|----------|----------------|----------|-----------------|
| | £ | £ | £ | £ |
| Cash flows from operating activities | | | | |
| Net income / (expenditure) for the reporting period (as per the statement of financial activities) | (48,483) | | (61,149) | |
| Depreciation charges | 96 | | 128 | |
| (Gains)/losses on investments | 22,961 | | 21,506 | |
| Dividends, interest and rent from investments | (80,046) | | (77,029) | |
| (Increase)/decrease in debtors | 122,458 | | 22,051 | |
| Increase/(decrease) in creditors | 39,533 | | 31,956 | |
| | | <hr/> | | <hr/> |
| Net cash provided by / (used in) operating activities | | 56,519 | | (62,537) |
| Cash flows from investing activities: | | | | |
| Dividends, interest and rents from investments | 80,046 | | 77,029 | |
| Proceeds from sale of investments | 4,606 | | 4,467 | |
| Purchase of investments | (78,537) | | (75,105) | |
| Movement in short term deposit | (1,065) | | (1,093) | |
| | | <hr/> | | <hr/> |
| Net cash provided by / (used in) investing activities | | 5,050 | | 5,298 |
| | | <hr/> | | <hr/> |
| Change in cash and cash equivalents in the year | | 61,569 | | (57,239) |
| Cash and cash equivalents at the beginning of the year | | 161,169 | | 218,408 |
| | | <hr/> | | <hr/> |
| Cash and cash equivalents at the end of the year | | 222,738 | | 161,169 |
| | | <hr/> <hr/> | | <hr/> <hr/> |

Notes to the financial statements

For the year ended 30 September 2020

1 Accounting policies

a) Statutory information

The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS) is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is the Secretariat offices of the Association at The Royal College of Surgeons of England, 35-43 Lincoln's Inn Fields, London WC2A 3PE.

b) Basis of preparation

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 UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably. Income streams such as subscription income and journal income fall into this category.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met. The journal income is received by calendar year so the income for the last three months are deferred into the subsequent year.

f) Interest receivable

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.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of delivering scientific meetings, advanced educational courses and exhibitions all undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Notes to the financial statements

For the year ended 30 September 2020

1 Accounting policies (continued)

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned in full to the charitable activity of disseminating information on the speciality.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Presidential badge and chain 25% reducing balance

l) Listed investments

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. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

q) Pensions

The charity is a participating employer in the Superannuation Arrangements of the University of London (SAUL). Additional information on the accounting of this pension can be found in note 17.

r) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the financial statements

For the year ended 30 September 2020

2 Income from charitable activities

| | Unrestricted £ | Restricted £ | 2020 Total £ | Unrestricted £ | Restricted £ | 2019 Total £ |
|----------------------------------------------------------------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| Income from disseminating information on the speciality | | | | | | |
| Subscription income from members | 343,852 | - | 343,852 | 332,751 | - | 332,751 |
| Journal income | 402,866 | - | 402,866 | 431,359 | - | 431,359 |
| Income from meetings, courses and other events | 208,836 | - | 208,836 | 323,764 | - | 323,764 |
| e-Learning funding from the Department of Health | - | 3,750 | 3,750 | - | 2,500 | 2,500 |
| Health Education England – laser safety project | - | - | - | 52,500 | - | 52,500 |
| PRASIS administration fee | 18,000 | - | 18,000 | 18,000 | - | 18,000 |
| Other income | 174 | - | 174 | 5,776 | - | 5,776 |
| Total income from charitable activities | 973,728 | 3,750 | 977,478 | 1,164,150 | 2,500 | 1,166,650 |

3 Income from investments

| | Unrestricted £ | Restricted £ | 2020 Total £ | Unrestricted £ | Restricted £ | 2019 Total £ |
|------------------------------------------------------|-------------------|-----------------|--------------------|-------------------|-----------------|--------------------|
| Bank interest receivable on short term cash deposits | 1,509 | - | 1,509 | 1,924 | - | 1,924 |
| Dividend income | 78,537 | - | 78,537 | 75,105 | - | 75,105 |
| | 80,046 | - | 80,046 | 77,029 | - | 77,029 |

Notes to the financial statements

For the year ended 30 September 2020

4a Analysis of expenditure (current year)

4b Analysis of expenditure (prior year)

| | Charitable activity | | | 2020 Total £ |
|----------------------------------------------|-------------------------------------------------------|--------------------------|-----------------------|------------------|
| | Disseminating information on the specialty £ | Governance costs £ | Support costs £ | |
| Staff costs (Note 6) | - | 16,497 | 313,434 | 329,931 |
| Membership costs | 11,149 | - | - | 11,149 |
| Journal expenditure | 96,369 | - | - | 96,369 |
| BFIRST funding | 40,000 | - | - | 40,000 |
| Grants, bursaries, awards and prizes | 36,139 | - | - | 36,139 |
| Research grants | 29,122 | - | - | 29,122 |
| Costs of meetings, courses and other events | 271,170 | - | - | 271,170 |
| e-Learning project costs | 5,792 | - | - | 5,792 |
| Public education and communication costs | 69,009 | - | - | 69,009 |
| RCS shared curator | 4,000 | - | - | 4,000 |
| PLASTA contribution | 10,000 | - | - | 10,000 |
| Sponsorship of ECPS | - | - | - | - |
| Other direct costs | 342 | - | - | 342 |
| Operating lease rentals, land and buildings: | - | 136 | 2,592 | 2,728 |
| Other office costs | - | 3,614 | 57,661 | 61,275 |
| Irrecoverable VAT | - | - | 26,964 | 26,964 |
| Legal and professional fees | - | - | 65,918 | 65,918 |
| Auditor's remuneration: | | | | |
| Audit fees | - | 9,990 | - | 9,990 |
| Accounting and advisory | - | 6,526 | 6,526 | 13,052 |
| Depreciation – owned assets | - | - | 96 | 96 |
| | 573,092 | 36,763 | 473,191 | 1,083,046 |
| Support costs | 473,191 | - | (473,191) | - |
| Governance costs | 36,763 | (36,763) | - | - |
| Total expenditure 2020 | 1,083,046 | - | - | 1,083,046 |

| | Charitable activity | | | 2019 Total £ |
|----------------------------------------------|-------------------------------------------------------|--------------------------|-----------------------|------------------|
| | Disseminating information on the specialty £ | Governance costs £ | Support costs £ | |
| Staff costs (Note 6) | - | 16,118 | 306,233 | 322,351 |
| Membership costs | 15,710 | - | - | 15,710 |
| Journal expenditure | 94,359 | - | - | 94,359 |
| BFIRST funding | 40,000 | - | - | 40,000 |
| Grants, bursaries, awards and prizes | 37,174 | - | - | 37,174 |
| Research grants | 34,140 | - | - | 34,140 |
| Costs of meetings, courses and other events | 404,597 | - | - | 404,597 |
| e-Learning project costs | 2,917 | - | - | 2,917 |
| Public education and communication costs | 77,489 | - | - | 77,489 |
| RCS shared curator | 40,000 | - | - | 40,000 |
| PLASTA contribution | 15,000 | - | - | 15,000 |
| Sponsorship of ECPS | 10,000 | - | - | 10,000 |
| Other direct costs | 593 | - | - | 593 |
| Operating lease rentals, land and buildings: | - | 1,226 | 23,303 | 24,529 |
| Other office costs | - | 3,482 | 66,157 | 69,639 |
| Irrecoverable VAT | - | - | 62,438 | 62,438 |
| Legal and professional fees | - | - | 7,687 | 7,687 |
| Auditor's remuneration: | | | | |
| Audit fees | - | 9,750 | - | 9,750 |
| Accounting and advisory | - | 5,410 | 5,411 | 10,821 |
| Depreciation – owned assets | - | - | 128 | 128 |
| | 771,979 | 35,986 | 471,357 | 1,279,322 |
| Support costs | 471,357 | - | (471,357) | - |
| Governance costs | 35,986 | (35,986) | - | - |
| Total expenditure 2019 | 1,279,322 | - | - | 1,279,322 |

Notes to the financial statements

For the year ended 30 September 2020

5 Net income / (expenditure) for the year

This is stated after charging / (crediting):

| | 2020 | 2019 |
|---------------------------------------------|-------------------|-------------------|
| | £ | £ |
| Depreciation | 96 | 128 |
| Auditor's remuneration (excluding VAT): | | |
| Audit | 9,990 | 9,750 |
| Other services provided by previous auditor | 13,052 | 10,821 |
| | <u> </u> | <u> </u> |

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

| | 2020 | 2019 |
|-----------------------------------|-------------------|-------------------|
| | £ | £ |
| Salaries and wages | 257,017 | 210,895 |
| Social security costs | 21,775 | 32,546 |
| Other pension costs | 31,424 | 38,843 |
| Healthcare provision | 4,848 | 5,718 |
| Temporary staff costs | 13,661 | 23,789 |
| Recruitment and other staff costs | 1,205 | 10,560 |
| | <u> </u> | <u> </u> |
| | <u>329,930</u> | <u>322,351</u> |

No employee earned more than £60,000 during the year (2019: nil).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £223,441 (2019: £195,785).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £11,838 (2019: £19,589) incurred by 8 (2019: 16) members relating to attendance at meetings of the trustees.

The Charity has taken out a charity trustees' indemnity and professional indemnity insurance policy that provides professional indemnity cover for the Trustees of the Charity. The cover provided by the policy is £5 million for any one claim. The cost of this insurance policy to the Charity for the year was £8,424 (2019: £7,590).

The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS)

Notes to the financial statements

For the year ended 30 September 2020

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 12

8 Related party transactions

Joe O'Donoghue is a Trustee of BAPRAS and also works in the capacity of JPRAS Editor. He is remunerated for his work on an annual basis. For 2020 his remuneration was £10,248 (2019: £10,062). There are no outstanding balances with related parties at the reporting date and any provisions for doubtful debts.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

9 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

| | Presidential badge and chain £ | Total £ |
|-------------------------------|-----------------------------------------|------------|
| Cost | | |
| At the start of the year | 7,905 | 7,905 |
| At the end of the year | 7,905 | 7,905 |
| Depreciation | | |
| At the start of the year | 7,523 | 7,523 |
| Charge for the year | 96 | 96 |
| At the end of the year | 7,619 | 7,619 |
| Net book value | | |
| At the end of the year | 286 | 286 |
| At the start of the year | 382 | 382 |

All of the above assets are used for charitable purposes.

The British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS)

Notes to the financial statements

For the year ended 30 September 2020

11 Listed investments

| | 2020 £ | 2019 £ |
|-----------------------------------------------------|-------------------------|-------------------------|
| Fair value at the start of the year | 1,949,395 | 1,900,263 |
| Additions at cost | 78,537 | 75,105 |
| Disposal proceeds | (4,606) | (4,467) |
| Net gain / (loss) on change in fair value | (22,961) | (21,506) |
| | <u>2,000,365</u> | <u>1,949,395</u> |
| Cash held by investment broker pending reinvestment | - | - |
| Fair value at the end of the year | <u><u>2,000,365</u></u> | <u><u>1,949,395</u></u> |

Investments comprise:

| | 2020 £ | 2019 £ |
|----------------------------|------------------|------------------|
| UK Common investment funds | 2,000,365 | 1,949,395 |
| Cash | - | - |
| | <u>2,000,365</u> | <u>1,949,395</u> |

12 Debtors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|--------------------------------|---------------|----------------|
| Trade debtors | 9,888 | 2,686 |
| Other debtors | 45,813 | 25,751 |
| Prepayments and accrued income | 43,345 | 193,067 |
| | <u>99,046</u> | <u>221,504</u> |

13 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------|----------------|----------------|
| Trade creditors | 55,981 | 79,857 |
| Taxation and social security | 45,057 | 11,552 |
| Other creditors | - | 7,716 |
| Accruals | 22,460 | 73,888 |
| Deferred income (note 21) | 185,247 | 96,199 |
| | <u>308,745</u> | <u>269,212</u> |

Notes to the financial statements

For the year ended 30 September 2020

14 Deferred income

Deferred income comprises income received in advance of events and royalty income that relates to the next reporting period.

| | 2020 £ | 2019 £ |
|---------------------------------------|----------------|---------------|
| Balance at the beginning of the year | 96,199 | 40,206 |
| Amount released to income in the year | (96,199) | (40,206) |
| Amount deferred in the year | 185,247 | 96,199 |
| Balance at the end of the year | <u>185,247</u> | <u>96,199</u> |

15a Analysis of net assets between funds (current year)

| | General unrestricted £ | Restricted £ | Total funds £ |
|----------------------------------------|------------------------------|-----------------|-------------------------|
| Tangible fixed assets | 286 | – | 286 |
| Investments | 2,000,365 | – | 2,000,365 |
| Net current assets | 167,245 | – | 167,245 |
| Net assets at 30 September 2020 | <u>2,167,896</u> | <u>–</u> | <u>2,167,896</u> |

15b Analysis of net assets between funds (prior year)

| | General unrestricted £ | Restricted £ | Total funds £ |
|----------------------------------------|------------------------------|-----------------|-------------------------|
| Tangible fixed assets | 382 | – | 382 |
| Investments | 1,949,395 | – | 1,949,395 |
| Net current assets | 266,602 | – | 266,602 |
| Net assets at 30 September 2019 | <u>2,216,379</u> | <u>–</u> | <u>2,216,379</u> |

Notes to the financial statements

For the year ended 30 September 2020

16a Movements in funds (current year)

| | At 1 October 2019 £ | Income & gains £ | Expenditure & losses £ | Transfers £ | At 30 September 2020 £ |
|---------------------------------|------------------------------|------------------------|------------------------------|----------------|---------------------------------|
| Restricted funds: | | | | | |
| e-Learning Fund | - | 3,750 | (5,792) | 2,042 | - |
| Total restricted funds | - | 3,750 | (5,792) | 2,042 | - |
| Unrestricted funds: | | | | | |
| General fund | 2,216,379 | 1,053,774 | (1,100,215) | (2,042) | 2,167,896 |
| Total unrestricted funds | 2,216,379 | 1,053,774 | (1,100,215) | (2,042) | 2,167,896 |
| Total funds | 2,216,379 | 1,057,524 | (1,106,007) | - | 2,167,896 |

The narrative to explain the purpose of each fund is given at the foot of the note below.

16b Movements in funds (prior year)

| | At 1 October 2018 £ | Income & gains £ | Expenditure & losses £ | Transfers £ | At 1 October 2019 £ |
|---------------------------------|------------------------------|------------------------|------------------------------|----------------|---------------------------|
| Restricted funds: | | | | | |
| e-Learning Fund | - | 2,500 | (2,917) | 417 | - |
| Total restricted funds | - | 2,500 | (2,917) | 417 | - |
| Unrestricted funds: | | | | | |
| General Fund | 2,277,528 | 1,241,179 | (1,297,911) | (417) | 2,216,379 |
| Total unrestricted funds | 2,277,528 | 1,241,179 | (1,297,911) | (417) | 2,216,379 |
| Total funds | 2,277,528 | 1,243,679 | (1,300,828) | - | 2,216,379 |

Purposes of restricted funds

The e-Learning Fund was set up in 2008/2009 following the receipt of funding from the Department of Health to cover the costs incurred by the Charity in working in partnership with the Department of Health on its e-Learning for Healthcare programme. For 2020, the Charity funded £2,042 (2019: £417) of this expenditure itself by a transfer from the General Fund.

17 Pension Commitments

General description of the pension scheme

The Charity is a participating employer in the Superannuation Arrangements of the University of London ("SAUL"), which is a centralised, funded, defined benefit scheme within the United Kingdom and is contracted-out of the Second State Pension (prior to April 2016). SAUL is an independently-managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on a Career Average Revalued Earnings ("CARE") basis. Following a consultation with Members, the SAUL Final Salary Section closed from the 31 March 2016 and all Members now build up benefits on a CARE basis.

The Charity is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Funding policy

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred in paying SAUL's benefits as they fall due (the "Technical Provisions"). SAUL adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments, which arise from Members' accrued pension rights, to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2017. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

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 £3,205 million representing 102% of the liabilities for benefits accrued up to 31 March 2017.

The cost of future benefits being built up is 28.7% of Members' salaries compared to a combined contribution from Members and Employers of 22%. This means the shortfall, known as a 'contribution strain' has increased to 6.7%, however in view of the surplus identified as at 31 March 2017, no further changes to benefits or contributions are currently proposed.

18 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

| | Property 2020 £ | 2019 £ |
|--------------------|-----------------------|----------------|
| Less than one year | 15,630 | 7,040 |
| One to five years | 96,876 | 112,506 |
| | <u>112,506</u> | <u>119,546</u> |

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.