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# FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	British Dental Association	
Year ended:	30 <sup>th</sup> September 2012	
List no:	408T	
Head or Main Office:	64 Wimpole Street London W1G 8YS	
Website address (if available)		
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/> (Click the appropriate box)
General Secretary:	Martin Fallowfield	
Telephone Number:		
Contact name for queries regarding	Bina Varkey	
Telephone Number:	0207 563 4191	
E-mail:	b.varkey@bda.org	

PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 020 7210 3734

The address to which returns and other documents should be sent are:

For Unions based in England and Wales:  
Certification Office for Trade Unions and Employers' Associations  
22<sup>nd</sup> Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:  
Certification Office for Trade Unions and Employers' Associations  
Melrose House, 69a George Street, Edinburgh EH2 2JG

(Revised February 2011)

# RETURN OF MEMBERS

(see notes 10 and 11)

	NUMBER OF MEMBERS AT THE END OF THE YEAR				
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
MALE	12,243	421	0	166	<b>12,830</b>
FEMALE	9,636	500	0	115	<b>10,251</b>
TOTAL	21,879	921	0	281	A <b>23,081</b>

Number of members included in totals box 'A' above for whom no home or authorised address is held:

0

Number of members at end of year contributing to the General Fund

23,081

## OFFICERS IN POST

(see note 12)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

## RETURN OF CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date
The list of directors are included in the Annual Accounts (note 6), a copy is enclosed separately.			

State whether the union is:

a. A branch of another trade union?

Yes ☐

No ☒

If yes, state the name of that other union:

b. A federation of trade unions?

Yes ☐

No ☒

If yes, state the number of affiliated unions:

and names:

# GENERAL FUND

(see notes 13 to 18)

	£	£
<b>INCOME</b>		
From Members: Contributions and Subscriptions		9,185,668
From Members: Other income from members (specify)		
	0	
	0	
	0	
Total other income from members		0
Total of all income from members		9,185,668
Investment income (as at page 12)		48,432
Other Income		
Income from Federations and other bodies (as at page 4)	0	
Income from any other sources (as at page 4)	6,726,062	
Total of other income (as at page 4)		6,726,062
	<b>TOTAL INCOME</b>	15,960,162
<b>EXPENDITURE</b>		
Benefits to members (as at page 5)		10,152,877
Administrative expenses (as at page 10)		5,797,442
Federation and other bodies (specify)		
Total expenditure Federation and other bodies		0
Taxation		0
	<b>TOTAL EXPENDITURE</b>	15,950,319
Surplus (deficit) for year		9,844
Actuarial profit/(loss) on pension scheme		193,000
Amount of general fund at beginning of year		1,184,458
Amount of general fund at end of year		1,387,301

(see notes 19 and 20)

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# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		<b>brought forward</b>	2,917,608
	135,830	Education and Training services	658,039
Representation – Non Employment Related Issues			
	95,234	Negotiated Discount Services	0
Communications			
	2,686,544		
		Salary Costs	5,020,613
Advisory Services	0		
		Other Benefits and Grants (specify)	
		Donation to BDA Trust Fund	572,915
Dispute Benefits		Grants to Branches & Sections	425,223
	0		
		Others	284,437
		Autonomous Committees	274,041
Other Cash Payments			
	0		
<b>carried forward</b>	2,917,608	<b>Total (should agree with figure in General Fund)</b>	10,152,877

(See notes 24 and 25)

FUND 2		Fund Account	
Name:		£	£
<b>Income</b>			
From members			
Investment income (as at page 12)			
Other income (specify)			
<b>Total other income as specified</b>			
<b>Total Income</b>			
<b>Expenditure</b>			
Benefits to members			
Administrative expenses and other expenditure (as at page 10)			
<b>Total Expenditure</b>			
<b>Surplus (Deficit) for the year</b>			
<b>Amount of fund at beginning of year</b>			
<b>Amount of fund at the end of year (as Balance Sheet)</b>			
<b>Number of members contributing at end of year</b>			

<b>FUND 3</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<b>Income</b>			
From members			
Investment income (as at page 12)			
Other income (specify)			
<b>Total other income as specified</b>			
<b>Total Income</b>			
<b>Expenditure</b>			
Benefits to members			
Administrative expenses and other expenditure (as at page 10)			
<b>Total Expenditure</b>			
<b>Surplus (Deficit) for the year</b>			
<b>Amount of fund at beginning of year</b>			
<b>Amount of fund at the end of year (as Balance Sheet)</b>			
<b>Number of members contributing at end of year</b>			

(See notes 24 and 25)

<b>FUND 4</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<b>Income</b>			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		
	<b>Number of members contributing at end of year</b>		

FUND 5		Fund Account	
Name:		£	£
<b>Income</b>			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
	<b>Amount of fund at the end of year (as Balance Sheet)</b>		
	<b>Number of members contributing at end of year</b>		

(See notes 24 and 25)

FUND 6		Fund Account	
Name:		£	£
<b>Income</b>			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		

FUND 7		Fund Account	
Name:		£	£
<b>Income</b>			
	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	Total other income as specified		
	Total Income		
<b>Expenditure</b>			
	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		
	Number of members contributing at end of year		



(see notes 26 to 31)

POLITICAL FUND ACCOUNT 1		To be completed by trade unions which maintain their own fund	
		£	£
<b>Income</b>	Members contributions and levies		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total income	
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects (specify)		
	Non-political expenditure		
		Total expenditure	
		Surplus (deficit) for year	
		Amount of political fund at beginning of year	
		Amount of political fund at the end of year (as Balance Sheet)	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	

POLITICAL FUND ACCOUNT 2		To be completed by trade unions which act as components of a central trade union	
		£	£
<b>Income</b>	Contributions and levies collected from members on behalf of central political fund		
	Funds received back from central political fund		
	Other income (specify)		
		Total other income as specified	
		Total income	
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)		
	Administration expenses in connection with political objects (specify)		
	Non-political expenditure		
		Total expenditure	
		Surplus (deficit) for year	
		Amount held on behalf of trade union political fund at beginning of year	
		Amount remitted to central political fund	
		Amount held on behalf of central political fund at end of year	
		Number of members at end of year contributing to the political fund	
		Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	

# ANALYSIS OF ADMINISTRATIVE EXPENSES AND OTHER OUTGOINGS EXCLUDING AMOUNTS CHARGED TO POLITICAL FUND ACCOUNTS

(see notes 32 and 33)

		£
<b>Administrative Expenses</b>		
Remuneration and expenses of staff		2,034,079
Salaries and Wages included in above	£1,470,185	
Auditors' fees		15,785
Legal and Professional fees		102,714
Occupancy costs		739,853
Stationery, printing, postage, telephone, etc.		288,499
Expenses of Executive Committee (Head Office)		346,042
Expenses of conferences		840,654
Other administrative expenses (specify)		
IT costs		564,660
Irrecoverable VAT		151,904
Bank Charges		43,855
General Expenses		175,076
<b>Other Outgoings</b>		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		28,832
Other loans		0
Depreciation		223,490
Tax		0
Outgoings on land and buildings (specify)		0
Other outgoings (specify)		
FRS 17 Pensions Adjustment		242,000
<b>Total</b>		5,797,442
Charged to:	General Fund (Page 3)	5,797,442
<b>Total</b>		5,797,442

(see notes 34 to 44 below)

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# ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

(see notes 34 to 44 below)

Office held	Gross Salary £	Employers N.I. contributions £	Benefits		Total	
			Pension Contributions £	Other Benefits Description	£ Value £	£
Michael Armstrong (NED)	3,750	431				4,181
Paul Blaylock (NED)	5,310	259				5,569
Victor Chan (NED)	3,750	259				4,009
Edward Crouch (NED)	4,270	259				4,529
Philip Henderson (NED)	3,750	259				4,009
Judith Husband (NED)	25,750	2,331				28,081
Nigel Jones (NED)	3,750	259				4,009
Robert Kinloch (NED)	26,150	2,476				28,626
Rasikkumar Ladwa (NED)	3,750	259				4,009
Alison Lockyer (NED)	3,750	259				4,009
Susan Sanderson (NED)	60,040	6,435				66,476
Stephen Shimberg (NED)	1,250	33				1,283
Graham Stokes (NED)	4,270	259				4,529

Graham Brown (NED)	2,080	-				2,080
Catherine Dubourg (NED)	13,650	1,010				14,660
Graham McKirdy (NED)	520	-				520
John Mooney (NED)	4,550	256				4,806
Martin Nimmo (NED)	5,720	-				5,720
Henrik Overgaard-Nielsen (NED)	1,040	-				1,040
Nilesh Patel (NED)	13,650	1,010				14,660

## ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

	Political Fund		Other Fund(s)
	£		£
Rent from land and buildings			8,500
Dividends (gross) from:			
Equities (e.g. shares)			
Interest (gross) from:			
Government securities (Gilts)			
Mortgages			
Local Authority Bonds			
Bank and Building Societies			39,933
Other investment income (specify)			
Total investment income			48,432
Credited to:			
		General Fund (Page 3)	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Fund (Account )	
		Political Fund	
Total Investment Income			48,432

# BALANCE SHEET as at 30<sup>th</sup> September 2012

(see notes 47 to 50)

Previous Year		£	£
4,078,187	<b>Fixed Assets</b> (at page 14)		3,975,889
0	<b>Investments</b> (as per analysis on page 15)		0
0	Quoted (Market value £)		0
0	Unquoted		0
4,078,187	<b>Total Investments</b>		3,975,889
	<b>Other Assets</b>		
0	Loans to other trade unions	0	
998,977	Sundry debtors	891,289	
3,044,652	Cash at bank and in hand	2,289,237	
0	Income tax to be recovered	0	
92,121	Stocks of goods	59,500	
0	Others (specify)	0	
4,135,749	<b>Total of other assets</b>		3,240,026
<b>8,213,936</b>	<b>TOTAL ASSETS</b>		<b>7,215,916</b>
	<div> Fund (Account )  Fund (Account )  Fund (Account )  Superannuation Fund (Account )  Political Fund (Account )  Revaluation Reserve </div>		
	<b>LIABILITIES</b>		
	Amount held on behalf of central trade union political fund		
0	Loans: From other trade unions		0
1,907,518	Loans: Other		1,774,041
2,525,000	Pension Scheme (FRS 17)		2,233,200
174,504	Tax payable		195,292
702,918	Sundry creditors		355,542
753,080	Accrued expenses		711,170
350,530	Subscriptions paid in advance		192,762
615,927	Other liabilities		366,607
7,029,478	<b>TOTAL LIABILITIES</b>		<b>5,828,614</b>
1,184,458	<b>TOTAL ASSETS</b>		<b>1,387,301</b>

# FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipmen t £	Motor Vehicles £	Not used for union business £	Total £
	Freehold	Leasehold    £    £				
<b>Cost or Valuation</b>						
At start of year		4,551,607	1,340,019			5,891,625
Additions			121,193			121,193
Disposals			(12,225)			(12,225)
Revaluation/Transfer s						
At end of year		4,551,607	1,448,986			6,000,593
<b>Accumulated Depreciation</b>						
At start of year		1,010,839	802,601			1,813,440
Charges for year		91,032	132,458			223,489
Disposals			(12,225)			(12,225)
Revaluation/Transfer s						
At end of year		1,101,872	922,833			2,024,705
Net book value at end of year		3,449,736	526,153			3,975,889
Net book value at end of previous year		3,540,768	537,417			4,078,185



# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED		All Funds Except Political Funds £	Political Fund  £
	Equities (e.g. Shares)		
	Government Securities (Gilts)		
	Other quoted securities (to be specified)		
	TOTAL QUOTED (as Balance Sheet)		
	Market Value of Quoted Investment		
UNQUOTED	Equities		
	Government Securities (Gilts)		
	Mortgages		
	Bank and Building Societies		
	Other unquoted investments (to be specified)		
	TOTAL UNQUOTED (as Balance Sheet)		
	Market Value of Unquoted Investments		

# ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

<b>Does the union, or any constituent part of the union, have a controlling interest in any limited company?</b>		YES <input type="checkbox"/>	NO <input type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
<b>Are the shares which are controlled by the union registered in the names of the union's trustees?</b>		YES <input type="checkbox"/>	NO <input type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

# SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	9,185,668		9,185,668
From Investments	48,432		48,432
Other Income (including increases by revaluation of assets)	6,726,062		6,726,062
<b>Total Income</b>	15,960,162		15,960,162
<b>EXPENDITURE</b>	15,950,319		15,950,319
Actuarial Gain on pension scheme	(193,000)		(193,000)
<b>TOTAL EXPENDITURE</b>	15,757,319		15,757,319
<b>Funds at beginning of year</b> (including reserves)	1,184,458		1,184,458
<b>Funds at end of year</b> (including reserves)	1,387,301		1,387,301
<b>ASSETS</b>			
Fixed Assets			3,975,889
Investment Assets			0
Other Assets			3,240,026
<b>Total Assets</b>			7,215,915
<b>LIABILITIES</b>			
<b>Total Liabilities</b>			5,828,614
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			1,387,301

## NOTES TO THE ACCOUNTS

(see notes 72 and 73)

All notes to the accounts must be entered on or attached to this part of the return.

The notes to the accounts are included in the Annual Accounts, a copy which is enclosed separately.

# ACCOUNTING POLICIES

(see notes 74 and 75)

The accounting policies are included in the Annual Accounts, a copy is enclosed separately.

## SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Signature: *M Fallowfield*  
Name: Martin Fallowfield (Chair of the Principal Executive Committee)

Date: 20/2/2013

Signature: *S Johnston*  
Name: Stuart Johnston (Chair of Representative Body Oct 11 – June 12)

Date: 20/2/13

## CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12) Found in the annual accounts (enclosed)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12) Found in the annual accounts (enclosed)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78) (CD ENCLOSED)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80) Found in the annual accounts (enclosed) and printed in the BDJ (publication) sent to all members.	ENCLOSED	<input checked="" type="checkbox"/>	TO FOLLOW	<input type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

# AUDITOR'S REPORT

(see notes 81 to 86)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?  
(See section 36(1) and (2) of the 1992 Act and notes 83 and 84)

YES/~~NO~~

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
  - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
  - (c) whether the accounts to which the report relates agree with the accounting records?
- (See section 36(3) of the 1992 Act, set out in note 83)

YES/~~NO~~

If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
  - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
- (See section 36(4) of the 1992 Act set out in rule 83)

YES/~~NO~~

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR21 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.  
(See note 85)

# AUDITOR'S REPORT (continued)

## To the members of British Dental Association

We have audited the Annual Return (AR21), which includes annexed audited financial statements of the British Dental Association for the year ended 30 September 2012, excluding pages 11, 11A and 11B, which has been prepared under the accounting policies set out within the financial statements. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Association's members, as a body, in accordance with Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Association'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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

## *Respective responsibilities of directors and auditors*

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the AR21 and for being satisfied that they give a true and fair view. Our responsibility is to audit the AR21 and the annexed financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

We report to you our opinion as to whether the AR21 gives a true and fair view and have been properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. We also report to you if, in our opinion, the AR21 is not consistent with the financial statements, if the Association has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, if the Association has not established and maintained a satisfactory system of control over its accounting records, its cash holdings and all its receipts and remittances, if we have not received proper returns, adequate for our audit, from branches not visited by us and if the balance sheet and income and expenditure account are not in agreement with the accounting records and returns.


## *Scope of the audit of the AR21*

An audit involves obtaining evidence about the amounts and disclosures in the AR21 sufficient to give reasonable assurance that the AR21 is free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies within the annexed financial statements are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the AR21.

## *Opinion on the AR21*

In our opinion the AR21:

- gives a true and fair view of the state of the Association's affairs as at 30 September 2012 and of its surplus for the year then ended; and
- has been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and the Trade Union and Labour Relations (Consolidation) Act 1992.

  
BDO LLP, statutory auditor  
Gatwick  
United Kingdom

Date 21 Feb 2013

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

Signature(s) of auditor or auditors:	BDO LLP	
Name(s):	BDO LLP	
Profession(s) or Calling(s):		
Address(es):	GATWICK	
Date:	21 Feb 2013	
Contact name and telephone number:	01293 591000	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.



# **British Dental Association**

Report and Financial Statements

Year Ended

30 September 2012

Company Number: 14161



# British Dental Association

## Report and financial statements for the year ended 30 September 2012

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14	Notes forming part of the financial statements

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# **British Dental Association**

## **Report of the Chair of the Principal Executive Committee for the year ended 30 September 2012**

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### **Report of the Chair of the Principal Executive Committee**

The year to September 30th 2012 saw continuing challenges for the UK dental profession. These came in the form of the general economic conditions affecting the wider population and a range of sector specific issues applying to dentistry only.

The picture for the BDA was a complicated one. From the perspective of activity, it was, again, a very busy year. The profession continued to turn to the BDA as its professional body for advice and support and, whilst the number of contacts was not as high as last year's peak during CQC registration, 40% of our membership still felt the need to contact us. And more than one in seven of those making contact with us did so six or more times. In the same period the governments and the General Dental Council, between them, issued 36 consultations requiring input from the BDA on behalf of our members. The Association gave a detailed response to the Office of Fair Trading enquiry into dentistry. It lobbied on behalf of members on issues as diverse as tooth whitening and dental foundation training. It carried out member research with regard to the profession's appetite for industrial action in response to the government-imposed public sector pension reforms. The more complex subject of dental amalgam also generated substantial work for the Association on National, European and International stages, with the BDA stressing to policy makers the importance of any move to restrict the use of the material being made in a considered way, recognising the need for alternative clinical solutions to be found and patient detriment avoided.

Alongside current operations, this year saw a major investment in time and energy planning for the future. The year saw the culmination of substantial research and preparation for a redefined and re-priced member offering that will be launched in the next financial year. That work involved complex analysis of member needs and expectations and modelling of offerings more relevant to current and future members. At its heart the principles of the new offer will aim to be fairer to, clearer for, and more valued by members and provide the Association with a more sustainable future. The Association also completed a further project defining the values of the BDA, the definition and clarification of those values will underpin all of our working relationships with all our stakeholders.

Internally, the Association completed the modernisation of its governance structures. The Representative Body and Executive Board were replaced by a new, directly elected, Principal Executive Committee as the governing committee of the BDA. The presence of a smaller governance entity gives the opportunity for greater agility and the ability to manage the BDA as a complex business more effectively. To ensure its connection with grass-roots membership the PEC (Principal Executive Committee) is now supported by policy committees and councils representing the interest of different cohorts of the profession. Geographically this takes the form of Welsh, Scottish, Northern Irish and English Councils – with those four also contributing to a new UK Council. From a craft perspective each sphere of practice has its own representative committee to ensure that the BDA remains relevant to all. This differentiation of business governance from professional policy aggregation gives greater clarity of purpose and allows each of the entities to contribute more fully in the effective direction of the BDA.

Ironically, in spite of record levels of activity on behalf of the profession, both individually and collectively, membership levels fell. Membership fell to 23,081 (2011: 23,848), of which 19,022 were ordinary members (2011: 19,736). Member exit surveys revealed that the principal reason for cancelling membership was given as affordability and service utilisation. While the BDA Conference and suite of journals remain dominant in their markets, increased competition in a recessionary market has impacted on the surpluses these activities generate. These activities are not only core member benefits but the surpluses they generate subsidise the other services we supply to our members. As a result of these pressures the Association had to maintain tight financial controls over all of its activities in the face of continued pressure on its resources. It is noteworthy, therefore, that against a background of increased activity and depressed revenues, the Association met its budget this year.

The Association budgeted for a £114,000 deficit on its direct operations this year (i.e. excluding charitable and branch activities and FRS17 adjustment). The final position is a £120,000 deficit. The deficit was budgeted in order to preserve services ahead of the launch of a new member offer, better tailored to the needs and demands of a changing profession. This approach was successful and the Association is in robust health as it prepares for the launch of the new offer in 2013. The operational deficit is masked by a significant donation to the BDA Trust Fund. This is a £1.3m donation from the Shirley Glasstone Hughes Memorial Trust Fund; one that will bring the commissioning clinical research under the BDA umbrella.

# British Dental Association

## Report of the Chair of the Principal Executive Committee for the year ended 30 September 2012 (*continued*)

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In conclusion 2012 has been a successful year. The Association met its financial commitments while supporting its members, and the wider profession, through a number of challenges; both expected (the development of the new NHS contract), and unexpected (the OFT review). It also laid firm foundations for a more sustainable future and a more valued and relevant offering for members. The Association remains in good health and able to meet the new challenges brought by 2013.



M Fallowfield  
**Chair of Principal Executive Committee**

# British Dental Association

## Directors and professional advisors for the year ended 30 September 2012

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### Directors and Advisors

The following held office during the year:

M Fallowfield, Chair of the Principal Executive Committee	P Kelly (resigned 2 July 2012)
M Armstrong	R Kinloch
J Asquith (resigned 2 July 2012)	R Ladwa (appointed 2 July 2012)
B Atkins (resigned 2 July 2012)	J Lafferty (resigned 2 July 2012)
R Banks (resigned 2 July 2012)	A Lockyer (appointed 2 July 2012)
H Bembridge (resigned 2 July 2012)	R Mahesh (resigned 2 July 2012)
R Bennett (resigned 2 July 2012)	S Manton (resigned 2 July 2012)
P Blaylock	B McGonigle (resigned 2 July 2012)
G Brown (resigned 2 July 2012)	G McKirdy (resigned 2 July 2012)
F Bryson (resigned 2 July 2012)	A Miller (resigned 2 July 2012)
V Chan	J Mooney (resigned 2 July 2012)
S Clements (resigned 2 July 2012)	T Mushtaq (resigned 2 July 2012)
E Crouch	M Nelson (resigned 2 July 2012)
T Daley (resigned 2 July 2012)	A Newlyn (resigned 2 July 2012)
J Donaldson (resigned 2 July 2012)	M Nimmo (resigned 2 July 2012)
C Dubourg (resigned 2 July 2012)	P Noon (resigned 2 July 2012)
K Fallon (resigned 2 July 2012)	H Overgaard-Nielsen (resigned 2 July 2012)
S Farrell (resigned 2 July 2012)	N Patel (resigned 2 July 2012)
L Foster (resigned 2 July 2012)	G Porter (resigned 2 July 2012)
M Fulford (resigned 2 July 2012)	M Prideaux (resigned 2 July 2012)
S Gallier (resigned 2 July 2012)	M Qureshi (resigned 2 July 2012)
D Gingell (resigned 2 July 2012)	J Randall (resigned 2 July 2012)
R Graham (resigned 2 July 2012)	J Renshaw (resigned 2 July 2012)
S Greening (resigned 2 July 2012)	A Rockey (resigned 2 July 2012)
C Hayward (resigned 2 July 2012)	S Sanderson
R Heathcote-Curtis (resigned 2 July 2012)	S Shimberg (appointed 10 September 2012)
P Henderson	N Spillane (resigned 2 July 2012)
J Husband	G Stokes
S Ilyas (resigned 2 July 2012)	N Stolls (resigned 2 July 2012)
N Imtiaz (resigned 2 July 2012)	S Stone (resigned 2 July 2012)
R Jervis (resigned 2 July 2012)	S Thackeray (resigned 2 July 2012)
L Jones (resigned 2 July 2012)	G Thomson (resigned 2 July 2012)
N Jones	C Waite (resigned 2 July 2012)
S Johnston	R Watson (resigned 2 July 2012)

### Bankers

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

### Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 OPA

### Secretary and registered office

P Ward, 64 Wimpole Street, London, W1G 8YS

### Company number

14161

# **British Dental Association**

## **Report of the Directors for the year ended 30 September 2012**

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The directors present their report together with the audited financial statements of the group for the year ended 30 September 2012.

### **Constitution**

The British Dental Association ("BDA") is a company limited by guarantee and is registered in England and Wales.

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).

### **Quasi-subsiary undertaking – British Dental Association Trust Fund**

The British Dental Association Trust Fund is an incorporated charity which is limited by guarantee with a year ended of 30 September. The main objective of the Fund is to finance and run the Association's Information Centre and Museum.

The 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 FRS 2 'Subsidiary undertakings' the Trust should be considered to be a quasi subsidiary.

On the 2 November 2011 the Trustees of the British Dental Association Trust Fund (the 'Trust Fund'), a quasi-subsiary of the British Dental Association, accepted an offer from the Trustees of the Shirley Glasstone Hughes Memorial Prize for Dental Research ('Shirley Glasstone Hughes'), to donate the net asset of that charity to the Trust Fund.

### **Basis of consolidation**

The consolidated accounts of the group incorporate the accounts of the BDA and its quasi-subsiary 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 the revised Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005), issued in March 2005.

### **Principal activity and review of the business**

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 influence policy making.

The group's net surplus for the year was £1,250,428 (2011 – surplus of £452,631).

### **Membership**

Membership numbers at the end of the financial year fell slightly with 19,022 qualified members (2011 - 19,736). Student numbers fell to 4,059 (2011 - 4,112).

### **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**

## **Report of the Directors**

### **for the year ended 30 September 2012 (*continued*)**

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#### **Future developments**

The Association will continue to provide high quality services to its members and the Directors plan to budget for a reasonable level of surplus to generate a level of reserve in line with the Association's Treasury Policy. A fuller review of the past year and plans for the future are provided by the Chair of the Principal Executive Committee's report on page 1.

#### **Pension deficit**

The interim actuarial valuation of the Defined Benefit Scheme as at 30 September 2012 based on the principles of FRS17 reveals a deficit of £2,233,200 (2011 – deficit of £2,525,000). Details are set out in Note 23 to the accounts.

#### **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 3.

#### **Governance**

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 Judith Husband, the Chair of the Audit Committee.

#### **Charitable and political contributions**

During the year the BDA contributed £572,915 (2011 - £534,256) to the BDA Trust Fund. There were no political contributions during the year (2011 - £Nil).

# British Dental Association

## Report of the directors for the year ended 30 September 2012 (*continued*)

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### Directors' responsibilities

The directors are responsible for preparing the Annual 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

### 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 20/2/13  
and signed on its behalf by



M Fallowfield  
Chair of Principal Executive Committee



# **British Dental Association**

## **Independent auditor's report**

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### **To The Members of British Dental Association**

We have audited the financial statements of British Dental Association for the year ended 30 September 2012 which comprise the consolidated income and expenditure account, the consolidated statement of total recognised gains and losses, the consolidated and Association balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### **Respective responsibilities of directors and auditors**

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent Association's affairs as at 30 September 2012 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.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# British Dental Association

## Independent auditor's report (*continued*)

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### **Matters on which we are required to report by exception**

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

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



Don Bawtree (*senior statutory auditor*)  
For and on behalf of BDO LLP, statutory auditor  
Gatwick  
United Kingdom

Date: 21 July 2013

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

# British Dental Association

## Consolidated income and expenditure account for the year ended 30 September 2012

	Note	2012 £	2011 £
<b>Income</b>	3	<b>17,261,123</b>	16,489,279
Cost of sales	3	<b>(4,108,599)</b>	(4,146,744)
<b>Net income</b>	3	<b>13,152,524</b>	12,342,535
Meeting and sessional costs		<b>(620,083)</b>	(585,631)
Staff costs and overheads		<b>(10,665,525)</b>	(10,429,107)
Branch expenditure		<b>(425,223)</b>	(647,833)
Loss on disposal of fixed assets		-	(2,709)
Loss on disposal of investments		<b>(9,147)</b>	-
<b>Operating surplus</b>	7	<b>1,432,546</b>	677,255
Interest receivable		<b>40,083</b>	33,244
Return on investments		<b>50,707</b>	-
Interest payable and similar charges	8	<b>(28,832)</b>	(30,868)
Other finance charges	9	<b>(244,076)</b>	(227,000)
<b>Surplus on ordinary activities before taxation</b>		<b>1,250,428</b>	452,631
Taxation on surplus from ordinary activities	10	-	-
<b>Surplus on ordinary activities after taxation</b>		<b>1,250,428</b>	452,631

All amounts relate to continuing activities.

The notes on pages 14 to 34 form part of these financial statements.

# British Dental Association

## Consolidated statement of total recognised gains and losses for the year ended 30 September 2012

	Note	2012 £	2011 £
<b>Consolidated statement of total recognised gains and losses</b>			
Surplus for the year		<b>1,250,428</b>	452,631
Actuarial gain/(loss) on pension scheme	23	<b>193,000</b>	(299,000)
Unrealised movement on revaluation of investments		<b>70,283</b>	-
		<hr/>	<hr/>
Total recognised gains for the year		<b>1,513,711</b>	153,631
		<hr/>	<hr/>

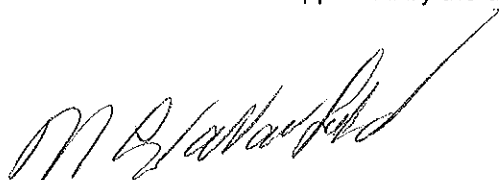
The notes on pages 14 to 34 form part of these financial statements.

# British Dental Association

## Consolidated balance sheet at 30 September 2012

<b>Company number: 14161</b>	<b>Note</b>	<b>2012 £</b>	<b>2012 £</b>	<b>2011 £</b>	<b>2011 £</b>
<b>Fixed assets</b>					
Tangible assets	11		4,068,250		4,174,285
Investments	12		1,390,891		-
<b>Current assets</b>					
Stocks	13	59,500		92,121	
Debtors	14	993,262		1,094,873	
Cash at bank and in hand		2,727,321		3,290,413	
		3,780,083		4,477,407	
<b>Creditors: amounts falling due within one year</b>	15	(1,868,421)		(2,367,242)	
<b>Net current assets</b>			1,911,662		2,110,165
<b>Total assets less current liabilities</b>			7,370,803		6,284,450
<b>Creditors: amounts falling due after more than one year</b>	16		(1,638,445)		(1,774,003)
<b>Net pension liability</b>	23		(2,233,200)		(2,525,000)
<b>Net assets</b>			3,499,158		1,985,447
<b>Reserves</b>					
Income and expenditure account	17		1,994,213		1,786,728
Restricted funds	17		1,504,945		198,719
			3,499,158		1,985,447

The financial statements were approved by the directors and authorised for issue on 20/2/13



M Fallowfield  
Chair, Principal Executive Committee

The notes on pages 14 to 34 form part of these financial statements.

# British Dental Association

## Association balance sheet at 30 September 2012

<i>Company number: 14161</i>	<b>Note</b>	<b>2012</b> £	<b>2012</b> £	<b>2011</b> £	<b>2011</b> £
<b>Fixed assets</b>					
Tangible assets	12		3,975,889		4,078,187
<b>Current assets</b>					
Stocks	13	59,500		92,121	
Debtors	14	891,289		998,977	
Cash at bank and in hand		2,289,237		3,044,652	
		<u>3,240,026</u>		<u>4,135,750</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(1,956,968)</u>		<u>(2,730,476)</u>	
<b>Net current assets</b>			<u>1,283,058</u>		<u>1,405,274</u>
<b>Total assets less current liabilities</b>			<u>5,258,947</u>		<u>5,483,461</u>
<b>Creditors: amounts falling due after more than one year</b>	16		(1,638,445)		(1,774,003)
<b>Net pension liability</b>	23		(2,233,200)		(2,525,000)
<b>Net assets</b>			<u>1,387,302</u>		<u>1,184,458</u>
<b>Reserves</b>					
Income and expenditure account	17		<u>1,387,302</u>		<u>1,184,458</u>
			<u>1,387,302</u>		<u>1,184,458</u>

The financial statements were approved by the directors and authorised for issue on 20/2/13



M Fallowfield  
Chair, Principal Executive Committee

The notes on pages 14 to 34 form part of these financial statements.

# British Dental Association

## Consolidated cash flow statement for the year ended 30 September 2012

	Note	2012 £	2012 £	2011 £	2011 £
<b>Net cash (outflow)/inflow from operating activities</b>	20		(353,963)		1,007,868
<b>Returns on investments and servicing of finance</b>					
Interest received		40,083		33,244	
Interest paid		(28,832)		(30,868)	
Returns on investments		50,707		-	
			61,958		2,376
<b>Capital expenditure and financial investment</b>					
Purchase of tangible fixed assets		(138,033)		(165,796)	
Purchase of investments		(156,920)		-	
Proceeds from sale of investments		157,343		-	
			(137,610)		(165,796)
<b>Cash (outflow)/inflow before financing</b>			(429,615)		844,448
<b>Financing</b>					
Repayment of bank loan		(133,477)		(131,440)	
			(133,477)		(131,440)
<b>(Decrease)/increase in cash</b>			(563,092)		713,008

The notes on pages 14 to 34 form part of these financial statements.

# British Dental Association

## Notes forming part of the financial statements for the year ended 30 September 2012

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### 1 Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the valuation of investments and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

#### *Quasi subsidiary and consolidated financial statements*

The British Dental Association Trust Fund is an incorporated charity which is limited by guarantee with a year ended 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 FRS 2 'Subsidiary undertakings' the Trust should be considered to be a quasi subsidiary.

The consolidated accounts of the group incorporate the accounts of the BDA and its quasi-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 the revised Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005), issued in March 2005.

#### *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.

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 gains and losses on the sale of investments are included in the Income and Expenditure Account. Unrealised gains and losses on the revaluation of investments are included in the Statement of Total Recognised Gains and Losses.

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.

#### *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	-	straight line over 50 years
IT Systems	-	straight line between 3 and 10 years
Fixtures and fittings	-	straight line between 4 and 5 years

#### *Stocks*

Stocks are valued at the lower of cost and net realisable value.



# British Dental Association

## Notes forming part of the financial statements for the year ended 30 September 2012 (*continued*)

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### 1 Accounting policies (*continued*)

#### *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the group anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

#### *Fixed assets - Heritage assets*

The Association's quasi 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 30 - Heritage Assets, 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 Income and Expenditure Account when it is incurred.

#### *Fixed asset investments*

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

#### *Leased assets*

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the income and expenditure account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the income and expenditure account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the income and expenditure account on a straight-line basis over the term of the lease.

Reverse premiums and similar incentives to enter into operating lease agreements are initially recorded as deferred income and released to the income and expenditure account over the period to the date on which the rent is first expected to be adjusted to the prevailing market rate.

# British Dental Association

## Notes forming part of the financial statements for the year ended 30 September 2012 (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 through reduced contributions in the future. 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 income and expenditure or the statement of total recognised gains and losses in accordance with FRS 17 'Retirement benefits'.

### 2 Turnover

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

### 3 Net income

	2012 Income £	2012 Costs £	2012 Net £	2011 Income £	2011 Costs £	2011 Net £
Subscriptions	9,185,668	-	9,185,668	9,054,354	-	9,054,354
Commercial activity	6,734,562	(4,108,599)	2,625,963	7,317,822	(4,146,744)	3,171,078
Charitable activities	17,341	-	17,341	117,103	-	117,103
Donation from Shirley Glasstone Hughes (see note 4)	1,323,552	-	1,323,552	-	-	-
	<b>17,261,123</b>	<b>(4,108,599)</b>	<b>13,152,524</b>	<b>16,489,279</b>	<b>(4,146,744)</b>	<b>12,342,535</b>

# British Dental Association

## Notes forming part of the financial statements for the year ended 30 September 2012 (continued)

### 4 Donation

On the 2 November 2011 the Trustees of the British Dental Association Trust Fund (the 'Trust Fund'), a quasi-subsiary of the British Dental Association, accepted an offer from the Trustees of the British Dental Association Shirley Glasstone Hughes Memorial Prize for Dental Research ('Shirley Glasstone Hughes'), to donate the net asset of that charity to the Trust Fund. The net assets at the date of transfer were as follows:

	£
Fixed asset investments	1,330,178
Debtors	638
Cash	140,820
Creditors	(148,084)
	<u>1,323,552</u>

The assets of Shirley Glasstone Hughes will be administered within a separate restricted fund with the charitable aims of the former charity continued to be followed by the nature of the restriction.

### 5 Employees

	2012 £	2011 £
Staff costs consist of:		
Wages and salaries	6,312,461	5,907,961
Social security costs	615,338	572,058
Other pension costs	724,831	614,737
	<u>7,652,630</u>	<u>7,094,756</u>

The average number of employees, including executive directors, during the year was 154 (2011 - 144).

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:

	2012 £	2011 £
Staff costs consist of:		
Wages and salaries	5,999,169	5,618,280
Social security costs	590,930	545,925
Other pension costs	684,673	580,685
	<u>7,274,772</u>	<u>6,744,890</u>

# British Dental Association

## Notes forming part of the financial statements for the year ended 30 September 2012 (continued)

### 5 Employees (continued)

	2012 £	2011 £
Other pension costs charged in arriving at the operating surplus comprise the following:		
Current service cost	340,800	460,800
Total operating charge	340,800	460,800

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

Salary range	2012 Number	2011 Number
£1 - £20,000	7	6
£20,001 - £30,000	28	33
£30,001 - £40,000	59	57
£40,001 - £50,000	35	26
£50,001 - £60,000	14	14
£60,001 - £70,000	5	3
£70,001 - £80,000	2	2
£80,001 - £90,000	1	-
£90,001 - £100,000	2	2
£100,001 - £110,000	-	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
	154	144

### 6 Directors

	2012 £	2011 £
Directors' remuneration consists of:		
Sessional and stipend payments	252,250	235,050
	252,250	235,050

There were no (2011 – Nil) directors in the company who were considered to be salaried, full-time executive directors during the year.

There were no (2011 - 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. This remuneration is paid via a monthly stipend for 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 on BDA business. In 2012 remuneration totalled £252,250 (2011 - £235,050).

The total amount payable to the highest paid director in respect of emoluments was £Nil (2011 - £Nil).

# British Dental Association

Notes forming part of the financial statements  
for the year ended 30 September 2012 (continued)

## 6 Directors (continued)

### Sessional and stipend payments

	2012 £	2011 £
M Armstrong	3,750	-
J Asquith (resigned 2 July 2012)	-	-
B Atkins (resigned 2 July 2012)	-	-
R Banks (resigned 2 July 2012)	-	-
H Bembridge (resigned 2 July 2012)	-	-
R Bennett (resigned 2 July 2012)	-	260
P Blaylock	5,310	2,080
G Brown (resigned 2 July 2012)	2,080	3,130
F Bryson (resigned 2 July 2012)	-	-
V Chan	3,750	-
S Clements (resigned 2 July 2012)	-	-
E Crouch	4,270	1,560
T Daley (resigned 2 July 2012)	-	-
J Donaldson (resigned 2 July 2012)	-	-
C Dubourg (resigned 2 July 2012)	13,650	18,200
K Fallon (resigned 2 July 2012)	-	-
M Fallowfield	38,250	26,000
S Farrell (resigned 2 July 2012)	-	-
L Foster (resigned 2 July 2012)	-	-
M Fulford (resigned 2 July 2012)	-	-
S Gallier (resigned 2 July 2012)	-	-
D Gingell (resigned 2 July 2012)	-	-
R Graham (resigned 2 July 2012)	-	-
S Greening (resigned 2 July 2012)	-	-
C Hayward (resigned 2 July 2012)	-	-
R Heathcote-Curtis (resigned 2 July 2012)	-	-
P Henderson	3,750	-
J Husband	25,750	26,000
S Ilyas (resigned 2 July 2012)	-	-
N Imtiaz(resigned 2 July 2012)	-	-
R Jervis (resigned 2 July 2012)	-	-
S Johnston	23,250	26,000
L Jones (resigned 2 July 2012)	-	-
N Jones	3,750	-
P Kelly (resigned 2 July 2012)	-	-
R Kinloch	26,150	18,200
R Ladwa (appointed 2 July 2012)	3,750	-
J Lafferty (resigned 2 July 2012)	-	-
A Lockyer (appointed 2 July 2012)	3,750	-
R Mahesh (resigned 2 July 2012)	-	-
S Manton (resigned 2 July 2012)	-	-
B McGonigle (resigned 2 July 2012)	-	520
G McKirdy (resigned 2 July 2012)	520	520
A Miller (resigned 2 July 2012)	-	-
J Mooney (resigned 2 July 2012)	4,550	18,200
<b>Carried forward</b>	<b>166,280</b>	<b>140,670</b>

# British Dental Association

Notes forming part of the financial statements  
for the year ended 30 September 2012 (continued)

## 6 Directors (continued)

	2012 £	2011 £
<b>Brought forward</b>	<b>166,280</b>	140,670
T Mushtaq (resigned 2 July 2012)	-	-
M Nelson (resigned 2 July 2012)	-	-
A Newlyn (resigned 2 July 2012)	-	-
M Nimmo (resigned 2 July 2012)	<b>5,720</b>	-
P Noon (resigned 2 July 2012)	-	-
H Overgaard-Nielsen (resigned 2 July 2012)	<b>1,040</b>	-
N Patel (resigned 2 July 2012)	<b>13,650</b>	18,200
G Porter (resigned 2 July 2012)	-	-
M Prideaux (resigned 2 July 2012)	-	1,300
M Qureshi (resigned 2 July 2012)	-	-
J Randall (resigned 2 July 2012)	-	-
J Renshaw (resigned 2 July 2012)	-	-
A Rockey (resigned 2 July 2012)	-	-
S Sanderson	<b>60,040</b>	74,360
S Shimberg (appointed 10 September 2012)	<b>1,250</b>	-
N Spillane (resigned 2 July 2012)	-	-
G Stokes	<b>4,270</b>	-
N Stolls (resigned 2 July 2012)	-	520
S Stone (resigned 2 July 2012)	-	-
S Thackeray (resigned 2 July 2012)	-	-
G Thomson (resigned 2 July 2012)	-	-
C Waite (resigned 2 July 2012)	-	-
R Watson (resigned 2 July 2012)	-	-
<b>Total</b>	<b>252,250</b>	235,050

## 7 Operating surplus

	2012 £	2011 £
This has been arrived at after charging:		
Depreciation	<b>244,068</b>	230,673
Hire of other assets - operating leases	<b>40,500</b>	40,500
Auditors' remuneration:		
- audit services	<b>19,850</b>	15,200
- non audit services (advisory)	<b>2,750</b>	2,500

## 8 Interest payable and similar charges

	2012 £	2011 £
Bank loans repayable in more than five years	<b>28,832</b>	30,868

# British Dental Association

Notes forming part of the financial statements  
for the year ended 30 September 2012 (*continued*)

## 9 Other financial charges

	2012 £	2011 £
Expected return on pension scheme assets	(537,000)	(557,000)
Interest on pension scheme liabilities	779,000	784,000
Investment management charges	2,076	-
	<u>244,076</u>	<u>227,000</u>

## 10 Taxation on surplus from ordinary activities

	2012 £	2011 £
<i>Current tax</i>		
UK corporation tax on surplus for the year	-	-

The tax assessed for the year is lower (2011 – lower) than the standard rate of corporation tax in the UK.  
The differences are explained below:

	2012 £	2011 £
Surplus on ordinary activities before tax	<u>1,250,428</u>	<u>452,631</u>
Surplus on ordinary activities at the standard rate of corporation tax in the UK of 24% (2011 – 26%)	300,103	126,736
Effects of:		
Surplus not chargeable to corporation tax	<u>(300,103)</u>	<u>(126,736)</u>
Current tax charge for year	-	-

# British Dental Association

Notes forming part of the financial statements  
for the year ended 30 September 2012 (*continued*)

## 11 Tangible assets

Consolidated	Long leasehold properties £	Office fixtures and fittings £	Heritage assets £	IT equipment £	Total £
<i>Cost</i>					
As at 1 October 2011	4,551,607	551,269	60,000	1,123,434	6,286,310
Additions	-	16,840	-	121,193	138,033
Disposals	-	(12,225)	-	-	(12,225)
<b>As at 30 September 2012</b>	<b>4,551,607</b>	<b>555,884</b>	<b>60,000</b>	<b>1,244,627</b>	<b>6,412,118</b>
<i>Accumulated depreciation</i>					
As at 1 October 2011	1,010,839	480,457	-	620,729	2,112,025
Charge for year	91,032	33,704	-	119,332	244,068
Disposals	-	(12,225)	-	-	(12,225)
<b>As at 30 September 2012</b>	<b>1,101,871</b>	<b>501,936</b>	<b>-</b>	<b>740,061</b>	<b>2,343,868</b>
<i>Net book value</i>					
<b>As at 30 September 2012</b>	<b>3,449,736</b>	<b>53,948</b>	<b>60,000</b>	<b>504,566</b>	<b>4,068,250</b>
As at 30 September 2011	3,540,768	70,812	60,000	502,705	4,174,285

In accordance with Financial Reporting Standard 30 - Heritage Assets, the Association's quasi-subsiary'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 and 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 2012 (continued)

### 11 Tangible assets (continued)

Association	Long leasehold properties £	Office fixtures and fittings £	IT equipment £	Total £
<i>Cost</i>				
As at 1 October 2011	4,551,607	216,585	1,123,434	5,891,626
Additions	-	-	121,193	121,193
Disposals	-	(12,225)	-	(12,225)
<b>As at 30 September 2012</b>	<b>4,551,607</b>	<b>204,360</b>	<b>1,244,627</b>	<b>6,000,594</b>
<i>Accumulated depreciation</i>				
As at 1 October 2011	1,010,839	181,871	620,729	1,813,439
Charge for year	91,032	13,127	119,332	223,491
Disposals	-	(12,225)	-	(12,225)
<b>As at 30 September 2012</b>	<b>1,101,871</b>	<b>182,773</b>	<b>740,061</b>	<b>2,024,705</b>
<i>Net book value</i>				
<b>As at 30 September 2012</b>	<b>3,449,736</b>	<b>21,587</b>	<b>504,566</b>	<b>3,975,889</b>
As at 1 October 2011	3,540,768	34,714	502,705	4,078,187

### 12 Fixed asset investments

Consolidated	2012 £	2011 £
<i>Quoted investments</i>		
Market value at date of donation to the Trust Fund	1,330,178	-
Additions	156,920	-
Disposals	(157,343)	-
Realised loss	(9,147)	-
Unrealised gains	70,283	-
<b>As at 30 September 2012</b>	<b>1,390,891</b>	<b>-</b>
Historic cost of investments	1,050,398	-

There were no individual listed investments in excess of 5% of the total portfolio value.

# British Dental Association

Notes forming part of the financial statements  
for the year ended 30 September 2012 (continued)

## 13 Stock

	Group 2012 £	Group 2011 £	Association 2012 £	Association 2011 £
Goods held for resale	<b>59,500</b>	92,121	<b>59,500</b>	92,121

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

## 14 Debtors

	Group 2012 £	Group 2011 £	Association 2012 £	Association 2011 £
Trade debtors	<b>21,536</b>	85,706	<b>21,536</b>	85,706
Other debtors	<b>111,502</b>	190,434	<b>72,018</b>	153,518
BDA Benevolent Fund	<b>13,463</b>	13,035	<b>13,463</b>	13,035
Prepayments and accrued income	<b>846,761</b>	805,698	<b>784,272</b>	746,718
	<b>993,262</b>	1,094,873	<b>891,289</b>	998,977

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

## 15 Creditors: amounts falling due within one year

	Group 2012 £	Group 2011 £	Association 2012 £	Association 2011 £
Bank loan (secured - see note 16)	<b>135,596</b>	133,515	<b>135,596</b>	133,515
Trade creditors	<b>257,221</b>	595,005	<b>257,221</b>	595,005
Other creditors	<b>98,320</b>	107,914	<b>98,320</b>	107,914
BDA Trust Fund	-	-	<b>135,551</b>	363,281
Taxation and social security	<b>195,292</b>	174,504	<b>195,292</b>	174,504
Subscriptions paid in advance	<b>192,762</b>	350,530	<b>192,762</b>	350,530
Accruals and deferred income	<b>989,230</b>	1,005,774	<b>942,226</b>	1,005,727
	<b>1,868,421</b>	2,367,242	<b>1,956,968</b>	2,730,476

# British Dental Association

## Notes forming part of the financial statements for the year ended 30 September 2012 (continued)

### 16 Creditors: amounts falling due after more than one year

	Group 2012 £	Group 2011 £	Association 2012 £	Association 2011 £
Bank loan (secured)	<u>1,638,445</u>	<u>1,774,003</u>	<u>1,638,445</u>	<u>1,774,003</u>

The 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 bank loan is secured on the company's long leasehold building, and on the other assets of the Association.

#### Maturity of debt

	Group Bank loan 2012 £	Group Bank loan 2011 £	Association Bank loan 2012 £	Association Bank loan 2011 £
In less than one year	<u>135,596</u>	<u>133,515</u>	<u>135,596</u>	<u>133,515</u>
In more than one year but not more than two years	<u>137,710</u>	<u>135,597</u>	<u>137,710</u>	<u>135,597</u>
In more than two years but not more than five years	<u>426,146</u>	<u>419,607</u>	<u>426,146</u>	<u>419,607</u>
In more than five years	<u>1,074,589</u>	<u>1,218,799</u>	<u>1,074,589</u>	<u>1,218,799</u>
	<u>1,638,445</u>	<u>1,774,003</u>	<u>1,638,445</u>	<u>1,774,003</u>

### 17 Reserves

Group	Income and expenditure account £	Restricted funds £	Total £
At 1 October 2011	1,786,728	198,719	1,985,447
Surplus for the year	14,485	1,235,943	1,250,428
Unrealised movement on revaluation of investments	-	70,283	70,283
Actuarial gain on pension scheme	193,000	-	193,000
<b>At 30 September 2012</b>	<u><b>1,994,213</b></u>	<u><b>1,504,945</b></u>	<u><b>3,499,158</b></u>

# British Dental Association

Notes forming part of the financial statements  
for the year ended 30 September 2012 (continued)

## 17 Reserves (continued)

<b>Association</b>	<b>Total £</b>
At 1 October 2011	1,184,458
Surplus for the year	9,844
Actuarial gain on pension scheme	193,000
<b>At 30 September 2012</b>	<b>1,387,302</b>

## 18 Reconciliation of movement in reserves

<b>Group</b>	<b>2012 £</b>	<b>2011 £</b>
Surplus for the year	1,250,428	452,631
Other recognised gains and losses relating to the year:		
- Actuarial gain/(loss) on pension scheme	193,000	(299,000)
Unrealised movement on revaluation of investments	70,283	-
<b>Net increase in funds</b>	<b>1,513,711</b>	<b>153,631</b>
<b>Opening funds</b>	<b>1,985,447</b>	<b>1,831,816</b>
<b>Closing funds</b>	<b>3,499,158</b>	<b>1,985,447</b>
<b>Association</b>	<b>2012 £</b>	<b>2011 £</b>
Surplus for the year	9,844	368,454
Other recognised gains and losses relating to the year:		
- Actuarial gain/(loss) on pension scheme	193,000	(299,000)
<b>Net increase in funds</b>	<b>202,844</b>	<b>69,454</b>
<b>Opening funds</b>	<b>1,184,458</b>	<b>1,115,004</b>
<b>Closing funds</b>	<b>1,387,302</b>	<b>1,184,458</b>

# British Dental Association

## Notes forming part of the financial statements for the year ended 30 September 2012 (continued)

### 19 Commitments under operating leases

As at 30 September 2012, the group had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2012 £	Other 2012 £	Land and buildings 2011 £	Other 2011 £
Operating leases which expire:				
Within one year	-	6,051	-	42,440
Between two and five years	-	163,743	-	65,263
Over five years	40,500	-	40,500	25,824
<b>Total</b>	<b>40,500</b>	<b>169,794</b>	<b>40,500</b>	<b>133,527</b>

### 20 Reconciliation of operating surplus to net cash (outflow)/inflow from operating activities

	2012 £	2011 £
Operating surplus	1,432,546	677,255
Depreciation	244,068	230,673
Decrease in stocks	32,621	32,724
(Increase)/decrease in debtors	102,249	(215,895)
Increase/(decrease) in creditors	(648,986)	741,402
Pension scheme contributions	(340,800)	(461,000)
Investment management charge	(2,076)	-
Donation by Shirley Glasstone Hughes	(1,323,552)	-
Cash donated by Shirley Glasstone Hughes	140,820	-
Loss on disposal of fixed assets	-	2,709
Loss on disposal of investments	9,147	-
<b>Net cash outflow from operating activities</b>	<b>(353,963)</b>	<b>1,007,868</b>

# British Dental Association

Notes forming part of the financial statements  
for the year ended 30 September 2012 *(continued)*

## 21 Reconciliation of net cash inflow to movement in net funds

	2012 £	2012 £	2011 £	2011 £
(Decrease)/increase in cash in the year	(563,092)		713,008	
Cash inflow from decrease in debt	133,477		131,440	
Change in net funds resulting from cash flows		(429,615)		844,448
Opening net funds		1,382,895		538,447
Closing net funds		953,280		1,382,895

## 22 Analysis of net funds

	At 1 October 2011 £	Cash flow £	Other non-cash changes £	At 30 September 2012 £
Cash in hand and at bank	3,290,413	(563,092)	-	2,727,321
Debt due within one year	(133,515)	133,477	(135,558)	(135,596)
Debt due after one year	(1,774,003)	-	135,558	(1,638,445)
<b>Net funds</b>	<b>1,382,895</b>	<b>(429,615)</b>	<b>-</b>	<b>953,280</b>

# British Dental Association

## Notes forming part of the financial statements for the year ended 30 September 2012 (*continued*)

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### 23 Pensions

#### *Defined benefit scheme*

At 30 September 2012 the Association operated a defined benefit scheme in the UK. The scheme remains open only for future accrual and all eligible staff and directors have been offered membership of a new defined contribution scheme.

The scheme is funded with the assets being held by the Trustees separately from the assets of the Association. The pension costs are determined in accordance with the advice of a professional qualified actuary. A full actuarial valuation was carried out on 31 March 2011. An interim valuation was then prepared by the actuary on 30 September 2012.

At the interim valuation date, the market value of the assets in the scheme was £14,149,000. The value of these assets represented 86.4% of the value of the benefits that had accrued to members, after allowing for future increases in earnings.

It was assumed that the investment return would be 3.60% per annum, that salary increases would average 3.50% per annum above inflation and that present and future pensions would increase at the rate of 2.75% per annum.

Following the triennial valuation as at March 2011, a revised plan to fund the deficit within the Scheme was agreed; with decreased contributions to the Scheme by the Association starting in October 2011. The Scheme Trustees and the employer decided upon a ten year recovery plan, with the annual contribution decreasing. The employer cost of the defined benefit scheme was £340,800 (2011 - £461,000).

# British Dental Association

## Notes forming part of the financial statements for the year ended 30 September 2012 (continued)

### 23 Pensions (continued)

#### Additional disclosures under Financial Reporting Standard 17 "Retirement Benefits" (FRS 17)

A triennial valuation of the defined benefit scheme was carried out at 31 March 2011. This information has been used by the actuary to calculate the value of the scheme assets and liabilities at 30 September 2012 on the basis that it provides the most accurate status of the pension scheme currently available and it is this information that can be seen in these financial statements.

The major assumptions at 30 September 2012 as used by the actuary were:

	30 September 2012	30 September 2011	30 September 2010
Discount rate	4.40% pa	5.30% pa	5.30% pa
Inflation assumption (RPI)	2.75% pa	3.25% pa	3.25% pa
Inflation assumption (CPI)	2.00% pa	2.50% pa	n/a
Pension increases in payment (RPI)	2.75% pa		
Salary increases	3.50% pa	3.25% pa	3.25% pa
		4.00% pa	4.00% pa
Pension increases in deferment	CPI (except for those members who retain a salary-linked pension)	RPI (except for those members who retain a salary-linked pension)	RPI (except for those members who retain a salary-linked pension)
Post-retirement mortality table	Males – S1NMA Light Females – S1NFA Light	Males – PNMA00 Females – PNFA00	Males – PNMA00 Females – PNFA00
Post retirement mortality projection	CMI 2010 with 1% p.a. long term rate of improvement.	Long cohort projection based on year of birth	Long cohort projection based on year of birth
Tax free cash	No allowance	No allowance	No allowance

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

	30 September 2012 (years)	30 September 2011 (years)	30 September 2010 (years)
Male currently aged 40	29.8	28.1	29.5
Female currently aged 40	31.2	30.7	31.4
Male currently aged 60	28.3	26.6	28.2
Female currently aged 60	29.6	29.1	30.7



# British Dental Association

## Notes forming part of the financial statements for the year ended 30 September 2012 (continued)

### 23 Pensions (continued)

#### Net pension assets

	Long-term rate of return expected at 30 September 2012	Long-term rate of return expected at 30 September 2011	Long-term rate of return expected at 30 September 2010
Scheme's assets	3.60%	4.30%	4.44%

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

Asset Category	30 September 2012	30 September 2011	30 September 2010
Equities	59.3%	58.0%	60.0%
Bonds	20.4%	20.0%	19.0%
Gilts	19.3%	21.0%	20.0%
Cash	1.0%	1.0%	1.0%

The actual return on the Scheme's assets net of expenses over the period to the review date was £1,601,000 (2011 – loss of £225,000).

The assets do not include any investment in the BDA.

#### Amounts recognised in the balance sheet

	30 September 2012 £'000	30 September 2011 £'000
Fair value of assets	14,149	12,425
Present value of funded obligations	(16,382)	(14,950)
<b>Scheme deficit</b>	<b>(2,233)</b>	<b>(2,525)</b>

# British Dental Association

## Notes forming part of the financial statements for the year ended 30 September 2012 (continued)

### 23 Pensions (continued)

#### Experience gains and losses on Scheme assets in the year to 30 September 2012

	2012 £'000	2011 £'000
Amount	1,347	(782)
Percentage of Scheme assets	9.52%	6.29%

#### Experience gains and losses on Scheme liabilities in the year to 30 September 2012

Amount	162	(315)
Percentage of Scheme assets	1.14%	2.54%

#### Amounts recognised in the income and expenditure account

Current service cost	-	-
Interest cost	(779)	(784)
Expected return on assets	537	557
(Gains)/losses on settlement or curtailments	-	-
Past service costs	-	-
Effect of limit on recognisable surplus	-	-
<b>Total</b>	<b>(242)</b>	<b>(227)</b>

#### Analysis of amount recognised in statement of total recognised gains and losses

Total actuarial gain/(loss) (*see below)	193	(299)
Limit on asset that can be recognised	-	-
<b>Total gain/(loss) in statement of total recognised gains and losses</b>	<b>193</b>	<b>(299)</b>

#### Reconciliation of assets

Fair value of assets at the beginning of the period	12,425	12,464
Expected return on assets (before any restriction)	537	557
Employer contributions	341	461
Contributions by Scheme participants	-	-
Benefits paid	(501)	(275)
Actuarial gain/(loss)	1,347	(782)
Change due to settlements or curtailments	-	-
<b>Fair value of assets at the end of the period</b>	<b>14,149</b>	<b>12,425</b>

# British Dental Association

## Notes forming part of the financial statements for the year ended 30 September 2012 (continued)

### 23 Pensions (continued)

\* Included in the above total actuarial gain is an amount of £283,000 paid by the British Dental Association Benevolent Fund to the pension scheme. This payment is in consideration of a pre-existing liability to the pension scheme relating to Benevolent Fund employees enrolled in the Association's pension scheme. Previously its share of the scheme deficit could not be separately identified and accordingly remained within the total deficit figure shown within their financial statements. The subsequent payment, following a cessation agreement, has not been treated as income and instead has been incorporated as part of actuarial gains recognised within the Statement of Total Recognised Gains and Losses.

#### Reconciliation of defined benefit obligation

	2012 £'000	2011 £'000
Defined benefit obligation at the beginning of the period	14,950	14,924
Current service cost	-	-
Contributions by Scheme participants	-	-
Past service cost	-	-
Interest cost	779	784
Benefits paid	(501)	(275)
Actuarial loss/(gain)	1,154	(483)
<b>Defined benefit obligation at the end of the period</b>	<b>16,382</b>	<b>14,950</b>

#### Summary of prior year amounts

Period to	2012 £'000	2011 £'000	2010 £'000	2009 £'000
Present value of defined benefit obligation	16,382	14,950	14,924	13,544
Fair value of assets	14,149	12,425	12,464	11,382
Scheme deficit	(2,233)	(2,525)	(2,460)	(2,161)
Experience gains/(losses) on Scheme liabilities	162	(315)	64	156
Experience gains/(losses) on Scheme assets	1,347	(782)	372	348

# British Dental Association

Notes forming part of the financial statements  
for the year ended 30 September 2012 (*continued*)

## 24 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:

	2012 £	2011 £
<b>Income</b>	<b>15,920,230</b>	16,372,176
Cost of sales	(4,108,599)	(4,146,744)
<b>Net income</b>	<b>11,811,631</b>	12,225,432
Meeting and sessional costs	(620,083)	(585,633)
Staff costs and overheads	(9,935,247)	(9,860,608)
Branch expenditure	(425,223)	(647,833)
Donations	(590,335)	(535,565)
Loss on disposal of fixed assets	-	(2,709)
<b>Operating surplus</b>	<b>240,743</b>	593,084
Interest receivable	39,933	33,238
Interest payable and similar charges	(28,832)	(30,868)
Other finance charges	(242,000)	(227,000)
<b>Surplus on ordinary activities before taxation</b>	<b>9,844</b>	368,454
Taxation on surplus from ordinary activities	-	-
<b>Surplus on ordinary activities after taxation</b>	<b>9,844</b>	368,454