

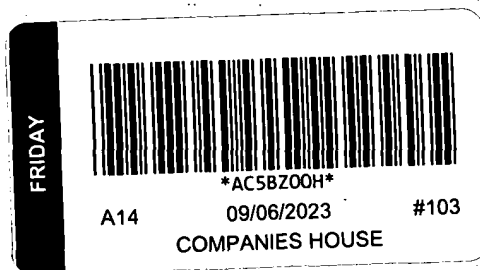
British Dental Association

Report and Financial Statements

Year Ended

30 September 2022

Company Number 14161



British Dental Association

Report and financial statements for the year ended 30 September 2022

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British Dental Association

Report of the Chair of the Principal Executive Committee for the year ended 30 September 2022

Report of the Chair of the Principal Executive Committee

From a financial perspective, 2021/22 was a further year of recovery for the Association. The COVID pandemic initially hit our finances hard, but we have managed our resources carefully and have seen a return to net surpluses for the past two years. This has again largely been achieved via control on our expenditure, enabling us to end the year in a relatively healthy financial position.

However, that financial stability can only take us so far. Membership remains our lifeblood and serving and supporting members our absolute focus. It is therefore disappointing that we have seen a decline in membership numbers during the year. We are determined to do what we can to rectify that trend and in 2023, we will again strive to represent the profession and to persuade dentists and students that there is value in British Dental Association (BDA) membership. We introduced a new three-year strategy in 2022, with a review of our approach to membership as the central theme. We will kick off that work looking at how we best serve students and younger members of the profession.

We have continued to work tirelessly to represent members both on a collective and individual basis, and I am proud of the job done by our elected representatives and staff across the four countries of the UK. Across the year, we have promoted the interests and articulated the views of the profession across a wide range of issues, whether working in NHS, private or mixed practice.

In many respects, our voice has never been louder on behalf of the profession. Our profile across broadcast, print and online media remains extremely strong, and we have spoken and worked with parliamentarians across all nations and parties. That effort helped to deliver nine Westminster debates, more than in any year in living memory. During the year, we partnered with the BBC on in-depth research into access to NHS dentistry, as well working with ITV and numerous other news outlets on diverse issues ranging from the use of dental x-rays for validating the age of migrants to the impact of dental tourism.

The over-riding theme with the dental sector across the year has been a continuing shift away from NHS to private provision. There are many reasons for this, not least disillusionment with NHS frameworks in all four nations. Whether that pattern continues in the face of a likely recession remains to be seen, but it is imperative that we are able to offer full support and advice for members whatever their mix of provision. We will continue to argue the case for the best possible NHS systems, both for patients and the profession, whilst also supporting those focused on private dentistry. These are themes that are also rightly reflected in our future strategy for the next three years. I look forward to the challenge of tackling these issues and making sure that we continue to develop the best possible offer for members.



E Crouch

Chair of Principal Executive Committee

British Dental Association

**Directors and professional advisors
for the year ended 30 September 2022**

Directors and Advisors

The following held office during the year:

M Armstrong
P Blaylock
V Chan
E Crouch, Chair of the Principal Executive Committee
P Crooks
L Cross
T Harker
L Harrhy (Resigned 31 December 2022)
S Ilyas (Resigned 31 December 2022)
N Jones (Resigned 31 December 2021)
J Edwards
A Lockyer
C Morris
J Mynors-Wallis (Appointed 01 Jan 2022)
J Stokes
P Woodhouse
N Patel (Appointed 01 Jan 2023)
S John (Appointed 01 Jan 2023)

Bankers

National Westminster Bank plc, 1 Cavendish Square, London, W1A 4NU

Auditors

BDO LLP, 55 Baker Street, Marylebone, London, W1U 7EU

Secretary and registered office

Martin Woodrow, 64 Wimpole Street, London, W1G 8YS

Company number

14161

British Dental Association

Directors' report for the year ended 30 September 2022

The directors present their report together with the audited financial statements of the group for the year ended 30 September 2022.

Constitution

The British Dental Association ("BDA") is a Special Register Body as defined under s.84 of the Industrial Relations Act 1971. As such it is both a registered trade union and company limited by guarantee, registered in England and Wales.

British Dental Association Trust Fund

The British Dental Association Trust Fund ("The Trust"), which is limited by guarantee (company number 849283) and therefore governed by its Memorandum and Articles of Association, is also a registered charity (charity number 313407).

The British Dental Association Trust Fund is an incorporated charity which is limited by guarantee with a year end of 30 September 2022. The objects of the charity are:

- a) To promote, encourage and advance the study and practice of dentistry and allied sciences.
- b) To advance education in connection with dentistry and allied sciences.
- c) To promote dental health and to further dental health education.
- d) To attain the above-mentioned objects by any of the following among other means:
 - i. The execution and discharge or the assistance in the execution and discharge (as far as it shall be lawful) of any educational or other charitable function of the British Dental Association.
 - ii. The provision and/or maintenance and improvement of a library and museum or libraries and museums.

The Trust Fund is largely funded by the Association and is considered to be under common control. As a result the Directors of British Dental Association are of the opinion that in accordance with section 9.4 of FRS 102 the Trust should be considered to be a subsidiary of the British Dental Association.

Basis of consolidation

The consolidated accounts of the group incorporate the accounts of the BDA and its subsidiary undertaking, the British Dental Association Trust Fund, which is a registered charity. The results of the charity are consolidated on a line by line basis within the consolidated income and expenditure account using those categories that best reflect the activities of the charity. Separate financial statements for The Trust are available from its registered office and the Charity Commission and present a separate Statement of Financial Activities ('SOFA') for the charity and other disclosures as set out by Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities (FRS102), effective 1 January 2019.

Principal activity

The BDA is a professional association and trade union providing professional and legal support to dentists in all working environments through advice, representation, events, publications, and policy making.

Membership

Membership numbers at the end of the financial year totalled 14,700 qualified members (2021 – 15,391). Student numbers totalled 998 (2021 - 1,269).

Fixed assets

Details of movements in fixed assets are set out in the notes to the accounts.

The directors recognise that the market value of the long leasehold property is materially higher than the historical cost value stated in the accounts.

British Dental Association

Directors' report for the year ended 30 September 2022 (*continued*)

Future developments

The Board introduced a new three-year corporate strategy from October 2022. It has six core themes around: supporting members working in private dentistry; influencing reform of NHS contracts; the BDA's membership offer; working across the dental team; how we work as an organisation; and the BDA website.

The BDA's membership offer is a central theme that inter-relates to many of the other work streams. It is nine years since the Association introduced the current tiered membership structure and the Board believes it is time to consider our approach. That work will begin with a look at the offer for students and early career dentists.

An ongoing impact of the pandemic has been how the BDA operates and conducts its business. Like many organisations, the Association has implemented home-based working to support its members effectively. As part of the next strategy, we will continue to assess our working practices and how we use our workspaces to get the full benefits of a dispersed workforce and representative structure. Of some significance, that includes reviewing how we use our Wimpole Street building.

The pandemic also demonstrated how important the BDA's website is as a mechanism for interaction and engagement with members. The Association will launch a new website during the next financial year. The website development is an important undertaking, underpinning many parts of the BDA's offering. Work has been ongoing for some time, with the biggest remaining challenge being integration of externally provided systems with the new site.

Pension deficit

The interim actuarial valuation of the defined benefit scheme as of 30 September 2022, based on the principles of chapter 28 of FRS 102 reveals a deficit of £817,631 (2021 - deficit of £3,179,208). Details are set out in *Note 20* to the accounts. Due to the significant increase in the scheme's deficit in recent years, the Association has granted the trustees of the fund security over 64 Wimpole Street. To eliminate the funding shortfall, the trustees and the BDA have agreed monthly contributions totalling £40,351 will be paid to the scheme. This will increase annually at a rate of 3.70% on and from 1 April 2023.

Statement required by the Trade Union and Labour Relations (Consolidation) Act 1992

A member who is concerned that some irregularity may be occurring, or has occurred, in the conduct of the union may take steps with a view to investigating further, obtaining clarification and if necessary, securing regularisation of that conduct.

The member may raise any such concern with one or more of the following as it seems appropriate to raise it with: the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police.

Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of the rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he should consider obtaining independent legal advice.

Directors

The directors who served during the year are as stated on Page 2.

British Dental Association

Directors' report for the year ended 30 September 2022 (*continued*)

Governance

The Association has one decision making body, the Principal Executive Committee (PEC) who are directly elected by members, and set the policy and strategic direction of the BDA. The PEC receives advice and opinion from advisory committees to help it in its role. These committees will usually deal with detailed policy analysis and proposals. Some advisory committees (referred to as 'craft committees') are also elected to represent particular parts of the profession, as well as provide advice. Committees can therefore be purely advisory, or advisory and representative.

The Association has in place an audit committee to ensure that the interests of members are properly protected in relation to financial reporting and internal control. Members are able to raise any issues of concern to Tim Harker, the Chair of the Audit Committee.

To further strengthen the governance and democratic representation of the Association there is a Scrutiny Committee, made up of elected members of the Association's UK Council. This has the following remit:

- to support the Principal Executive Committee (PEC) in undertaking its obligation to deliver a report and financial statements to the United Kingdom Council, by identifying and prioritising issues for discussion through early consideration of the report with senior officers and staff;
- to consider, comment, and make recommendations where appropriate, on the quality and content of reporting by the PEC to the country councils and representative structure;
- to offer, or provide when requested, commentary and advice to the Audit Committee on any issues and activities within the Audit Committee's remit;
- to provide a forum for review of any issue within the UK Council's remit, and referred to it by the UK Council;
- to provide a forum for review of any issue jointly referred to it by the UK Council and PEC; and
- to provide regular reports to the UK Council, including recommendations for action as appropriate.

Charitable and political contributions

During the year, the BDA contributed £768,552 (2021 - £470,000) to the BDA Trust Fund. There were no political contributions during the year (2021 - £Nil).

Financial instruments

Liquidity risk

Liquidity risk arises from the Association's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Association will have difficulty meeting its financial obligations as they fall due. The directors of the Association receive a 12-month cash flow projection during the budget setting process as well as a cash flow statement in the monthly management accounts pack. The cash flow projection is updated to reflect changes in operational activities as part of the Association's quarterly forecasting systems. At the end of the financial year, these projections indicate that the Association should have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

British Dental Association

Directors' report for the year ended 30 September 2022 (continued)

Financial instruments (continued)

Market risk

The Association is mainly exposed to market risk from the investment portfolio held within the Shirley Glasstone Hughes restricted fund of The BDA Trust Fund. The Covid-19 pandemic posed a major risk to markets, but there are other sources of potential volatility. Brexit, followed by war in Ukraine, and domestic political instability, has caused turmoil in financial and currency markets. The trustees are drawing down the value of the fund over the medium term and have accepted that investments can fluctuate in value. The portfolio which is held by Barclays is reviewed annually by the trustees with the policy adjusted to ensure sufficient funds are available to meet short term commitments.

Cash flow interest rate risk

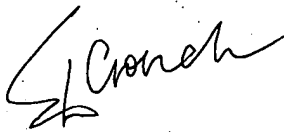
The Association is exposed to cash flow interest rate risk from its long-term borrowings. Interest is chargeable at 1.05%- 2.62% over the Bank of England base rate. Should the base rate increase, higher interest charges will be partly offset by an increase in interest received from the Association's deposit account which is also linked to the base rate.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

This report was approved by the directors on 16/03/2023 and signed on its behalf by,



E Crouch
Chair of Principal Executive Committee

British Dental Association

Strategic report for the year ended 30 September 2022

Business review

The group's net surplus before taxation for the year was £854,378 (2021 – £963,322).

Over the past year, we have experienced a continuing decline in membership numbers. Whilst disappointing, this was, in part, expected following the unusual increase in membership during the pandemic. As working lives have resumed post-pandemic, those joining for specific support at this time have subsequently decided not to remain in membership. With the increasing financial pressures on practices and members as inflation rises, this also sadly leaves some members in a position where they are unable to continue their support. From September 2022 Student membership numbers are starting to boost as dental school visits have resumed. Our Student membership numbers have been significantly impacted since early 2020 when dental school visits ceased. Now that dental school visits have resumed, this has enabled us to reconnect with this cohort and better explain the benefits of membership.

The BDJ Portfolio has continued to experience some ongoing effects from the COVID-19 pandemic. After a strong peak in 2020, submissions have declined across the portfolio in 2021-2022, yet they remain above pre-pandemic levels. The volume of published content has returned to growth in 2022, supported through a diverse commissioning strategy. Display advertising revenues experienced recovery this year due to increased confidence in the market, whereas classified sales have faced challenges due to disruption in the recruitment sector.

The Portfolio has continued to benefit from Springer Nature's leadership position in scientific publishing and open research. The Association's journals are well placed to navigate the ongoing transition to open science, through the roll-out of Springer Nature's 'Transformative Agreements' which combine subscription and open access publishing options. Since 2020, the BDJ has experienced a notable uplift in Open Access publications, supported by the BDJ's inclusion in the Transformative Agreement that covers the UK. Alongside this growth, value for members and subscribers is being reinforced through the introduction of a new subscription-only section in the journal, called BDJ Perspectives. From 2023, Evidence-Based Dentistry will move from a subscription to a hybrid publishing model, meaning it will also offer an Open Access publishing option, further supporting both Open Access revenues and the transition to open science.

BDA Indemnity have continued to grow at the steady rate we have expected and with those increased numbers there has been the expected rise in casework. This has largely been in supporting members with patient complaints but also claims and GDC (General Dental Council) investigations.

During this financial year, we have responded to the existential risk of claims being made by enterprising lawyers against limited companies owned by dentists by providing a policy extension covering entities for those BDA policyholders who requested it. This was conceived to help smaller entities and we have plugged this gap for those who felt they required it. We have had a good response to the launch of this product which provides an income to the BDA by way of a service charge necessary to support policyholders claim if they arise.

In addition to that, RSA carried out an audit of the management of our delegated authority to handle claims ourselves below a certain threshold towards the end of the financial years and we await the outcome of that.

British Dental Association

Strategic report for the year ended 30 September 2022 (continued)

Business review (continued)

An ongoing impact of the pandemic brought unprecedented challenges to defined benefit pension schemes. Market volatility has impacted the funding position of some schemes, creating uncertainty for both asset and liability projections and fluctuating cash demands. As a result, last year saw a significant rise in the scheme's deficit with some recovery over the last twelve months, alongside a rise in the value of corporate bonds placing a lower value on the liabilities. The Association discussed the possibility of the fund taking a security over 64 Wimpole Street in order to strengthen the employer covenant, with agreement being reached in November. The Association will continue to work alongside the fund's trustees to effectively balance its responsibilities, as employer and sole funder of the scheme, and its responsibilities to its members and other stakeholders as a going concern.

The ongoing pandemic continued to be challenging for face-to-face events this year, however, a centrally organised Our weekly webinar series attracted the level of sponsorship expected and we also saw £13,000 of income coming from non-member webinar bookings. Member access to webinars is free and feedback is consistently positive. The IRMER update event continued to perform well when run virtually, and uptake for our small-group but high priced CBCT masterclass events (held in-person) and hands-on whitening workshops (held virtually) also continued to go from strength to strength. The arrival of a new Covid-19 variant before Christmas did however impact attendance at, and future development of, face-to-face events. Despite having to cancel three seminars due to low take-up in the Spring and not being able to develop two of the seminars initially budgeted for, across the events portfolio a surplus of more than £195,000 was generated. A larger (and so costlier) than anticipated Honours & Awards Celebration event took place in September at a cost of £48,000. This additional cost then reduced the overall bottom line.

Similar challenges for Branches and Sections as central events, attracting people to face-to-face events is a slight of a challenge currently as people get attracted to attending face-to-face events again. And having lots of new local officers means we are not always getting as much lead time as we would like to promote events. Although some local events are now getting good numbers, hence activity is increasing again in this financial year.

Alongside Our DCP (Dental Care Professional) qualification course on Oral Health Education appears to be recovering steadily from the restrictions on practice imposed during the Covid-19 pandemic. The Education team carefully monitor performance of all our qualification courses in FY22/23 to ensure we are matching resources to demand.

Our portfolio of short online 'compliance' courses performed well in FY21/22, and we plan to develop more courses in this area in 2023.

During the year, BDA Conference and Dentistry Show 2022 was the first since 2019 owing to the disruption by the pandemic. Income generated a favourable outcome to the bottom line. The Association receives an annual payment of £50,000 for collaborating. Performance targets associated with the event generated a small additional increase.

Financial performance this year has been encouraging given the ongoing restrictions and economic uncertainty. The Association faces familiar challenges, the need to support members, invest in services and replenish reserves. The BDA looks forward to 2022/23 but understands this will be achieved through financial discipline rather than expecting income. The Association will continue to demonstrate value to existing and potential members as the profession emerges from the pandemic.

British Dental Association

Strategic report for the year ended 30 September 2022 (*continued*)

Key performance indicators

The BDA's main KPI is its membership. At the end of the financial year, total membership stood at 15,698, consisting of 14,700 dentist members and 998 students. The BDA Indemnity has also influenced the change in membership profile, with many dentists upgrading their membership to access the full range of Association services. The student membership numbers are starting to bolster as dental school visits have resumed. Our Student membership numbers have been significantly impacted since early 2020 when dental school visits ceased. Now that dental school visits have resumed, this has enabled us to reconnect with this cohort and better explain the benefits of membership.

Going Concern

The ongoing impact of the coronavirus pandemic has continued to cause a significant deterioration in economic conditions for many businesses, and an increase in economic uncertainty for others. The directors of the Association have considered the potential impact of Covid-19 on its business operations and the extent to which cashflow will be affected. Although some areas of the business have been impacted more than others, the Association has adapted to the new demands placed upon it.

It is no surprise that these unforeseen circumstances have negatively impacted the Association's reserves position. Although the Association continues to operate comfortably our focus will be to replenish them, setting aside a balance to stabilise finances and provide a cushion against unexpected events. An encouraging performance in the 2021/22 financial year is the first step in the Association's recovery.

The directors have also assessed the impact of the financial budgets in place for 2022/23 and beyond, paying attention to changes in demand in the short-to-medium term.

We have seen some stability in the percentage of members opting for the upper packages of membership (Extra and Expert) over the past year. As of 31 October, 13.5% of dentist members reside on the Extra package (+0.35% compared to the previous year) and 20.6% on Expert (+0.75%).

The directors have carried out cashflow projections for next three years to examine and evaluate the impacts of the current economic climate on its activity streams, and in turn, on cashflow. The assumptions incorporated in the cashflow forecast have been updated to ensure it is fit for purpose. The directors appreciate the current economic uncertainty and the possible impacts to business operations. Forecasts have been prepared with a high degree of caution. Despite a reduction in cash during the year, overall cash positions remain positive. With over 48% of membership renewals taking place in June and July, the Association's cash position is strengthened due to advances made by members during this period. In addition, the Association receives two advances (based on forecast) from Springer Nature who manage the BDJ Portfolio. The portfolio is the BDA's second biggest income stream, so the advance payments not only improve cashflow but create a predictive revenue stream which aids planning. When applying sensitivities on membership numbers with a 10% reduction in membership renewals throughout the year and a 4% price increase on membership rates, the predicted cash position increases by £500,000.

2023 will see major changes to the software which underpins our online education services. We believe the new IT capabilities will help us expand our services and foster closer collaboration with other BDA departments.

In addition, the business interruption loans of £1.5m (and a term of six years) was not used since 2020/21. It will underpin the Association's financial recovery and investment in a range of services including the development of the Association's website.

In the opinion of the directors, the Association has enough resources to meet its obligations for the foreseeable future and therefore, the accounts have been prepared on a going concern basis.

British Dental Association

Strategic Report for the year ended 30 September 2022(continued)

Principal risks and uncertainties

Post- pandemic economic recovery will be far from straightforward, and much will depend on the Government's attitude to recovery as against debt. To date the impact of the pandemic on dentistry seems to have merited little concern or reaction from government. With little indication that this attitude will improve the Association will enter the new year with a degree of caution.

Although revenues are stable, assessing the future in such conditions is difficult. The Association will monitor and when appropriate revisit forecasts and strategic goals. The Association will continue adhere to its core principles, serving members, supporting dental teams and representing dentist and patient interests across all four nations.

Over the past two years, business uncertainty has been lifted to unprecedented levels. No organisation will ever be able to fully prepare for events of the magnitude to Covid-19. However, it is important that the Association positions itself to emerge in a stronger, competitive position, when growth returns. The BDA will therefore focus on building its reserves, providing a cushion against unexpected events as well as investing in its services and resources. The recent bank loan presents an opportunity for the organisation to do this, however, the BDA must strike a balance between maintaining financial discipline and investing to thrive in the current market.

Approval

The Strategic report was approved by the directors on 16/03/2023 and signed on its behalf by,



E Crouch
Chair of Principal Executive Committee

British Dental Association

Directors' responsibilities statement for the year ended 30 September 2022

The directors are responsible for preparing the report of the directors, the strategic report, and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the surplus or deficit of the group for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

British Dental Association

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF BRITISH DENTAL ASSOCIATION

Opinion

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 September 2022 and of the Group's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of British Dental Association ("the Parent Company") and its subsidiary ("the Group") for the year ended 30 September 2022 which comprise the consolidated statement of comprehensive income, the consolidated and association statements of changes in reserves, the consolidated and association balance sheets, the consolidated 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

British Dental Association

Independent auditor's report (continued)

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Director's 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors 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 Directors 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 Directors are responsible for assessing the Group's and the Parent 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 Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

British Dental Association

Independent auditor's report (continued)

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Company and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be the UK Companies Act and the Trade Union and Labour Relations (Consolidation) Act 1992. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. In addition the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: relevant tax legislation, Data Protection Act 2018, and the Bribery Act 2010. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence if any.

Audit procedures performed by the engagement team included:

- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- reading minutes of meeting of those charged with governance and reviewing correspondence with HMRC;
- reviewing on a sample basis income transactions recognised in the year to confirm existence and accuracy of the underlying transaction, and for all material income streams performed specific cut-off procedures to ensure income has been recognised in the correct period;
- challenging assumptions made by management in their significant accounting estimates in particular in relation to income recognition and the Company's participation in the Group's defined benefit pension scheme; and
- in addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.


A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

British Dental Association

Independent auditor's report (*continued*)

Use of our report

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

DocuSigned by:

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Gareth M Jones (Senior Statutory Auditor)
For and on behalf of BDO LLP; Statutory Auditor
London, UK

Date: 17 March 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

British Dental Association

Consolidated statement of comprehensive income for the year ended 30 September 2022

	Note	2022 £	2021 £
Income	4	16,170,542	15,529,151
Cost of sales	4	(3,104,070)	(2,947,411)
Net income	4	13,066,472	12,581,740
Meeting and sessional costs		(428,920)	(435,132)
Staff costs and overheads		(11,356,140)	(10,904,520)
Branch expenditure		(65,856)	(116,792)
Surplus on disposal of investments		-	-
Movement from changes in fair value of investments		(73,149)	132,022
Operating surplus	7	1,142,407	1,257,318
Interest receivable		9,449	5,849
Investment income		35,366	32,620
Interest payable and similar charges	8	(52,844)	(11,165)
Other finance charges	9	(280,000)	(321,300)
Surplus before taxation		854,378	963,322
Taxation on surplus	10	-	-
Surplus for the year		854,378	963,322
Actuarial profit on pension scheme		2,166,000	1,431,300
Total comprehensive income for the year		3,020,378	2,394,622

All amounts relate to continuing activities.

The notes on pages 22 to 42 form part of these financial statements.

British Dental Association

Consolidated statement of changes in reserves

Year ended 30 September 2022	Note	Income and expenditure account £	Restricted funds £	Total equity £
1 October 2021		115,664	543,556	659,220
Comprehensive income/expenditure for the year		1,001,061	(146,683)	854,378
Actuarial gain on pension scheme	20	2,166,000	-	2,166,000
Total comprehensive income for the year		3,167,061	(146,683)	3,020,378
30 September 2022		3,282,725	396,873	3,679,598

Year ended 30 September 2021	Note	Income and Expenditure Account £	Restricted funds £	Total equity £
1 October 2020		(2,243,965)	508,563	(1,735,402)
Comprehensive income for the year		928,329	34,993	963,322
Actuarial gain on pension scheme	20	1,431,300	-	1,431,300
Total comprehensive income for the year		2,359,629	34,993	2,394,622
30 September 2021		115,664	543,556	659,220

The notes on pages 22 to 42 form part of these financial statements.

British Dental Association

Association statement of changes in reserves

Year ended 30 September 2022	Note	Income and expenditure account £	Restricted funds £	Total equity £
1 October 2021		(542,998)	-	(542,998)
Comprehensive income for the year		1,001,645	-	1,001,645
Actuarial gain on pension scheme	20	2,166,000	-	2,166,000
Total comprehensive income for the year		3,167,645	-	3,167,645
30 September 2022		2,624,647	-	2,624,647
Year ended 30 September 2021	Note	Income and expenditure account £	Restricted funds £	Total equity £
1 October 2020		(3,160,162)	-	(3,160,162)
Comprehensive income for the year		1,185,864	-	1,185,864
Actuarial gain on pension scheme	20	1,431,300	-	1,431,300
Total comprehensive loss for the year		2,617,164	-	2,617,164
30 September 2021		(542,998)	-	(542,998)

The notes on pages 22 to 42 form part of these financial statements.


British Dental Association

Consolidated balance sheet at 30 September 2022

Company number 14161	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	11		3,240,791		3,067,481
Investments	12		951,491		1,024,639
			<u>4,192,282</u>		<u>4,092,120</u>
Current assets					
Stocks	13	19,219		14,282	
Debtors	14	423,103		613,287	
Cash and cash equivalents		6,138,098		5,521,326	
		<u>6,580,420</u>		<u>6,148,895</u>	
Creditors: amounts falling due within one year	15	(4,682,691)		(4,547,503)	
Net current assets			<u>1,897,729</u>		<u>1,601,392</u>
Total assets less current liabilities			<u>6,090,011</u>		<u>5,693,512</u>
Creditors: amounts falling due after more than one year	16		(1,592,776)		(1,855,084)
Net pension liability	20		(817,637)		(3,179,208)
Net assets			<u>3,679,598</u>		<u>659,220</u>
Reserves					
Income and expenditure account			3,282,725		115,664
Restricted funds			396,873		543,556
			<u>3,679,598</u>		<u>659,220</u>

Included in restricted funds is an amount of £73,149 (2021- £132,022) relating to unrealised loss on the revaluation of fixed asset investments.

The financial statements were approved by the directors and authorised for issue on 16/03/2023.



E Crouch
Chair, Principal Executive Committee

The notes on pages 22 to 42 form part of these financial statements.

British Dental Association

Association balance sheet at 30 September 2022

Company number 14161	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	11		3,164,323		2,992,101
Current assets					
Stocks	13	19,219		14,282	
Debtors	14	1,528,625		1,601,608	
Cash and cash equivalents		5,005,584		4,428,806	
		<u>6,553,428</u>		<u>6,044,696</u>	
Creditors: amounts falling due within one year	15	<u>(4,682,691)</u>		<u>(4,545,503)</u>	
Net current assets			<u>1,870,737</u>		<u>1,499,193</u>
Total assets less current liabilities			<u>5,035,060</u>		<u>4,491,294</u>
Creditors: amounts falling due after more than one year	16		(1,592,776)		(1,855,084)
Net pension liability	20		(817,637)		(3,179,208)
Net Assets/liabilities			<u>2,624,647</u>		<u>(542,998)</u>
Reserves					
Income and expenditure account			<u>2,624,647</u>		<u>(542,998)</u>
			<u>2,624,647</u>		<u>(542,998)</u>

The financial statements were approved by the directors and authorised for issue on 16/03/2023.



E Crouch
Chair, Principal Executive Committee

The notes on pages 22 to 42 form part of these financial statements.

British Dental Association

Consolidated statement of cash flows for the year ended 30 September 2022

	Note	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities	19		1,341,038		572,552
Cash flows from investing activities					
Interest received		9,449		5,849	
Purchase of tangible fixed assets		(453,930)		(127,811)	
Purchase of investments		-		-	
Sale of investments		-		-	
Investment income		35,366		32,620	
Net cash (used in) investing activities			(409,115)		(89,342)
Cash flow from financing activities					
Interest paid		(52,844)		(11,165)	
New bank loans		-		-	
Repayment of bank loan		(262,308)		(48,910)	
Net cash (used in) financing activities			(315,152)		(60,075)
Increase in cash and cash equivalents			616,771		423,135
Cash and cash equivalents at beginning of the year			5,521,326		5,098,191
			6,138,097		5,521,326
Cash and cash equivalents comprise:					
Cash at bank and in hand			6,138,097		5,521,326
Net debt reconciliation	1 October 2021 £	Cash Flows £	Other Non-cash changes £	30 September 2022 £	
Cash and cash equivalents	5,521,326	616,771	-	6,138,097	
Bank and other loans	(2,177,392)	262,308	-	(1,915,084)	
At 30 September 2022	3,343,934	879,079	-	4,223,013	

The notes on pages 22 to 42 form part of these financial statements.

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2022

1 Accounting policies

The British Dental Association is an Association incorporated in England & Wales under the Companies Act. The address of the registered office is given on the Directors and professional advisors page and the nature of the group's operations and its principal activities are set out in Director's report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent Association, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no cash flow statement has been presented for the parent Association;
- disclosures in respect of related party transactions with the wholly owned members of the group headed by the parent Association;
- disclosures in respect of the parent Association's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent Association as their remuneration is included in the totals for the group as a whole.

The following principal accounting policies have been applied:

Consolidated financial statements

The British Dental Association Trust Fund is an incorporated charity which is limited by guarantee with a year-end of 30 September. It is largely funded by the British Dental Association and is considered to be under common control. As a result the Directors of British Dental Association are of the opinion that in accordance with section 9.4 of FRS 102 the Trust should be considered to be a subsidiary of the British Dental Association.

The consolidated accounts of the group incorporate the accounts of the BDA and its subsidiary undertaking, the British Dental Association Trust Fund, which is a registered charity. The results of the charity are consolidated on a line by line basis within the consolidated income and expenditure account using those categories that best reflect the activities of the charity. Separate financial statements for The Trust are available from its registered office and the Charity Commission and present a separate Statement of Financial Activities ('SOFA') for the charity and other disclosures as set out by Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities (FRS 102).

Going concern

The ongoing impact of the coronavirus pandemic has continued to cause a significant deterioration in economic conditions for many businesses, and an increase in economic uncertainty for others. The directors of the Association have considered the potential impact of Covid-19 on its business operations and the extent to which cashflow will be affected. Although some areas of the business have been impacted more than others, the Association has adapted to the new demands placed upon it.

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2022 (continued)

1 Accounting policies (continued)

Going concern (continued)

It is no surprise that these unforeseen circumstances have negatively impacted the Association's reserves position.

Although the Association continues to operate comfortably, our focus will be to replenish them, setting aside a balance to stabilise finances and provide a cushion against unexpected events. An encouraging performance in the 2021/22 financial year is the first step in the Association's recovery.

The directors have also assessed the impact of the financial budgets in place for 2022/23 and beyond, paying attention to changes in demand in the short-to-medium term.

We have seen some stability in the percentage of members opting for the upper packages of membership (Extra and Expert) over the past year. As of 31 October, 13.5% of dentist members reside on the Extra package (+0.35% compared to the previous year) and 20.6% on Expert (+0.75%).

The directors have carried out cashflow projections for next three years to examine and evaluate the impacts of the current economic climate on its activity streams, and in turn, on cashflow. The assumptions incorporated in the cashflow forecast have been updated to ensure it is fit for purpose. The directors appreciate the current economic uncertainty and the possible impacts to business operations. Forecasts have been prepared with a high degree of caution. Despite a reduction in cash during the year, overall cash positions remain positive. With over 48% of membership renewals taking place in June and July, the Association's cash position is strengthened due to advances made by members during this period. In addition, the Association receives two advances (based on forecast) from Springer Nature who manage the BDJ Portfolio. The portfolio is the BDA's second biggest income stream, so the advance payments not only improve cashflow but create a predictive revenue stream which aids planning. When applying sensitivities on membership numbers with a 10% reduction in membership renewals throughout the year and a 4% price increase on membership rates, the predicted cash position increases by £500,000.

2023 will see major changes to the software which underpins our online education services. We believe the new IT capabilities will help us expand our services and foster closer collaboration with other BDA departments.

In addition, the business interruption loans of £1.5m was not used since 2020/21. It will underpin the Association's financial recovery and investment in a range of services including the development of the Association's website.

In the opinion of the directors, the Association has enough resources to meet its obligations for the foreseeable future and therefore, the accounts have been prepared on a going concern basis.

Income

Income represents membership subscriptions, publications, training, accreditation, conferences and sales of books and products. Sales to outside customers are at invoiced amounts less value added tax.

All income is accounted for when receivable subject to the deferral of subscriptions received in advance. Subscriptions received in advance is recognised over the period of membership.

BDA indemnity fee consists of two elements, RSA Professional Liability Insurance Premiums and also a BDA Advisory, Case Management, and Indemnity Support subscription. Indemnity premiums collected on behalf of RSA are not recognised in the profit and loss. BDA Indemnity subscription fees received in advance are recognised over the period of the indemnity policy.

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2022 (*continued*)

1 Accounting policies (*continued*)

Income (continued)

Investment income, which is shown with its related tax credit, is accounted for in the period in which the Trust is entitled to receipt, any income not yet received is accrued. Realised and unrealised gains and losses on investments are included in the consolidated statement of comprehensive income.

Likewise, donations and library and museum income are accounted for when receivable.

Grants and awards

Grants payable are charged in the year in which all conditions attached to payment of the grant are fulfilled.

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the consolidated statement of comprehensive income.

Tangible fixed asset

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Long leasehold buildings	-	Shorter of the remaining lease term and straight line over 50 years
IT Systems	-	straight line between 3 and 10 years
Fixtures and fittings	-	straight line between 4 and 5 years
BDA Indemnity	-	straight line between 3 and 7 years

Deferred taxation

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent timing differences. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2022 (*continued*)

1 Accounting policies (*continued*)

Fixed assets - Heritage assets

The Association's subsidiary, the British Dental Association Trust Fund, maintains a collection of museum exhibits purchased or donated to the charity many years ago.

In accordance with Financial Reporting Standard 102, the Trust Fund's collection of museum exhibits and other major items are recorded on the balance sheet at deemed cost and as a result are not subject to subsequent revaluation.

Acquisitions are normally made by donation with occasional purchases. Donations are recorded at a current market valuation with reference, where possible, to commercial markets using recent transaction information from auctions. Recent purchases are recorded at cost.

Expenditure which in the Directors' view is required to preserve or prevent further deterioration of individual items, including preservation work, is recognised in the consolidated statement of comprehensive income when it is incurred.

Fixed asset investments

Fixed asset investments are stated at market value (based on bid market values) as at the balance sheet date.

Financial assets

Financial assets, other than investment, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Finance costs

Finance costs are charged to the consolidated statement of comprehensive income over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated financial instrument.

Leased assets: Lessee

All leases' agreements are treated as operating leases. Their annual rentals are charged to the consolidated statement of comprehensive income on a straight-line basis over the term of the lease.

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2022 (*continued*)

1 Accounting policies (*continued*)

Pension costs

The difference between the fair value of the assets held in the Association's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the group and Association balance sheet as a pension asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the Association is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. The pension scheme balance is recognised net of any related deferred tax balance.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the Association are charged to the consolidated statement of comprehensive income or the consolidated statement of changes in reserves in accordance with FRS102.

Contributions to the group's defined contribution pension scheme are charged to profit or loss in the year in which they become payable.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2022 (*continued*)

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Other key sources of estimation uncertainty

Tangible fixed assets (see note 11)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The useful lives of the assets are assessed annually.

Investments (see notes 12)

The group's investment portfolio is managed by Barclays Wealth, a division of Barclays Bank plc. The most critical estimates, assumptions and judgements relate to the determination of carrying value of the investments. The listed investments are valued at the quoted bid price at the reporting date. Gains or losses upon sales of investment assets as well as unrealised movements due to changes in the carrying value of the investments are recognised in the statement of comprehensive income.

Income Recognition

Revenue should be recognised when delivery has occurred or when services have been rendered. This means subscriptions paid in advance must be recognised over the duration of the membership period on a straight line basis. Given the Association operates a rolling membership year with members offered several payment options, an element of uncertainty exists in relation to the profiling of subscription income. Internal financial controls have been set up not only to prevent the loss of income but to gain assurance that income is recognised in the correct period. A detailed analytical review is performed on a monthly basis to ensure the data entered on the Association's CRM database reconciles with the financial ledger.

Pension scheme deficit

The fall in the scheme's FRS 102 deficit over the year is a combination of several factors. Assets performing better than anticipated which has reduced the deficit by £2,361,572. In addition, the rise in corporate bonds over the period has led to a higher discount rate, which in turn places a lower value on the liabilities.

Although FRS 102 can be viewed as being fairly prescriptive about the principles to be used, there are still a number of assumptions that could be considered acceptable under the standard. Even small alterations, for example to the discount rate, can have a significant effect of the results.

Journal Portfolio

Changes in the accounting and reporting arrangements for the BDJ portfolio has meant that only headline figures are available. Whilst there may be some uncertainty in the reports as both organisations marry forecast to actual performance, prudent figures have been incorporated in the accounts. Finalised figures will be available during the course of 2023.

3 Turnover

Turnover is wholly attributable to the principal activity of the group and arises solely within the United Kingdom.

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2022 (continued)

4 Net income

	2022 Income £	2022 Costs £	2022 Net £	2021 Income £	2021 Costs £	2021 Net £
Subscriptions	9,852,722	-	9,852,722	9,824,201	-	9,824,201
Commercial activity	6,308,774	(3,104,070)	3,204,704	5,543,169	(2,947,411)	2,595,758
Charitable activities	9,046	-	9,046	1,785	-	1,785
Other Income	-	-	-	159,996	-	159,996
	<u>16,170,542</u>	<u>(3,104,070)</u>	<u>13,066,472</u>	<u>15,529,151</u>	<u>(2,947,411)</u>	<u>12,581,740</u>

5 Employees

	2022 £	2021 £
Staff costs consist of:		
Wages and salaries	6,709,011	6,705,539
Social security costs	729,978	707,800
Other pension costs	977,432	949,731
	<u>8,416,421</u>	<u>8,363,070</u>

The total value of termination benefits paid during the year was £12,401.25 (2021 - £45,187).

The average number of employees (excluding members of the Principal Executive Committee) during the year was as follows:

	2022 Number	2021 Number
Senior management team	3	3
Member services directorate	81	86
Business services directorate	59	52
	<u>143</u>	<u>141</u>

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2022 (continued)

5 Employees (continued)

All staff costs are initially borne by the Association with an annual recharge made to the Trust Fund to reflect the cost associated with its activities. Those costs solely in relation to the Association are:

	2022 £	2021 £
Staff costs consist of:		
Wages and salaries	6,489,197	6,488,204
Social security costs	705,014	684,141
Other pension costs	937,092	911,187
	<u>8,131,303</u>	<u>8,083,532</u>

The key management personnel of the parent association and the subsidiary charity comprise the Senior Management Team. The Senior Management Team comprises Chief Executive, Acting Chief Operating Officer and Associate Director of Advisory Services.

The total employee benefits of the key management personnel during the year was £398,107 (2021 - £384,888).

The average number of staff paid during the year (salary and taxable benefits excluding pension contributions) was as follows:

Salary range	2022 Number	2021 Number
£60,001 - £70,000	10	14
£70,001 - £80,000	6	3
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£110,001 - £120,000	1	1
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-
£160,001 - £170,000	1	1
	<u>21</u>	<u>22</u>

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2022 (continued)

6 Directors

	2022 £	2021 £
Directors' remuneration consists of:		
Stipend payments	330,000	323,077

There were no (2021 - Nil) directors in the company who were salaried, full-time executive directors during the year.

There were no (2021 - Nil) directors in the company's defined benefit pension scheme during the year.

The Association remunerates elected members who work in general practice for attendance at BDA meetings. A monthly stipend is paid to those Directors elected to the Principal Executive Committee.

Elected members not attending Principal Executive Committee are paid on a sessional basis as a compensation for income foregone as a result of attendance.

In 2022 remuneration totalled £330,000 (2021 - £323,077).

The total amount payable to the highest paid director in respect of emoluments was £75,000 (2021 - £75,000).

Remuneration to non-executive directors	2022 £	2021 £
Michael Armstrong	15,000	15,000
Paul Blaylock	15,000	15,000
Mark Bishop (resigned 31 December 2020)	-	3,750
Victor Chan	15,000	15,000
Edward Crouch	75,000	75,000
Peter Crooks	37,500	37,500
Laura Cross	15,000	15,000
Tim Harker	15,000	15,000
Shareena Ilyas	37,500	37,500
Nigel Jones (resigned 31 December 2021)	3,750	15,000
Anthony Kilcoyne (resigned 22 June 2020)	-	4,154
Alison Lockyer	15,000	15,000
Jason Stokes	15,000	15,000
Paul Woodhouse	15,000	15,000
John Edwards	15,000	15,000
Lauren Harry	15,000	12,615
Chris Morris	15,000	2,558
Jonathan Mynors-Wallis (appointed 01 January 2022)	11,250	-

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2022 (continued)

7	Operating surplus	2022	2021
		£	£
	This has been arrived at after charging:		
	Depreciation	288,616	351,673
	Hire of other assets - operating leases	42,500	42,500
	Auditors' remuneration:		
	- audit services	27,280	21,516
	- non audit services (tax compliance)	5,058	4,961
		<hr/>	<hr/>
8	Interest payable and similar charges	2022	2021
		£	£
	Bank loans (repayable within four years)	52,844	11,165
		<hr/>	<hr/>
9	Other financial charges	2022	2021
		£	£
	Interest on pension scheme assets	(496,000)	(365,000)
	Pension administration cost	220,000	249,000
	Interest on pension scheme liabilities	556,000	437,000
	Past service costs	-	300
		<hr/>	<hr/>
		280,000	321,300
		<hr/>	<hr/>

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2022 (*continued*)

10 Taxation on surplus

	2022 £	2021 £
<i>Current tax</i>		
UK corporation tax on surplus for the year	-	-

The tax assessed for the year is lower (2021 – lower) than the standard rate of corporation tax in the UK. The differences are explained below:

	2022 £	2021 £
Surplus on ordinary activities before tax	854,378	963,322
Surplus on ordinary activities at the standard rate of corporation tax in the UK of 19% (2020 - 19%)	162,332	183,031
Effects of: Surplus not chargeable to corporation tax	(162,332)	(183,031)
Current tax charge for year	-	-

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2022 (*continued*)

11 Tangible assets

Consolidated	Long leasehold properties £	Office fixtures and fittings £	Heritage assets £	IT equipment £	Project Costs £	Total £
<i>Cost or valuation</i>						
At 1 October 2021	4,550,605	679,404	60,000	2,033,672	525,989	7,849,669
Additions	62,970	9,182	-	381,776	-	453,930
Disposals	(23,782)	(43,772)	-	(202,341)	-	(269,895)
At 30 September 2022	4,589,793	644,814	60,000	2,213,107	525,988	8,033,702
<i>Accumulated depreciation</i>						
At 1 October 2021	1,920,823	663,326	-	1,823,061	374,978	4,782,188
On disposals	(31,782)	(43,772)	-	(202,341)	-	(277,895)
Charge for the year	91,012	8,093	-	78,531	110,980	288,616
At 30 September 2022	1,980,053	627,648	-	1,699,250	485,958	4,792,911
<i>Net book value</i>						
At 30 September 2022	2,609,740	17,166	60,000	513,857	40,030	3,240,791
At 30 September 2021	2,629,781	16,078	60,000	210,611	151,010	3,067,481

In accordance with Financial Reporting Standard 102, the Association's subsidiary's collection of museum exhibits and other major items are recorded on the balance sheet at cost. The majority of these items were purchased or donated to the charity many years ago and as a result in the view of the directors the historic cost of these assets is immaterial to the Association.

The exhibits were valued for insurance purposes at £559,450 by Lyon & Turnbull, 33 Broughton Place, Edinburgh, EH1 3RR in December 2008.

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2022 (*continued*)

11 Tangible assets (*continued*)

Association	Long leasehold properties £	Office fixtures and Fittings £	IT equipment £	Project Costs £	Total £
<i>Cost or valuation</i>					
At 1 October 2021	4,550,605	239,278	2,033,670	525,988	7,349,541
Additions	62,970	-	381,776	-	444,746
Disposals	(23,782)	(43,772)	(202,341)	-	(269,895)
At 30 September 2022	4,589,793	195,506	2,213,105	525,988	7,524,392
<i>Accumulated depreciation</i>					
At 1 October 2021	1,920,823	238,579	1,823,061	374,977	4,357,440
Disposals	(31,782)	(43,772)	(202,341)	-	(277,895)
Charge for year	91,012	-	78,531	110,980	280,523
At 30 September 2022	1,980,053	194,807	1,699,250	485,957	4,360,069
<i>Net book value</i>					
At 30 September 2022	2,609,740	699	513,855	40,031	3,164,323
At 30 September 2021	2,629,782	699	210,609	151,011	2,992,101

12 Fixed asset investments

Consolidated	2022 £	2021 £
<i>Quoted investments</i>		
At 1 October	1,024,639	892,617
Additions	-	-
Disposals	-	-
Unrealised losses	(73,148)	-
Unrealised gains	-	132,022
At 30 September	951,491	1,024,639
Historic cost of investments	726,770	726,770

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2022 (continued)

13 Stock

	Group 2022 £	Group 2021 £	Association 2022 £	Association 2021 £
Goods held for resale	19,219	14,282	19,219	14,282

There is no material difference between the replacement cost of stocks and the amounts stated above.

14 Debtors

	Group 2022 £	Group 2021 £	Association 2022 £	Association 2021 £
Other debtors	522	143,578	(8,377)	130,269
BDA Benevolent Fund	10,981	14,540	10,981	14,540
Prepayments and accrued income	411,600	455,169	394,376	437,753
Amounts owed from BDA Trust Fund	-	-	1,131,644	1,019,046
	423,103	613,287	1,528,625	1,601,608

All amounts shown under debtors fall due for payment within one year.

15 Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Association 2022 £	Association 2021 £
Bank loan (secured - see note 16)	262,308	262,308	262,308	262,308
Trade creditors	129,075	167,564	129,075	167,564
Other creditors	1,104,432	930,687	1,104,432	930,687
Taxation and social security	210,284	193,967	210,284	193,967
Subscriptions paid in advance	2,358,391	2,423,297	2,358,391	2,423,297
Accruals and deferred income	618,201	569,680	618,201	567,680
	4,682,691	4,547,503	4,682,691	4,545,503

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2022 (continued)

16 Creditors: amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Association 2022 £	Association 2021 £
Bank loan (secured)	301,109	463,417	301,109	463,417
Business continuity loans	1,291,667	1,391,667	1,291,667	1,391,667
	<u>1,592,776</u>	<u>1,855,084</u>	<u>1,592,776</u>	<u>1,855,084</u>

The first bank loan, provided by National Westminster Bank is repayable over 20 years by 76 quarterly instalments from March 2005 to December 2024. Interest is chargeable at 1.05% over the Bank of England base rate.

The business continuity loans are repayable over/by 6 years from August 2021. Interest is chargeable at 2.62% over the Bank of England base rate. For the first 12 months, the annual interest rate is 0% and there are no repayments.

The bank loans are secured on the company's long leasehold building, and on all other assets of the Association. The net book value of the assets securitised against bank loan is £2,992,101.

Maturity of debt

	Group Bank and other loans 2022 £	Group Bank and other loans 2021 £	Association Bank and other loans 2022 £	Association Bank and other loans 2021 £
In less than one year	262,308	262,308	262,308	262,308
In more than one year but not more than two years	162,308	262,308	162,308	262,308
In more than two years but not more than five years	1,330,468	1,592,776	1,330,468	1,592,776
In more than five years	-	-	-	-
	<u>1,492,776</u>	<u>1,855,084</u>	<u>1,492,776</u>	<u>1,855,084</u>

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2022 (continued)

17 Financial instruments

The Group's and Association's financial instruments may be analysed as follows:

	Group 2022 £	Group 2021 £
Financial assets		
Financial assets measured at fair value through statement of comprehensive income		
Financial assets that are debt instruments measured at amortised cost	<u>6,245,148</u>	<u>5,717,976</u>
Financial liabilities		
Financial liabilities measured at fair value through statement of comprehensive income		
Financial liabilities measured at amortised cost	<u>3,392,090</u>	<u>3,545,093</u>

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors, and accrued income.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, other creditors, and accruals.

Information regarding the group's exposure to and management of credit risk, liquidity risk, market risk, cash flow and interest rate risk is included in the report of the directors.

18 Commitments under operating leases

As at 30 September 2022, the group had minimum lease payments under non-cancellable operating leases as set out below:

	Land and buildings 2022 £	Other 2022 £	Land and buildings 2021 £	Other 2021 £
Operating leases which expire:				
Within one year	90,260	43,600	111,945	48,889
Between two and five years	197,655	132,067	252,725	171,918
Over five years	<u>3,152,083</u>	<u>-</u>	<u>3,194,583</u>	<u>3,565</u>
Total	<u>3,439,998</u>	<u>175,667</u>	<u>3,559,253</u>	<u>224,372</u>

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2022 (continued)

19 Cash flows from operating activities

	2022 £	2021 £
Surplus before tax	854,378	963,322
Corporation tax	-	-
Depreciation – fixed assets	288,616	351,673
Decrease/(increase) in stock	(4,938)	25,959
Decrease/(increase) in debtors	190,184	(39,090)
Increase/ (decrease) in creditors	135,196	(432,677)
Pension scheme contributions paid in excess of pension charge	(203,568)	(137,309)
Interest receivable	(9,449)	(5,849)
Return on investments	(35,366)	(32,620)
Interest payable and similar charges	52,844	11,165
Loss/(gain) from changes in fair value of investments	73,149	(132,022)
	<hr/>	<hr/>
Net cash inflow from operating activities	1,341,046	572,552

20 Pensions

Defined benefit scheme

As of 30 September 2022, the Association operated a defined benefit scheme in the UK. The scheme remains open only for future accrual and all eligible staff have been offered membership of a new defined contribution scheme.

The pension is funded with the assets being held by the scheme, which are separate to the assets of the Association. The pension costs are determined in accordance with the advice of a professional qualified actuary, Barnett Waddingham LLP.

A further comprehensive actuarial valuation was undertaken as at 31 March 2020, the results of which are finalised. To date no payments have been missed or payment holiday agreed.

Discussions regarding the new recovery plan are now complete. As such, the Association will pay £40,351.29 per month, increasing annually at 3.70% on and from April.

Under FRS 102, the scheme's liabilities are determined by projecting the expected benefit payments using the chosen assumptions and then discounting the resulting cashflows back to the review date. For this purpose, the scheme's liabilities have been calculated by updating the valuation calculations carried out for the formal funding valuation as at 31 March 2020.

At the review date there was a deficit of £817,637. This compares to a deficit of £3,179,208 at the previous review date. The main reasons for the change in deficit over the period are summarised below:

- The assets performed better than anticipated over the period and this reduced the deficit by £2,361,572.
- A rise in corporate bonds over the period has led to a higher discount rate, which in turn places a lower value on the liabilities. This was offset to some extent by the higher inflation assumptions, but the overall impact of the change in financial assumptions decreased the deficit by approximately £11,065,000.

Although FRS 102 can be viewed as being fairly prescriptive about the principles to be used when selecting assumptions there is still a range of assumptions that could be considered acceptable under the standard. Even small alterations, for example to the discount rate, can have a significant effect of the results.

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2022 (continued)

20 Pensions (continued)

Amounts recognised in the balance sheet

	2022 £'000	2021 £'000
Fair value of plan assets	17,548	25,664
Present value of plan liabilities	(18,367)	(28,845)
	<hr/>	<hr/>
Scheme deficit	(819)	(3,181)
	<hr/>	<hr/>

Reconciliation of defined benefit obligation

	2022 £'000	2021 £'000
Defined benefit obligation at the beginning of the period	28,845	28,503
Interest cost	556	437
Benefits paid	(708)	(571)
Past service costs	-	-
Actuarial (gain)/loss	(10,326)	476
	<hr/>	<hr/>
Defined benefit obligation at the end of the period	18,367	28,845
	<hr/>	<hr/>
Fair value of assets at the beginning of the period	25,664	23,753
Expected return on assets (before any restriction)	496	365
Employer contributions	476	459
Benefits paid	(708)	(571)
Administration costs	(220)	(249)
Actuarial gain on assets	(8,160)	1,907
	<hr/>	<hr/>
Fair value of assets at the end of the period	17,548	25,664
	<hr/>	<hr/>

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2022 (*continued*)

20 Pensions (*continued*)

	2022 £'000	2021 £'000
<i>Amounts recognised in the consolidated income statement are as follows:</i>		
<i>Included in staff costs and overheads:</i>		
Current service cost	-	-
Past service cost	-	-
	<u>-</u>	<u>-</u>
	-	-
	<u>-</u>	<u>-</u>
<i>Amounts included in other finance costs</i>		
Net interest cost	280	321
	<u>280</u>	<u>321</u>
<i>Analysis of actuarial profit/(loss) recognised in other comprehensive income</i>		
Return on plan assets less interest	(8,160)	(1,907)
Experience gains and arising on the scheme liabilities	(721)	(114)
Changes in assumptions underlying the present value of the scheme liabilities	11,047	590
	<u>2,166</u>	<u>(1,431)</u>

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2022 (continued)

20 Pensions (continued)

The major assumptions at 30 September 2022 as used by the actuary were:

	30 September 2022	30 September 2021
Discount rate	5.20% p.a.	1.95% p.a.
Inflation assumption (RPI)	3.90% p.a.	3.65% p.a.
Inflation assumption (CPI)	2.90% p.a to 2030 and 3.90 p.a.	2.65% p.a.
Pension increases in payment (RPI)	4.10% p.a.	3.10% p.a.
Salary increases	3.85% p.a.	3.85% p.a.
Pension increases in deferment	CPI (except for those members who retain a salary-linked pension)	CPI (except for those members who retain a salary-linked pension)
Post-retirement mortality table	Males – 110% of S3NMa Females – 90% of S3 NFA	Males – 110% of S3NMa Females – 90% of S3 NFA
Post retirement mortality projection	CMI 2020 with a 1.25% pa long term rate of improvement	CMI 2020 with a 1.25% pa long term rate of improvement
Tax free cash	Members are assumed to take the maximum tax free cash possible	Members are assumed to take the maximum tax free cash possible

Under the mortality tables and projections adopted, the assumed future life expectancy at age 60 is as follows:

	30 September 2022 (years)	30 September 2021 (years)	30 September 2020 (years)
Male currently aged 40	29.1	29.0	29.3
Female currently aged 40	27.8	27.7	27.9
Male currently aged 60	32.1	32.0	32.1
Female currently aged 60	30.7	30.6	30.7

Net pension assets

The major categories of assets as a proportion of total assets are as follows:

Asset category	30 September 2022	30 September 2021	30 September 2020
Equities	56%	62%	57%
Bonds	22%	18%	20%
Gilts	22%	19%	22%
Cash	0%	1%	1%

The assets do not include any investment in the BDA.

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2022 (continued)

21 Financial information for the British Dental Association

In accordance with the Companies Act 2006 the Association is exempt from the requirement to prepare a separate income and expenditure account. However in order to aid the users of the financial statements the following information has been disclosed:

	2022 £	2021 £
Income	16,161,497	15,527,366
Cost of sales	(3,104,070)	(2,947,411)
Net income	13,057,427	12,579,955
Meeting and sessional costs	(428,920)	(435,132)
Staff costs and overheads	(10,469,041)	(10,045,544)
Branch expenditure	(65,856)	(116,792)
Donations	(768,552)	(470,000)
Operating surplus	1,325,058	1,512,487
Interest receivable	9,431	5,842
Interest payable and similar charges	(52,844)	(11,165)
Movement on disposal of fixed asset	-	-
Other finance charges	(280,000)	(321,300)
Surplus on ordinary activities before taxation	1,001,645	1,185,864
Taxation on surplus from ordinary activities	-	-
Surplus on ordinary activities after taxation	1,001,645	1,185,864

22 Related party disclosures

There is no ultimate controlling party of the British Dental Association.

In preparing the financial statements of the parent Association, advantage has been taken of the disclosure exemption available in FRS 102 not to disclose related party transactions with the wholly owned members of the group headed by the parent Association.

There were no other related party transactions during the year.

23 Capital Commitments

As of 30 September 2022, the Association had contracted to develop a new website amounting to £341,000.

Thursday, 16 March 2023

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

Financial Statements of British Dental Association for the year ended 30 September 2022

We confirm that the following representations given to you in connection with your audit of the consolidated and parent Association's financial statements (together the "financial statements") for the year ended 30 September 2022 are made to the best of our knowledge and belief, and after having made appropriate enquiries of other directors and officials of the Association and other group organisations as appropriate.

We have fulfilled our responsibilities as directors for the preparation and presentation of the consolidated and parent financial statements as set out in the terms of the audit engagement letter, and in particular that the financial statements give a true and fair view of the financial position of the group and company as at 30 September 2022 and of the results of the group's and the company's operations and cash flows for the year then ended in accordance with the applicable financial reporting framework and for making accurate representations to you.

We have provided you with unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence. In addition, all the accounting records of the company have been made available to you for the purpose of your audit and all the transactions undertaken by the company have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and shareholders' meetings have been made available to you.

Going concern

We have made an assessment of the Association's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements were approved for release. As a result of our assessment, we consider that the Association is able to continue to operate as a going concern and that it is appropriate to prepare the financial statements on a going concern basis.

In making our assessment we did not consider there to be any material uncertainty relating to events or conditions that individually or collectively may cast significant doubt on the Association's ability to continue as a going concern.

We confirm that cash flow forecasts used in our assessment of going concern are based on our best estimate of membership, publication and other income, and costs.

Thursday, 16 March 2023

Having performed our assessment, and recognizing a range of mitigation measures available to the Association, we were able to conclude that the Association is able to continue to operate as a going concern and that it is appropriate to prepare the financial statements on a going concern basis.

Laws and regulations

In relation to those laws and regulations which provide the legal framework within which our organisation is conducted, and which are central to our ability to conduct our activities, we have disclosed to you all instances of possible non-compliance of which we are aware and all actual or contingent consequences arising from such instances of non-compliance.

Post balance sheet events

There have been no events since the balance sheet date which either require changes to be made to the figures included in the financial statements or to be disclosed by way of a note. Should any material events of this type occur, we will advise you accordingly.

Misstatements

You have not advised us of any unadjusted misstatements in the financial statements or other information in the annual report.

Fraud and error

We are responsible for adopting sound accounting policies, designing, implementing and maintaining internal control, to, among other things, help assure the preparation of the financial statements in conformity with generally accepted accounting principles and preventing and detecting fraud and error.

We have considered the risk that the financial statements may be materially misstated due to fraud and have made the results of our assessment available to you.

To the best of our knowledge, we are not aware of any fraud or suspected fraud involving management or employees. Additionally, we are not aware of any fraud or suspected fraud involving any other party that could materially affect the financial statements.

Related party transactions

We have disclosed to you the identity of all related parties and all the related party relationships and transactions of which we are aware. We have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of the applicable accounting framework.

There were no loans, transactions or arrangements between any group company and the company's directors or their connected persons at any time in the year which were required to be disclosed.

The disclosures in the financial statements concerning the controlling party of the company are accurate.

Carrying value and classification of assets and liabilities

We have no plans or intentions that may materially affect the carrying value or classification of assets or liabilities reflected in the consolidated and parent financial statements.

Thursday, 16 March 2023

Other

We confirm that all taxable gains generated by the BDA this year have been offset by permitted deductions. We also confirm that recharged expenditure to the BDA Trust Fund represent valid, arm's length costs that relate solely to the time costs incurred in supporting the activities of the BDA Trust Fund.

We confirm that to the best of our knowledge all key assumptions used to determine the value of the defined benefit pension scheme deficit is free from material bias.

We confirm that assumptions applied in the calculation of the Association's defined benefit pension scheme have been determined by applying appropriate measurement techniques using an independent professional actuary and, to the best of our knowledge, are free from bias.

We confirm that cash flow forecasts used in our assessment of going concern are based on our best estimate of membership income, publication income and other income and overheads adjusted for inflation.

Litigation and claims

We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and these have been accounted for and disclosed in accordance with the requirements of accounting standards.

Confirmation

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

We confirm that the financial statements are free of material misstatements, including omissions. We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully



Eddie Crouch, Signed on behalf of the PEC,

Date: 16th March 2023