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THE HEALING FOUNDATION

Rebuilding the bodies, minds and lives of people with disfigurements

THE ANNUAL REPORT & AUDITED ACCOUNTS

31 March 2010

Chairman of the Board of Trustees
The Rt Hon the Lord Patten of Barnes

*The Healing Foundation
at The Royal College of Surgeons of England
35-43 Lincoln's Inn Fields
London WC2A 3PE*

sayer vincent

consultants and auditors

*Registered Charity No 1078666
Registered Company No 3831398*

OUR VISION

Our vision is a society where physical and emotional scarring is minimised, physical dexterity is maximised and no one is excluded because of their appearance.

OUR MISSION

To champion the cause of people living with disfigurements and loss of function by funding research into pioneering surgical and psychological healing techniques and, through research, raise awareness and provide information about the cause and sources of support.

The Healing Foundation

Reference and administrative details

For the year ended 31 March 2010

Status

The organisation is a charitable company limited by guarantee, incorporated on 25 August 1999 and registered as a charity on 17 December 1999

Governing Document

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association

Summary of Investment Powers

To invest and deal with any money not immediately required for its objects in or upon any investments, securities, or property

Company Number

3831398

Charity Number

1078666

Registered office and operational address

35-43 Lincoln's Inn Fields, London, WC2A 3PE

Honorary Officers

The Rt Hon the Lord Patten of Barnes (Chairman)

Mr Hugh Twiss (Hon Treasurer)

Professor Sir John Temple (Chairman, Research Council)

Principal Staff

Mr Brendan Eley (Chief Executive)

Mrs Karla Conway (Development Director)

Mrs Jasbeer Kaur (Company Secretary)

Principal Members of the Healing Foundation

British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS)

British Association of Aesthetic Plastic Surgeons (BAAPS)

British Burn Association (BBA)

British Psychological Society (BPS)

British Society for Surgery of the Hand (BSSH)

Craniofacial Society of Great Britain & Ireland (CFSGB&I)

Patron

HRH, The Countess of Wessex

The Healing Foundation

Reference and administrative details

For the year ended 31 March 2010

Vice Presidents

Mr John Black, President, The Royal College of Surgeons of England
Dr Geraldine Brough
Professor Sir Kenneth Calman
Sir Ronnie Flanagan, HM Chief Inspector of Constabulary
Mr Brian Fraser, Head of the Fire and Rescue Unit, Scotland
Sir David Jones, former Appeal Chairman
Sir Ken Knight, Chief Fire and Rescue Adviser
Sir Graham Meldrum, Chairman, West Midlands Ambulance Service NHS Trust
Air Chief Marshal Sir Jock Sturup, Chief of Defence Staff

Board of Trustees

The Rt Hon the Lord Patten of Barnes (Chairman)	Mr Hugh Twiss (Hon Treasurer)
Professor Sir John Temple (Research Chairman)	Mr David Allen
Mr Michael Brennen (BSSH)	Mr Tim Goodacre (BAPRAS)
Mr Douglas McGeorge (BAAPS)	Mr Naïem Moïemen (BBA)
Lady (Jenny) Rose	Professor Nichola Rumsey (BPS)
Dr Jane Russell (CSGB&I)	Mr Jagtar (Jack) Singh
Mr Tim Streatfeild	Vice Admiral Peter Wilkinson

Appeal Chairman

Sir Stuart Rose	Executive Chairman, Marks & Spencer plc
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The Executive Appeal Team

Mr Jeremy Darroch	Chief Executive, BSkyB Ltd
Mr Michael Grade CBE	Non Executive Company Chairman
Mr Andrew Grant	Founder, Tulchan Communications
Mr David Ross	Co-Founder, Carphone Warehouse
Sir Martin Sorrell	Chief Executive, WPP Group plc

Bankers

Coutts & Co, St Martin's Office, 440 Strand, London, WC2R 0QS
Cater Allen Ltd, 2 Triton Square, Regent's Place, London, NW1 3AN

Solicitors

Bates Wells & Braithwaite, Cheapside House, 138 Cheapside, London EC2E 6BB

Investment managers

Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU

Auditors

Sayer Vincent, Chartered Accountants, Registered Auditors,
8 Angel Gate, City Road, London EC1V 2SJ

The Healing Foundation

Report of the trustees

For the year ended 31 March 2010

The trustees present their report and the audited financial statements for the year ended 31 March 2010

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in March 2005)

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 25 August 1999 and registered as a charity on 17 December 1999

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

Trustee Recruitment, Appointment and Induction

There are fifteen places on the Board of Trustees of which fourteen are currently filled. Each of the six 'Principal Member' organisations of the Healing Foundation (British Association of Plastic and Reconstructive Aesthetic Surgeons, British Association of Aesthetic Plastic Surgeons, British Burn Association, British Psychological Society, British Society for Surgery of the Hand, Craniofacial Society of Great Britain and Ireland) nominates one of their members to serve on the Board (these are known as Nominated Trustees). The Armed Forces also recommends a representative (currently and usually the Deputy Chief of the Defence Staff – Personnel). The remaining eight places on the Board are 'co-opted' members nominated and elected by the Board. This includes the Chairman, the Honorary Treasurer and the Chairman of the Research Council.

On appointment, all Trustees undergo an induction consultation, usually with the Chief Executive and Honorary Treasurer, where their responsibilities and duties as a Trustee are formally outlined and an update on current business is provided. Charity Commission materials are provided offering further information as well as all copies of relevant documents such as the Memorandum & Articles of Association, the Management Plan, the Organisation Manual, Personnel Policy, the Financial Controls & Procedures Manual, the Manual for the Management of Research and the Appeal Strategy.

Further training is offered at quarterly Trustees' meeting and has included training in Major Donor fundraising and regular presentations by Healing Foundation grant-holders about work funded by the charity.

Organisational structure

The Patron of the Healing Foundation is HRH The Countess of Wessex and a small number of individuals serve as Vice Presidents. The Patron and Vice Presidents serve no constitutional function.

Only representatives of the six Principal Members of the Healing Foundation can vote at General Meetings of the charity.

Each year (usually in April) the Board of Trustees approves the Management Plan which is made up of three year and one year Corporate Objectives, Enabling Objectives and identifies Critical Success Factors. The Management Plan includes the annual budget.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2010

Research activity is managed by the Research Council which meets three times a year and whose Chairman is a Trustee. Financial and general management matters are overseen by the Finance & General Purposes Sub-Committee, which meets at least quarterly and is chaired by the Honorary Treasurer (also a Trustee). The Executive Appeal Team drives fundraising activity. All decisions are made by the Board of Trustees guided by the recommendations made by any of these standing committees.

No trustee receives, or has received during the year being reported, payments other than incidental expenses incurred for attending meetings.

Objectives and activities

Objects and Aims of the charity

The objects of the charity are the relief of sickness and the protection and preservation of public health by,

- 1 Carrying out and funding research into the improvement of treatments for the benefit of people who suffer from physical, psychological, social, or emotional disadvantage as a result of physical disfigurement or functional impairment present at birth or acquired through accident, disease, or illness and into the prevention of accidents which may cause such conditions, and
- 2 Disseminating the useful results of such research and to help train health workers in appropriate treatments throughout the world, and
- 3 Informing people about the availability of such treatments

Trustees are pleased to report that they have referred to the Charity Commission's guidance on public benefit in their annual review of aims and objectives and in all future planning of the charity's activities. We believe these benefits – to a broad 'public' of people and their families affected by disfigurement or visible loss of function both now and in the future – are clearly represented in our determination to deliver better understanding and improved treatments, through research. These benefits will be greatly enhanced in work supported by the Foundation, for example, in burns and cleft research where the findings of our work could result in fewer incidents of serious accident or birth abnormality.

The vision of the Healing Foundation is of a society where physical and emotional scarring is minimised, physical dexterity is maximised and no one is excluded because of their appearance. The charity's mission is to champion the cause of people living with disfigurement and visible loss of function by funding research into pioneering surgical and psychological healing techniques and, through research, raise awareness and provide information about the cause and sources of support available. Our aim is to fundraise in the most targeted and cost-effective way possible, to fund and manage research of the very highest quality in the UK and Ireland for the benefit of people and their families living with disfigurement and visible loss of function, and to manage the charity in a business-like and professional way.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2010

Objectives for the year

The charity's objectives for the year can be broken down into three key areas and are,

Fundraising

To continue the Healing Foundation fundraising drive, under the Chairmanship of Sir Stuart Rose, focusing on 'major donor' support from individuals, grant-makers and companies, developing long term relations to provide consolidated future income

Research

To establish, manage and deliver research projects identified in the 'Research Strategy 2006'

Financial management and corporate governance

To maintain a professionally led, efficiently run and financially sound organisation in support of all charitable activity

Strategies

The strategies to achieve these objectives can be summarised as follows,

Fundraising

- 1 To maintain the primary fundraising focus on major support from high net worth individuals through the networks of the Executive Appeal Team (EAT)
- 2 To support and steward existing donors and to engage further high-level and committed individual, trust, and corporate donors
- 3 To support fundraising activity with a professional, targeted Communications Strategy aimed at increasing the charity's reputation and developing an appropriate profile among target audiences

Research

- 1 To implement the approved plans to manage research through the Research Council
- 2 The primary strategic research objective is to fund, establish and monitor projects within the research strategy, as funds become available
- 3 To apply funds which become available outside the constraints of The Appeal, to selected areas of research or training

Financial management and corporate governance

- 1 To maintain and support the Healing Foundation's Honorary Management structure and associated activities
- 2 To maintain and review effective financial control processes, including the Healing Foundation's policies on investment and reserves
- 3 To retain, manage and direct the executive team

The Healing Foundation

Report of the trustees

For the year ended 31 March 2010

Significant activities

The year 2009-10 has seen progress in all of the Healing Foundation's key areas of fundraising and research

Fundraising

The Healing Foundation's fundraising approach is built on the principles of major donor involvement and support and this proven method has continued during the year

We are delighted that Sir Stuart Rose, despite enormous business pressures during the year, has maintained his commitment and enthusiasm for the role of Appeal Chairman. The Healing Foundation, and the cause of disfigurement, is fortunate to have such a passionate, supportive and respected ambassador. Sir Stuart does not do this alone and is helped in his task by a formidable Executive Appeal Team. The Team includes,

- | | |
|------------------------|---------------------------------|
| ▪ Mr Jeremy Darroch | Chief Executive, BSkyB Ltd |
| ▪ Mr Michael Grade CBE | Non Executive Company Chairman |
| ▪ Mr Andrew Grant | Founder, Tulchan Communications |
| ▪ Mr David Ross | Co-Founder, Carphone Warehouse |
| ▪ Sir Martin Sorrell | Chief Executive, WPP Group plc |

The work of this team is to encourage and support other individuals of wealth and influence in their relationship with the Healing Foundation through one-to-one approaches, visits to research units and meetings with other senior volunteers and Ambassadors. This work continues to progress well.

Several fundraising events were held throughout the year. Our Royal Patron, HRH The Countess of Wessex, attended a private lunch for a small number of donors at Frogmore House in Windsor Home Park hosted by our Chairman, The Rt Hon the Lord Patten of Barnes. Sir Stuart Rose hosted his third, very well received drinks reception at Marks & Spencer Headquarters and Sir Martin Sorrell hosted his third autumn dinner in aid of the Healing Foundation, at a London restaurant. David Ross generously hosted a shoot at his property, Nevill Holt Hall, in Leicestershire.

Research

The Healing Foundation continues to fund a number of major research projects and programmes identified in our original and subsequent research strategies. Our arrangements for the management of this research have been tested and independently verified by the Association of Medical Research Charities.

Research Projects

The Research Council continues to oversee the implementation of the Foundation's approved Research Strategy.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2010

The Healing Foundation Centre at the University of Manchester

The team at the Healing Foundation Centre at the University of Manchester continues to grow and to produce high quality research outputs. Professor Enrique Amaya, Healing Foundation Professor of Tissue Regeneration, has been joined this year by three PhD students, all graduates of the University of Beijing. Jingjing Li – kindly supported by The George Davies Charitable Trust - Siwei Zhang and Yanan Zhao (both supported by a single, anonymous donor) have teamed up with Yaoyao Chen at the Centre. The Dowager Countess Eleonor Peel Trust are also kindly supporting the PhD studentship of Karen Pickering who has this year joined Tom Millard's research group, within the Centre, investigating the wound healing properties of drosophila.

Towards the end of the year, thanks to the support of The David Hammond Charitable Trust, we were delighted to welcome Dr Mat Hardman and his group into the Healing Foundation Centre. Dr Hardman's area of interest is impaired wound healing in the older population. Using both the mouse and human model, Dr Hardman's team have made significant progress in better understanding the role of estrogen in wound healing and will bring enormous advantages to the rest of the Healing Foundation Centre staff by colocating their research endeavours.

The Chair of Burn Injury Study

In June 2009, the Healing Foundation reluctantly terminated its agreement with the University of Cardiff, University of Swansea and the Morriston Hospital, Swansea, to establish a major centre for burns research. This followed a number of unsuccessful attempts by Cardiff University to recruit a leading academic to direct the Centre's activities, a position the Healing Foundation considered key. Funds donated by the Vocational Training Charitable Trust (VTCT) towards this initiative were returned but VTCT Trustees have continued to express their interest in this work and their desire to support burns research led by the Healing Foundation, subject to a further application.

Over the year, Healing Foundation Trustees, advised by the Research Council, have developed a new model for burns research in the UK which we will be implementing during 2010 and 2011. Keen to build a skilled research cohort for the future, the Foundation will shift its research focus and offer up to three, five year programme awards instead. These awards, to be made to UK hospitals working in partnership with high quality University research departments, will focus on the delivery of new treatments for burn survivors across the wide range of burn care disciplines, while also offering the genuine potential of delivering a new generation of academic burns professionals for the future.

Our investment will also come at an important time within the context of other relevant fields of research. The National Institute of Health Research has increased its available funding in research relevant to military personnel and the Medical Research Council has indicated its intention to support a major initiative in trauma, reconstructive and rehabilitative medicine. The Healing Foundation's excellent relationship with the Armed Forces and our association with the USA Department of Defense initiative AFIRM (Armed Forces Institute of Regenerative Medicine) stand us in good stead to continue to exert significant influence in ensuring that burns remains high on the national, and international, research agenda.

An application pack for the Healing Foundation burns investments will be made available in autumn 2010, with a decision expected by early summer 2011.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2010

The Healing Foundation UK Centre for Cleft Research supported by VTCT

Three applications to host the Healing Foundation's major investment in cleft research were received in April 2009. These high quality submissions came from

- Manchester University and the Central Manchester University Hospitals NHS Foundation Trust,
- University of Bristol, the University Hospitals Bristol NHS Foundation Trust and the University of the West of England, and
- Great Ormond Street Hospital for Children NHS Trust and Barts and the London NHS Trust

External peer review supported the work of our Selection Panel which consisted of,

- Professor Sir John Temple, Chairman, Healing Foundation Research Council Chairman & Trustee
- Mr Adrian Sugar, Consultant Cleft and Maxillofacial Surgeon, Swansea
- Mr Brendan Eley, Chief Executive, the Healing Foundation
- Mr Tim Goodacre, Consultant Plastic & Cleft Surgeon, The Spires Cleft Lip & Palate Centre, Oxford
- Dr Tim Peakman, Executive Director, UK Biobank
- Mr Robert Robson, Chief Executive, The Royal Navy and Royal Marines Charity
- Dr Jane Russell, Lead Specialist Speech & Language Therapist, Birmingham Children's Hospital

Site visits were conducted to each of the three applicant Universities during October, November and December 2009 with final interviews, at the Royal College of Surgeons of England, just before Christmas

The University of Manchester has now been invited to host the Healing Foundation Centre for Cleft Research, a ten year investment to support a UK-wide programme of clinically relevant research in all aspects of cleft treatment and care. We also hope to invite the University of Bristol to establish the Healing Foundation Cleft Gene Bank which will become the world's largest DNA biobank in cleft over the next three to five years. Both investments could begin as early as January 2011.

The Lead Psychological Research Project

This multi-centred project, valued at £500,000 over three years, began in September 2005 and concluded in October 2009.

The largest project of its type in the area of 'disfigurement psychology', this research was formally published in Spring 2010 to wide and critical acclaim. The 'interventions manual', developed by the team at the Royal Free Hospital, London as part of this project, will now be rolled out to plastic surgery units across the country and further tested. A final publication, expected to impact significantly on NHS centred care, will be produced in 2011.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2010

Continuing Fellowship Programmes

The Healing Foundation continues to enjoy research partnerships with a number of key organisations including, the Royal College of Surgeons of Edinburgh, the British Association of Plastic, Reconstructive and Aesthetic Surgeons (BAPRAS), the British Association of Aesthetic Plastic Surgeons (BAAPS), the British Society for Surgery of the Hand (BSSH), the British Burn Association (BBA), the Craniofacial Society of Great Britain and Ireland (CFSGB&I) and the Wales Office for Research & Development (WORD)

The delivery of public benefit

The Healing Foundation exists for the benefit of people and their families – both now and in the future – affected by disfigurement and/or visible loss of function, whether caused by birth defect, trauma or disease. Medical research, often by definition, is long-term in its aspiration to deliver clinical benefits. However, at every turn, Healing Foundation Trustees emphasise the importance that such benefit – improved understanding, better treatments or preventative impact – must be delivered through our research to patients. Our portfolio of research projects and the make-up of our major centres of research will have this principal embedded whether that benefit be realised in 2 years, 5 years or indeed for future generations.

Management of Research

Research is the core business of the Healing Foundation. The Foundation has policies for the management of research and training, which comply with the guidelines set by the Association of Medical Research Charities (AMRC). They include:

- The structure to manage the process, which is provided by the Research Council
- The arrangements for the development, review and maintenance of our research strategy, which is currently the projects in our appeal target
- The provision of open and fair arrangements for the application and selection process for funding research projects, including the essential requirement of independent peer review by appropriately qualified professionals
- The Foundation's Rules and Conditions for the award of grants
- The arrangements to identify and manage potential conflicts of interests

The Application and Selection Process

As a member of the Association of Medical Research Charities (AMRC), the Healing Foundation is committed to an open, independent and professionally administered peer review and selection process. A priority for projects to be funded, recommended by the Research Council, has been approved by the Board in our 'Research Strategy 2006'. When funding becomes available for an approved project, an 'application pack' is drawn up and approved by the Research Council. At the same time, an application and selection timetable is agreed and the project is advertised as widely as possible within the relevant research community. In preparation, a suitably qualified Peer-Review Panel is assembled, often of international standing, if the area of work so demands.

After the closing date for applications, the Management Group of the Research Council considers all applications to eliminate any proposals which fall outside the Foundation's charitable objects and/or endorsed areas of interest.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2010

Following assessment by the external independent peer reviewers, the subsequent “long list” of candidate applications is then considered by the Research Council. Members of the Research Council consider the scientific and management merits of each application. Where appropriate, an interview panel is considered. Suitable safeguards have also been made to ensure impartiality, through the rotation of both Council members and Peer Reviewers, and no member takes part in the review of projects where a potential conflict of interest might exist.

For major awards, following Research Council discussion and consideration of the peer review assessments, a recommendation for funding is then made by the Research Council, to the Board of Trustees who approve an award for research or training, subject to the Foundation’s established Rules and Conditions. For fellowships, elective and smaller project awards, the Board of Trustees delegates the selection of the successful candidates to the Research Council.

Volunteer help

The Healing Foundation relies on the help of volunteers in all aspects of its activities. This support is provided by members of the Board of Trustees, the Research Council and the Executive Appeal Team who all give their time freely, as well as our Ambassadors. The Foundation is also especially grateful for the continued support and advice of staff from Marks & Spencer plc and Huntsworth plc. Stuart Field has also maintained his generous support of our website for which we are grateful. During the year, we were also fortunate recipients of the expert and invaluable legal advice of Mr Bernhard Gilbey and colleagues from Hammonds LLP. Professor Khalid Aziz also kindly donated his time and communications expertise on behalf of The Aziz Corporation. The Trustees are ever grateful for these selfless and important contributions.

Achievements and performance

Fundraising performance

Despite the challenging economic context, the Healing Foundation continued to raise money in a cost effective way over the last year. The relative cost of generating our income has been kept as low as possible and during the year, each ‘donated pound’ cost the organisation only 12p to raise.

Although overall income decreased from the previous year, focused attention on raising unrestricted money saw an increase in this area of more than three times. Restricted donations fell, but this has not affected our ability to support our growing programme of research.

In the year ahead, our attentions are firmly set on securing unrestricted monies from existing and new sources.

Plans for future periods

The continuing priority of the Trustees is to continue and conclude the fundraising appeal in order that all projects identified within the research strategy can be established.

This includes agreeing the terms for the awards in respect of the Healing Foundation UK Centres for Cleft Research supported by VTCT and conducting the selection process for our new investments in burns research.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2010

Financial review

Reserves policy

The Healing Foundation has restricted funds which have been, and will be, generated in the appeal. These will be retained for use, depending on the specified restriction, either to create funding to establish and maintain the two Chairs in the appeal, or used directly, to fund particular research projects. Where it is considered prudent, funds will be retained until sufficient money is available to fund these specific projects in full, unless there is considered to be a satisfactory prospect of obtaining funds to meet any shortfall within the timeframe of a particular project. Any unrestricted funds, which are not required to meet short-term core-cost requirements or are dedicated to reserves, will be considered for designation to a particular project.

We continue to develop and retain sufficient unrestricted funds to meet ongoing core costs. The intention is to set aside sufficient unrestricted reserves to meet any potential shortfall in income to cover core costs – providing a twelve-month cushion against unforeseen contingencies – and to meet redundancy costs should the Foundation ever have to be closed down.

Investment policy

Arrangements for investment management are established with Sarasin Partners as our investment manager and advisor and utilises, as appropriate, their Alpha range of Common Investment Funds.

The Trustees have established an overall investment policy, which involves the Foundation's available funds being categorised in one of three ways, for each of which there is an appropriate investment policy. Namely:

Short term - in this category will be funds, which are budgeted for spending within an eighteen month period. These will be held in appropriate high interest bank accounts, term deposits or liquidity funds, with the maturity of the deposits being managed to match both the liabilities and maximize the interest earned on them.

Medium term - represents funds not needed within an eighteen month period, but available for spending within five years. They will be invested in the Alpha Common Investment Fund for Income and Reserves, whose portfolio combines Government and Corporate Bonds with about 20% in ordinary shares and has the aim of generating above average levels of immediate income, with a degree of capital appreciation and limited short to medium-term risk of capital loss.

Long term – represents the endowment funds, which are not required within five years. They will be invested in the Alpha Common Investment Fund for Endowments. This fund seeks long-term capital and income growth from a broadly diversified portfolio of which 70% would normally be in shares with the balance in bonds, cash, property and alternative assets. The central assumption here is that growth in dividends generates capital growth and that ordinary shares represent the best long-term store of value.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2010

The use of Common Investment Funds enables the Foundation to access asset classes which might otherwise be closed to it at this stage of its development and to achieve appropriate diversification and a broad spread of risk. These Common Investment Funds are charities in their own right, pooling the funds of other charities with these similar objectives.

The Alpha funds will make substantial asset allocation changes when necessary to protect capital, reduce volatility and enhance long-term returns. The selection of individual shareholdings is guided by a global, thematic research process which incorporates an ethical screening process.

The Trustees regularly review with Sarasin Partners the Foundation's Investment Policy and the performance of these funds, and make any appropriate changes in light of the Foundation's development, changes in markets or any other relevant factors.

Risk Assessment

The Board maintains a risk assessment system which is based on a numerical assessment of risk, with an accompanying management commentary, and Trustees consider these reports regularly. The aim is to highlight and measure potential risks to the success of an activity or process, assess the impact and put in place appropriate management action. The system encompasses all areas of our activities, although, the continuing increased activity in research and development, marks this area out for ongoing development.

Accordingly, we can confirm that the major risks to which the Foundation is exposed have been reviewed and systems are in place to mitigate those risks.

Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing these financial statements which give a true and fair view, the Trustees should follow best practice and

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the "going concern" basis unless it is inappropriate to assume that the company will continue on that basis

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy, at any time, the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2010

The Trustees confirm that to the best of their knowledge there is no information relevant to the audit of which the auditors are unaware. The trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

The Trustees

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

The Rt Hon the Lord Patten of Barnes (Chairman)
Professor Sir John Temple (Research Chairman)
Mr Michael Brennen (BSSH)
Mr Roger Green (BAPRAS)
(resigned December 2009)
Mr Douglas McGeorge (BAAPS)
Lady (Jenny) Rose
Dr Jane Russell (CSGB&I)
Mr Timothy Streatfeild

Mr Hugh Twiss (Hon Treasurer)
Mr David Allen
Mr Peter Dziewulski (BBA)
(resigned April 2009)
Mr Tim Goodacre (BAPRAS)
(appointed January 2010)
Mr Naïem Moïemen (BBA)
(appointed May 2009)
Professor Nichola Rumsey (BPS)
Mr Jagtar (Jack) Singh
Vice Admiral Peter Wilkinson

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2010 was 6 (2009 – 6). The Trustees have no beneficial interest in the charitable company.

Auditors

Sayer Vincent were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the Trustees on 2 July 2010 and signed on their behalf by



The Rt Hon the Lord Patten of Barnes, CH

Independent auditors' report

To the members of

The Healing Foundation

We have audited the financial statements of The Healing Foundation for the year ended 31 March 2010 which comprise the statement of financial activities, balance sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

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

Respective responsibilities of the trustees and auditors

The responsibilities of the trustees (who are also the directors of The Healing Foundation for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the statement of responsibilities of the trustees.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the trustees' annual report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the trustees' annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent auditors' report

To the members of

The Healing Foundation

Opinion

In our opinion

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been properly prepared in accordance with the Companies Act 2006, and
- the information given in the trustees' annual report is consistent with the financial statements

Catherine L. Sayer Senior Statutory Auditor
for and on behalf of Sayer Vincent, Statutory Auditors

SAYER VINCENT
8 Angel Gate
City Road
LONDON
EC1V 2SJ

2 July 2010

The Healing Foundation

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

For the year ended 31 March 2010

	Note	Restricted £	Unrestricted £	2010 Total £	2009 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	-	350,323	350,323	104,521
Investment income		122,402	20,520	142,922	157,002
<i>Incoming resources from charitable activities</i>					
Research programmes	3	812,041	-	812,041	1,533,195
Total incoming resources		934,443	370,843	1,305,286	1,794,718
Resources expended	4				
<i>Costs of generating funds</i>					
Costs of generating voluntary income		-	138,673	138,673	138,456
<i>Charitable activities</i>					
Research programmes		657,001	-	657,001	727,652
Research development		-	164,507	164,507	163,797
Governance		-	46,658	46,658	52,101
Total resources expended		657,001	349,838	1,006,839	1,082,006
Net incoming resources	5	277,442	21,005	298,447	712,712
Transfers	13	82,039	(82,039)	-	-
Unrealised Gains/(Losses) on Investments	9	345,526	62,481	408,007	(462,502)
Net movement in funds		705,007	1,447	706,454	250,210
Reconciliation of funds					
Funds at 1 April 2009		2,913,874	353,416	3,267,290	3,017,080
Funds at 31 March 2010		3,618,881	354,863	3,973,744	3,267,290

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

The Healing Foundation

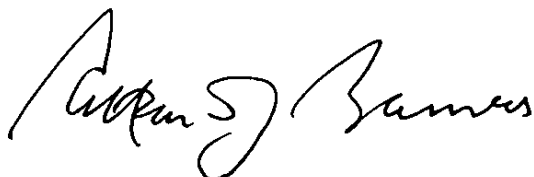
Company number. 3831398

Balance sheet

As at 31 March 2010

	Note	£	2010 £	2009 £
Fixed assets				
Tangible fixed assets	8		3,984	3,596
Investments	9		<u>2,039,334</u>	<u>1,631,327</u>
			<u>2,043,318</u>	<u>1,634,923</u>
Current assets				
Debtors	10	2,675		2,621
Short term deposits		1,934,632		1,668,931
Cash at bank and in hand		<u>116,677</u>		<u>193,808</u>
		2,053,984		1,865,360
Creditors. amounts falling due within one year	11	<u>123,558</u>		<u>232,993</u>
Net current assets			<u>1,930,426</u>	<u>1,632,367</u>
Net assets	12		<u><u>3,973,744</u></u>	<u><u>3,267,290</u></u>
Funds				
Restricted funds			3,618,881	2,913,874
Unrestricted funds				
Designated funds			26,300	166,613
General funds			<u>328,563</u>	<u>186,803</u>
Total funds	13		<u><u>3,973,744</u></u>	<u><u>3,267,290</u></u>

Approved by the trustees on 2 July 2010 and signed on their behalf by



The Rt Hon the Lord Patten of Barnes, CH

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2010

1 Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).

- b) Voluntary income is received by the way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Intangible income and gifts in kind are not included unless they represent goods or services which would have otherwise been purchased, in which case they are valued and brought in as income and the appropriate expenditure.

- c) Revenue grants are credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless they relate to a specific period, in which case they are deferred.

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the Charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the Charity can meet such conditions the incoming resource is deferred.

- d) Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation of fixed assets purchased with such grants is charged against the restricted funds.

- e) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, are charged to the fund together with a fair allocation of management and support costs.

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

- g) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

- h) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT, which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the costs of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, are apportioned between activities as described in note 4.

- i) The costs of generating funds relate to the costs incurred by the charity in raising funds for the charitable work.

- j) Governance costs include the management of the charity's assets, organisational management and compliance with constitutional and statutory requirements.

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2010

1. Accounting policies (continued)

- k) Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates in use are as follows:

Computer Equipment	3 years
Office Furniture and Equipment	3 years

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

- l) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities in the year in which they fall due.
- m) The charitable company makes contributions on behalf of its employees into their personal pension funds. The amounts charged in the Statement of Financial Activities represent the contributions payable to the funds in respect of the accounting period. Outstanding pension contributions at the year end are included in creditors.
- n) Grants payable are charged to the Statement of Financial Activities in the year in which the offer is conveyed to the recipient, except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.
- o) Investments represent equity investments and are valued at market value at the balance sheet date. The gain in value is recognised on the Statement of Financial Activities.
- p) Interest on term deposits is recognised at the end of the term when the Charity becomes entitled to the interest earned.
- q) Transfers are made from unrestricted funds to establish designated funds, which are in turn used to cover the cost of Research Projects. These designations are agreed annually by the Board of Trustees. Transfers are made from designated funds to restricted funds where restricted funding is not sufficient to cover a particular project. Transfers from restricted funds to unrestricted funds are made with the prior consent of the donor.

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2010

2. Donations

	Restricted	Unrestricted	2010 Total	2009 Total
	£	£	£	£
Anonymous	-	100,000	100,000	-
The Children's Charity (Mr Richard Caring)	-	50,000	50,000	-
Anonymous	-	50,000	50,000	-
PF Charitable Trust	-	25,000	25,000	20,000
Mr Jeremy Darroch	-	20,000	20,000	-
Miss Jennifer Laing	-	10,000	10,000	-
Anonymous	-	10,000	10,000	-
Mr Douglas McGeorge	-	10,000	10,000	10,000
Mr Richard Desmond	-	10,000	10,000	10,000
The Thornton Foundation	-	7,500	7,500	-
The Alliance Family Foundation	-	5,000	5,000	-
Anonymous	-	5,000	5,000	-
The Reuben Foundation	-	5,000	5,000	-
The Gerald Ronson Foundation	-	5,000	5,000	-
The Swire Trust	-	5,750	5,750	-
The Holbeck Trust	-	5,000	5,000	-
The Hon Charles Martyn-Hemphill	-	-	-	1,250
Lord Philip Harris	-	-	-	33,500
Ms Alison Carnwath	-	-	-	10,000
Gift Aid Claims	-	945	945	3,159
Sundry Donations	-	26,128	26,128	16,612
Total	-	350,323	350,323	104,521

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2010

3. Activities in furtherance of the charity's objects: Research Programmes

	2010	2009
	Total	Total
	£	£
The Vocational Training Charitable Trust (VTCT)	1,000,000	1,000,000
The Vocational Training Charitable Trust (VTCT) - repayment	(500,000)	250,000
National Assembly for Wales	105,034	-
Anonymous	80,607	126,745
The George Davies Charitable Trust	-	99,600
BSSH	600	26,800
BAPRAS	3,000	25,600
Anonymous	50,000	-
The Dowager Countess Eleanor Peel Trust	25,000	-
ICAP	21,000	-
BAAPS	25,000	-
CFSGB&I	1,200	1,800
BBA	600	-
Sir Samuel Scott of Yews Trust	-	2,000
Ms Pamela Thorpe	-	500
Sundry Donations	-	150
Total	812,041	1,533,195

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2010

4 Total resources expended

	Costs of generating voluntary income	Research Grants	Research Development	Support Costs	Governance	2010 Total	2009 Total
	£	£	£	£	£	£	£
Staff Costs (Note 6)	80,139	-	106,852	53,426	26,713	267,130	276,410
Other Staff Costs	504	-	672	336	168	1,680	2,402
Rent	7,305	-	9,740	4,870	2,435	24,350	24,196
Meeting Costs	255	-	340	170	85	850	970
Computer Costs	3,685	-	4,913	2,457	1,228	12,283	12,067
Consultancy	-	-	-	-	1,510	1,510	2,085
Photocopying	63	-	84	42	21	210	10
Postage	280	-	373	186	93	932	904
Printing	181	-	241	121	60	603	813
Other Office Costs	742	-	989	495	247	2,473	1,774
Stationery	783	-	1,044	522	261	2,610	1,770
Telephone/Fax	484	-	645	322	161	1,612	2,092
Legal Fees	-	-	-	-	22	22	881
Audit and Accountancy Fees	-	-	-	-	7,924	7,924	6,695
Training	708	-	944	472	236	2,360	624
Professional Association Fees	112	-	149	75	37	373	610
Staff Travel	304	-	405	202	101	1,012	322
Fuel and Travel Expenses	503	-	671	335	168	1,677	1,494
Depreciation	722	-	963	482	241	2,408	1,133
Recruitment	-	-	-	-	2,875	2,875	7,584
Appeal Costs	12,872	-	-	-	-	12,872	7,419
Insurance	-	-	-	-	2,072	2,072	2,099
Research Programmes	-	-	-	-	-	-	-
- Chair of Issue Regeneration	-	427,699	-	-	-	427,699	261,746
- Chair of Burn Injury	-	-	-	-	-	-	19,154
- Lead Psychological Project	-	31,559	-	-	-	31,559	138,476
- Support Projects	-	177,324	-	-	-	177,324	286,739
Research Support costs	-	-	-	20,419	-	20,419	21,537
Total resources expended	109,642	636,582	129,025	84,932	46,658	1,006,839	1,082,006
Support Costs	29,031	20,419	35,482	(84,932)	-	-	-
Total resources expended	138,673	657,001	164,507	-	46,658	1,006,839	1,082,006

Support costs have been allocated to each activity on the basis of staff time being 45% to fundraising and publicity and 55% to research grants and development.

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2010

5. Net incoming resources for the year

This is stated after charging / crediting

	2010	2009
	£	£
Depreciation	2,408	1,133
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	1,677	1,494
Trustees' indemnity insurance	1,040	585
Auditors' remuneration		
▪ Audit	6,169	5,200
Operating lease rentals		
▪ Property	24,349	24,195

6. Staff costs and numbers

Staff costs were as follows

	2010	2009
	£	£
Salaries and wages	218,416	233,130
Social security costs	24,335	25,073
Pension contributions	24,379	18,207
	<u>267,130</u>	<u>276,410</u>

The number of employees whose emoluments exceed £60,000 are -

	2010	2009
£80,001 - £90,000	<u>1</u>	<u>1</u>

Employer's pension contributions of £8,925 (2009 £8,925) were made in respect of this employee

The average weekly number of employees (full-time equivalent) during the year was as follows

	2010	2009
	No.	No.
Fundraising and Publicity	2.4	2.4
Research Development	1.5	1
Support Costs	0.6	0.7
Governance	0.7	0.7
	<u>5.2</u>	<u>4.8</u>

7. Taxation

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

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2010

8 Tangible fixed assets

	Computer equipment £	Total £
Cost		
At the start of the year	10,823	10,823
Additions in year	2,796	2,796
Disposals in year	(4,184)	(4,184)
At the end of the year	<u>9,435</u>	<u>9,435</u>
Depreciation		
At the start of the year	7,227	7,227
Charge for the year	2,408	2,408
Disposals in year	(4,184)	(4,184)
At the end of the year	<u>5,451</u>	<u>5,451</u>
Net book value		
At the end of the year	<u>3,984</u>	<u>3,984</u>
At the start of the year	<u>3,596</u>	<u>3,596</u>

9. Investments

	2010 £	2009 £
Listed Investments		
Market value at the start of the year	1,631,327	1,868,829
Additions at historic cost	-	225,000
Disposals at book value	-	-
Net unrealised gain/(loss)	<u>408,007</u>	<u>(462,502)</u>
Market value at the end of the year	<u>2,039,334</u>	<u>1,631,327</u>
Total value at the end of the year	<u>2,039,334</u>	<u>1,631,327</u>
Historic cost at the year end	<u>2,075,000</u>	<u>2,075,000</u>
Investments comprise		
UK Common investment funds	2,039,334	1,631,327
Investments representing over 5% by value of the portfolio comprise		
Sarasin Alpha CIF for Incomes & Reserves	1,069,258	897,109
Sarasin Alpha CIF for Endowments	<u>970,076</u>	<u>734,218</u>
	<u>2,039,334</u>	<u>1,631,327</u>

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2010

10. Debtors

	2010 £	2009 £
Other debtors	-	-
Prepayments	<u>2,675</u>	<u>2,621</u>
	<u><u>2,675</u></u>	<u><u>2,621</u></u>

11 Creditors amounts due within 1 year

	2010 £	2009 £
National Insurance & PAYE	8,996	6,184
Accruals and Deferred Income	<u>114,562</u>	<u>226,809</u>
	<u><u>123,558</u></u>	<u><u>232,993</u></u>

12. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	3,984	3,984
Investments	1,651,240	-	388,094	2,039,334
Net current assets	<u>1,967,641</u>	<u>26,300</u>	<u>(63,515)</u>	<u>1,930,426</u>
Net assets at the end of the year	<u><u>3,618,881</u></u>	<u><u>26,300</u></u>	<u><u>328,563</u></u>	<u><u>3,973,744</u></u>

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2010

13. Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
Restricted funds:					
Research Projects - Chair of Tissue	1,078,245	360,838	(441,418)	-	997,665
Research Projects - Burns Research	574,211	(343,794)	-	-	230,417
Research Projects - Cleft Research	1,000,911	1,055,009	-	-	2,055,920
Research Projects - Lead Psychological Project	-	-	(32,571)	32,571	-
Research Projects - Patient Information Project	14,301	-	-	(14,301)	-
Research Projects - Aesthetic Plastic Surgery	104,351	46,769	(72,206)	-	78,914
Research Projects - Wales Office for R & D (Burns)	-	105,034	-	-	105,034
Research Projects - Wales Office for R & D	1,777	-	(44,735)	42,958	-
Support Projects - BSSH Fellowship	27,135	200	(22,211)	-	5,124
Support Projects - RCSEd Fellowship	48,099	355	(12,901)	-	35,553
Support Project - BAPRAS Flexible Research Award	632	-	(9,101)	8,469	-
AB Wallace Award	-	-	(5,160)	5,160	-
Medical Elective Awards	3,957	5,558	(16,697)	7,182	-
Michael Brough Research Fund	60,255	50,000	-	-	110,255
Total restricted funds	2,913,874	1,279,969	(657,001)	82,039	3,618,881
Unrestricted funds:					
<i>Designated funds</i>					
Fellowships	42,114	-	-	(24,614)	17,500
Medical Elective Awards	200	-	-	8,600	8,800
Lead Psychological Project	124,299	-	-	(124,299)	-
<i>Total designated funds</i>	166,613	-	-	(140,313)	26,300
General funds	186,803	433,327	(349,838)	58,274	328,566
Total unrestricted funds	353,416	433,327	(349,838)	(82,039)	354,863
Total funds	3,267,290	1,713,296	(1,006,839)	-	3,973,744

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2010

13. Movements in funds (continued)

Research Projects - Appeal

The Appeal target includes four major lead projects. These are funded as monies become available. The money may be restricted by the donor or where it is not, the Foundation will designate funds to particular projects.

The Healing Foundation Centre at the University of Manchester - Chair of Tissue Regeneration

The Centre is now well established and work is progressing well. In 2009-10 the team at the University of Manchester were joined by four new PhD students funded by the Healing Foundation and by the end of the year Professor Amaya was hopeful of recruiting a new research group, from the University, into the Centre.

The Healing Foundation Burns Research

In 2005-6, an individual donor committed £250,000 for research in burn care and a further £250,000 for research in memory of Michael Brough. It has been agreed with the donor that this total gift of £500,000 be used to support the Chair of Burn Injury Study. In 2007 The Healing Foundation received a £1 million commitment over four years in support of the Chair of Burn Injury Study from the VTCT. The first instalment of this commitment was received in May 2007 and the second in May 2008. In 2009, as progress in establishing this Centre halted, the Healing Foundation returned £500,000 to this donor.

In March 2009, the first payment of £80,000, towards a four year £284,000 commitment by the Wales Office of Research & Development (WORD), was received. This was added to in March 2010 with a contribution of £25,000. This money is being provided to support Research Fellowships and PhD Studentship programmes in burns, in Wales. Despite withdrawing our burns research programme, WORD - now the National Institute of Social Care and Health Research (NISCHR) - have agreed to maintain their support in the hope that a successful bid to host one of the Healing Foundation Burns Research programmes will be forthcoming from Wales.

The Healing Foundation UK Centre for Cleft Research supported by VTCT

The second instalment of £1 million, of VTCT's two-year £2 million contribution towards the establishment of the Healing Foundation UK Centre for Cleft Research, was received in the year. During 2009/10, the process to identify the host institution for this 10 year programme of research was conducted. The Healing Foundation is now in the process of finalising the details of this award.

The Lead Psychological Research Project - University of the West of England

The Psychological Project has now reached its conclusion and the final report was well received by the Board of Trustees and published in June 2010. 50% of the costs for the project were secured from a single donor, The Welton Foundation. Other support, for Dr Alex Clarke's work within this project, has been kindly provided by The Worshipful Company of Tin Plate Workers. Further funds were designated from unrestricted funds raised in the Appeal.

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2010

13. Movements in funds (continued)

Support Projects

The Healing Foundation Fellowship in Aesthetic Surgery - Mr Hussam (Sam) Bella's research, jointly funded by the British Association of Aesthetic Plastic Surgeons, for a study which aims to identify 'susceptibility genes' relevant to debilitating Keloid scarring concluded at the end of the year and a final report was received. This research has also been generously supported by ICAP.

The Healing Foundation/BAPRAS Research Project Awards - The two project awards supported by the British Association of Plastic Reconstructive and Aesthetic Surgery (BAPRAS) also concluded this year. Both Mr Fabrice Rogge, studying "In vivo engineering of contractile innervated skeletal muscle" and Mr Erh-Hsun Lim's project "Growing cartilage - Smart biomimetic nanofibrous scaffolds for tissue regeneration", submitted final reports before April 2010.

The Healing Foundation/WORD Research Fellowships - Although successfully concluded in 2008, final payment was settled in this year for Mr Joseph Hardwicke's research project at the University of Cardiff which studied polymer therapeutics in impaired wound healing.

The Healing Foundation/BSSH Surgical Research Fellowship - Mr Liaquat Suleman-Verjee holds a fellowship awarded in partnership with the British Society for the Surgery of the Hand (BSSH). Mr Suleman-Verjee is undertaking a project entitled 'Tenascin-C and the pathogenesis of Dupuytren's disease'. He has been granted a six month extension which is being supported by BSSH and the Healing Foundation. Mr Suleman-Verjee will conclude his work in August 2010.

In 2009-10 the Healing Foundation again made Medical Elective Awards in partnership with BAPRAS, BBA, BSSH and CFSGB&I. These are small project grants awarded to medical students. The awards will again be advertised later in 2010.

14. Operating lease commitments

The charity had annual commitments at the 31 March 2010 under operating leases expiring as follows:

	Property 2010 £	2009 £
1-3 Years	<u>24,349</u>	<u>24,195</u>
	<u>24,349</u>	<u>24,195</u>