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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:

30th September 2015

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

☐

No

☒

(Click the appropriate box)

General Secretary:

Michael Armstrong

Telephone Number:

Contact name for queries
regarding

Bina Varkey

Telephone Number:

0207 563 4191

E-mail:

bina.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

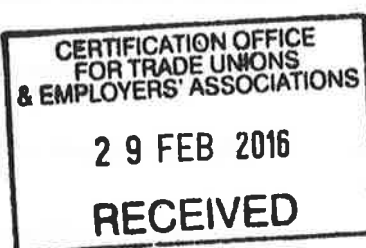
The address to which returns and other documents should be sent are:

For Unions based in England and Wales:

Certification Office for Trade Unions and Employers' Associations
22nd 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	9,773	334		122	10,229
FEMALE	8,061	375		92	8,528
TOTAL	17,834	709		214	18,757

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

18,757

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 5), 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:

British Dental Association

**Directors and professional advisors
for the year ended 30 September 2015**

Directors and Advisors

The following held office during the year:

M Armstrong, Chair of the Principal Executive Committee

P Blaylock

V Chan

E Crouch

L D'Cruz (Appointed 1 January 2015)

M Fallowfield (Resigned 1 January 2015)

T Harker

P Henderson

J Husband

N Jones

R Kinloch

R Ladwa

A Lockyer

S Sanderson (Resigned 1 January 2016)

S Shimberg

J Stokes (Appointed 1 January 2015)

G Stokes (Resigned 1 January 2015)

P Woodhouse (Appointed 1 January 2016)

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

GENERAL FUND

(see notes 13 to 18)

	£	£
INCOME		
From Members: Contributions and Subscriptions		8,632,074
From Members: Other income from members (specify)		
Total other income from members		0
Total of all income from members		8,632,074
Investment income (as at page 12)		28,040
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	6,980,743	
Total of other income (as at page 4)		6,980,743
	TOTAL INCOME	15,640,857
EXPENDITURE		
Benefits to members (as at page 5)		9,807,468
Administrative expenses (as at page 10)		5,611,115
Federation and other bodies (specify)		
Total expenditure Federation and other bodies		0
Taxation		
	TOTAL EXPENDITURE	15,418,583
Surplus (deficit) for year		222,274
Actuarial profit/(loss on pension scheme)		143,000
Amount of general fund at beginning of year		(646,955)
Amount of general fund at end of year		(281,681)

BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
Federation and other bodies		
TOTAL FEDERATION AND OTHER BODIES		
Other income		
Commercial Activity	6,709,763	
Branch External Fundraising	270,980	
TOTAL OTHER INCOME		6,980,743
TOTAL OF ALL OTHER INCOME		6,980,743

ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues	101,000	brought forward	2,818,209
		Education and Training	494,802
Representation – Non Employment Related Issues	16,801		
		Negotiated Discount Services	
Communications	2,700,408		
		Salary Costs	4,766,758
Advisory Services			
		Other Benefits and Grants	
Dispute Benefits		Donation to Trust Fund	807,849
		Grants to Branches	416,031
		Autonomous Committees	239,890
		Other	263,929
Other Cash Payments			
carried forward	2,818,209	Total (should agree with figure in General Fund)	9,807,468

(See notes 24 and 25)

FUND 2		Fund Account	
Name:		£	£
Income			
From members			
Investment income (as at page 12)			
Other income (specify)			
	Total other income as specified		
	Total Income		
Expenditure			
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 3		Fund Account	
Name:		£	£
Income			
From members			
Investment income (as at page 12)			
Other income (specify)			
	Total other income as specified		
	Total Income		
Expenditure			
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 24 and 25)

FUND 4		Fund Account	
Name:		£	£
Income			
From members			
Investment income (as at page 12)			
Other income (specify)			
	Total other income as specified		
	Total Income		
Expenditure			
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 5		Fund Account	
Name:		£	£
Income			
From members			
Investment income (as at page 12)			
Other income (specify)			
	Total other income as specified		
	Total Income		
Expenditure			
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 24 and 25)

FUND 6		Fund Account	
Name:		£	£
Income			
From members			
Investment income (as at page 12)			
Other income (specify)			
Total other income as specified			
			Total Income
Expenditure			
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:		£	£
Income			
From members			
Investment income (as at page 12)			
Other income (specify)			
Total other income as specified			
			Total Income
Expenditure			
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	
		£	£
Income	Members contributions and levies		
	Investment income (as at page 12)		
	Other income (specify)		
		Total other income as specified	
		Total income	
Expenditure	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	
		£	£
Income	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	
Expenditure	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)

		£
Administrative Expenses		
Remuneration and expenses of staff		2,002,147
Salaries and Wages included in above	£1,468,532	
Auditors' fees		16,300
Legal and Professional fees		56,891
Occupancy costs		738,862
Stationery, printing, postage, telephone, etc.		213,404
Expenses of Executive Committee (Head Office)		522,584
Expenses of conferences		721,106
Other administrative expenses (specify)		
IT Costs		623,359
Irrecoverable VAT		226,043
Bank Charges		43,980
General Expenses		87,145
Other Outgoings		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		22,593
FRS 17 Pensions Adjustment		48,000
Depreciation		288,701
Taxation		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Total		
Charged to:	General Fund (Page 3)	5,611,115
	Fund (Account)	
Total		5,611,115

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 (General Secretary)	75,000	9,241				84,241
Martin Fallowfield (NED)	3,750	243				3,993
Paul Blaylock (NED)	15,000	961				15,961
Victor Chan (NED)	15,000	961				15,961
Edward Crouch (NED)	29,077	2834				31,911
Philip Henderson (NED)	15,000	961				15,961
Judith Husband (NED)	32,821	3,397				36,218
Nigel Jones (NED)	15,000	961				15,961
Robert Kinloch (NED)	28,103	2,802				30,905
Rasikkumar Ladwa (NED)	15,000	961				15,961
Alison Lockyer (NED)	15,000	961				15,961
Susan Sanderson (NED)	15,000	961				15,961
Stephen Shimberg (NED)	15,000	961				15,961
Graham Stokes(NED)	3,750	243				3,993
Tim Harker (NED)	15,000	961				15,961
Leonard D'Cruz	11,250	810				12,060
Jason Stokes	11,250	810				11,968

(see notes 45 and 46)

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BALANCE SHEET as at 30th September 2015

(see notes 47 to 50)

Previous Year		£	£
3,804,010	Fixed Assets (at page 14)		3,550,028
	Investments (as per analysis on page 15)		
	Quoted (Market value £)		
	Unquoted		
3,804,010	Total Investments		3,550,028
	Other Assets		
	Loans to other trade unions		
1,057,581	Sundry debtors	1,056,779	
3,409,779	Cash at bank and in hand	3,110,860	
	Income tax to be recovered		
50,050	Stocks of goods	56,726	
	Others (specify)		
4,517,411	Total of other assets		4,224,365
8,321,420	TOTAL ASSETS		7,774,393
	Fund (Account)		
	Superannuation Fund (Account)		
	Political Fund (Account)		
	Revaluation Reserve		
	LIABILITIES		
	Amount held on behalf of central trade union political fund		
	Loans: From other trade unions		
1,500,839	Loans: Other		1,361,124
2,644,260	Pension Scheme (FRS 17)		2,173,780
172,240	Tax payable		171,235
484,582	Sundry creditors		258,057
440,284	Accrued expenses		449,488
3,030,325	Subscriptions in advance		2,944,734
695,845	Other liabilities		697,656
8,968,375	TOTAL LIABILITIES		8,056,074
(646,955)	TOTAL NET LIABILITIES		(281,681)

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings Freehold £ £ Leasehold		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
Cost or Valuation						
At start of year		4,551,607	1,821,382			6,372,989
Additions			34,720			34,720
Disposals		(1,002)	(32,356)			(33,358)
Revaluation/Transfer s						
At end of year		4,551,605	1,823,746			6,374,351
Accumulated Depreciation						
At start of year		1,283,935	1,285,045			2,568,980
Charges for year		91,032	196,884			287,916
Disposals		(216)	(32,356)			(32,572)
Revaluation/Transfer s						
At end of year		1,374,751	1,449,573			2,824,324
Net book value at end of year		3,175,854	374,173			3,550,028
Net book value at end of previous year		3,267,672	536,336			3,804,009

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)

Does the union, or any constituent part of the union, have a controlling interest in any limited company?		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)		
Are the shares which are controlled by the union registered in the names of the union's trustees?			
		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 £
INCOME			
From Members	8,632,074		8,632,074
From Investments	28,040		28,040
Other Income (including increases by revaluation of assets)	6,980,743		6,980,743
Total Income	15,640,857		15,640,857
EXPENDITURE (including decreases by revaluation of assets)	15,418,583		15,418,583
Actuarial gain on pension scheme	(143,000)		(143,000)
Total Expenditure	15,275,583		15,275,583
Funds at beginning of year (including reserves)	(646,955)		(646,955)
Funds at end of year (including reserves)	(281,681)		(281,681)
ASSETS			
Fixed Assets			3,550,028
Investment Assets			
Other Assets			4,224,365
Total Assets			7,774,393
LIABILITIES		Total Liabilities	8,056,074
NET ASSETS (Total Assets less Total Liabilities)			(281,681)

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.

Secretary's
Signature: _____

Michael Armstrong

Signature: _____

Name: Michael Armstrong (Chair of PEC)

Name: *Paul Woodhouse*
(Member of the PEC)

Date: 26/2/16

Date: 26/2/16

CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input 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 type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: <i>Found in the annual accounts (enclosed) and printed in the BDJ (publication) sent to all members.</i> (see Note 80)	ENCLOSED	<input type="checkbox"/>	TO FOLLOW	<input type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input 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 2015, excluding page 11, 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 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 2015 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.

Don

BDO LLP, *statutory auditor*
Gatwick
United Kingdom

Date *26 Feb 2016*

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

Signature(s) of auditor or auditors:	<i>Don</i>	
Name(s):	<i>Don</i>	
Profession(s) or Calling(s):	<i>AUDITOR.</i>	
Address(es):	<i>2 CITY PLACE BEEHIVE TRINITY GATWICK RH6 0TA</i>	
Date:	<i>26-2-2016</i>	
Contact name and telephone number:	<i>DON BAWTREE 0129 3591084</i>	

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 2015

Company Number 14161

British Dental Association

Report and financial statements for the year ended 30 September 2015

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15	Notes forming part of the financial statements

British Dental Association

Report of the Chair of the Principal Executive Committee for the year ended 30 September 2015

Report of the Chair of the Principal Executive Committee

The BDA is entering its third year under the new membership structure. The first two years have required robust financial control at a time of unprecedented change within the dental environment. Despite falling membership numbers, the Association has been very active. By balancing tight financial control alongside commercial success the Association has made resource available to provide greater value to its members, understand the needs of its non-members and, to actively fight for the profession as a whole.

Financially the Association has over-achieved this year. Having budgeted for a break-even (excluding branch activity, additional donation to the BDA Trust Fund and non-cash adjustments arising from the Association's closed final salary pension scheme), we actually made a surplus of £136,125 – or £365,274 if these adjustments are included. Although membership numbers remain a challenge, the strong performance of our commercial activities (primarily our journal portfolio) alongside a culture of prudent financial control has allowed the Association to be active in its two most important arenas – providing support and services to dentists and representing them.

A number of new services were offered to members. Expert members were introduced to the online Expert Solutions package. This provides access to useful summaries of advice, template policies and protocols, and direct links to other relevant sources of information. Being web-based, the information is kept up to date and members can see where changes have been made and why. All dentists and the wider dental team have benefited from two collaborations with major partners: Child Protection and the Dental Team is now available via the BDA website and provides online tools for team training (in collaboration with Jenny Harris, Consultant in Community Paediatric Dentistry, Sheffield) and oral cancer recognition toolkit (in collaboration with Cancer Research UK). Both have member-only CPD via the Association's CPD Hub; CPD for the wider dental team will soon be available. Development continues on all aspects of our digital offer; new functionality and content is being added to the website, a new online training course is in progress and further development of our CPD Hub is imminent. The Association is investing significant resource in developing and extending its digital offer both as services to members and in its roles as thought leader and voice of the profession.

The Association's support for and representation of dentists continues, most notably with our continued struggle with a regulator that is both no longer fit for purpose and unwilling to engage with the profession. Having been judged to have run an unlawful consultation for its 2015 ARF increase, the GDC was only allowed to retain its proposed fee by claiming institutional incompetence (the GDC claimed paying members back the excessive increase would endanger the organisation). In 2015 it consulted in almost exactly the same form for a zero increase for 2016. The BDA challenged both the arguably unlawful process of the consultation and the justifications for retaining an unrealistically high ARF. The GDC dealt with these challenges in the same dismissive way as it has done previously. Separately, the Professional Standards Authority annual report on the GDC was highly critical. This was further underlined when it went on to publish a second special report into the GDC's conduct in relation to matters raised by a whistle-blower. The two reports taken together paint a picture of an organisation that is failing disastrously. The BDA has continued to express its concerns about the regulator's poor performance. It is to be hoped that, at last, parliamentary officials may be beginning to listen.

The diverging healthcare systems of each of the UK home nation continues apace. This adds further complexity to the work of the Association; not least its submission to the Doctors and Dentists Review Body. Our efforts in that regard demand enormous amounts of work but increasingly deliver minimal results as the various governments constrain expenditure. Moreover, the different contractual and commissioning regimes at work in the different countries demands highly differentiated offerings both in terms of collective negotiation and support for members.

The BDA is a membership organisation; our members are our life-blood. Losing members hurts our ability to fight for our members and the wider interests of dentistry and to play our part in shaping its future. We are not alone in this, many traditional membership organisations are facing the same challenges. However, I believe that the values the BDA represents – professional expertise and pride, collective strength and belonging and the power of sharing knowledge, are going to become increasingly important in a world that offers people choice without guidance and "flexibility" without certainty.


M Armstrong
Chair of Principal Executive Committee

British Dental Association

**Directors and professional advisors
for the year ended 30 September 2015**

Directors and Advisors

The following held office during the year:

M Armstrong, Chair of the Principal Executive Committee
P Blaylock
V Chan
E Crouch
L D'Cruz (Appointed 1 January 2015)
M Fallowfield (Resigned 1 January 2015)
T Harker
P Henderson
J Husband
N Jones
R Kinloch
R Ladwa
A Lockyer
S Sanderson (Resigned 1 January 2016)
S Shimberg
J Stokes (Appointed 1 January 2015)
G Stokes (Resigned 1 January 2015)
P Woodhouse (Appointed 1 January 2016)

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 2015

The directors present their report together with the audited financial statements of the group for the year ended 30 September 2015.

Constitution

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

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 end of 30 September 2015. The objects of the charity are:

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

The 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.

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

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

Membership

Membership numbers at the end of the financial year totalled 16,470 qualified members (2014 - 16,327). Student numbers totalled 2,287 (2014 - 2,486).

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 2015 (continued)

Future developments

2015-16 will be the third year of financial recovery for the Association. To date the Association has performed ahead of expectation whilst realigning its business to meet the needs of its members. The Association has agreed a new three year strategy for the period from 2015 to 2018, focusing on developing member communications; addressing differentiated needs across the UK; services for associates; stress in the profession; and enhancing educational services.

To underpin these strategic priorities, the Association will initially look to make significant infrastructure improvements. An additional developer has been budgeted in order to allow more effective development of the website. Investment has also been made in the CPD Hub, allowing greater exploitation of its features and the expansion of services to the wider dental team.

Pension deficit

The interim actuarial valuation of the Defined Benefit Scheme as at 30 September 2015 based on the principles of FRS 17 reveals a deficit of £2,173,780 (2014 - deficit of £2,644,400). Details are set out in Note 22 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 2.

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 Tim Harker, the Chair of the Audit Committee. The Committee appointed an independent member; a qualified accountant unconnected with the Association. This appointment is intended to provide technical support and advice to the Committee.

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

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

British Dental Association

Report of the directors for the year ended 30 September 2015 (*continued*)

- to provide a forum for review of any issue jointly referred to it by the UK Council and PEC
- to provide regular reports to the UK Council, including recommendations for action as appropriate.

Charitable and political contributions

During the year the BDA contributed £807,849 (2014 - £501,136) to the BDA Trust Fund. There were no political contributions during the year (2014 - £Nil).

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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 24/02/16
and signed on its behalf by



M Armstrong
Chair of Principal Executive Committee

British Dental Association

Strategic report for the year ended 30 September 2015

Business review

The group's net surplus for the year was £445,105 (2014 – deficit of £194,614).

Total income increased by 5% largely due to subscription income growing by £687,000. The end of year membership profile is misleading and does not reflect the true profile throughout the year. Membership fell in the early part of the year, but with 5th year students progressing to newly qualified dentists a month earlier in 2015, the year-end dentist membership figures were more or less in line with those for 2014. In addition performance improved across the range of our commercial activities, particularly journals. However this was offset to an extent by the performance of the events portfolio as well as the annual conference.

The Association's journal portfolio benefitted from improved classified and display advertising revenues, and site license sales. The BDJ continues to be the leading dental journal in the UK. Market research shows it to be the most read, trusted and passed-on journal (ensuring a reach well beyond subscribers and Association members). Its main competitor in most of these areas is BDJ In Practice. This level of reach and trust, underpins the BDJ's role as the primary source of dental jobs and ensures the journal portfolio's attraction to display advertisers. Changes to the publisher's company structure drove increases in the portfolio's site license business.

The annual conference took place in Manchester for the second year running. Registration income was stable and in line with 2013/14, despite Extra and Expert tier Association members being able to attend (and bring others) for free. Outside of the Conference, the Association's seminar programme has been scaled back. This was the result of both operational factors and the decision to provide focus seminars on the most popular areas in order to improve the delegate experience.

The Association's Good Practice Scheme is being reviewed and is expected to relaunch in 2015/16. A simplified membership model has improved retention rates but growth in membership is not at a level appropriate to a product of this quality. The challenge for the next financial year is to address this.

Following the launch of BDA DCP qualifications in 2013, enrolment and completion of the Radiography and Oral Health Education courses for DCPs settled into a stable pattern in 2014/2015. Both courses remain very popular, with the radiography course and qualification filled to capacity. The Education team are responsible for both DCP courses and the CPD Hub. The Hub's success and consequent demands for further development (in terms of access and features) ensured that its development took priority over additional courses. In 2015/16 work on the Hub will continue, alongside technical improvements in the delivery of DCP Courses and an additional course to further improve our offer in this area.

The Association's challenge to the GDC consultation on its Annual Retention Fee (ARF), ending in a successful judgement at judicial review, was an expensive process, straddling two financial years. The Association's accounts were slightly improved by the reimbursement of its legal costs by the GDC for both 2014 and 2015.

Key performance indicators

The BDA's main KPI is its membership which stood at 18,757, consisting of 16,470 dentist members and 2,287 students. This equates to a 0.3% decrease on prior year figures. As discussed in the business review this figure does not reflect the full year. On average membership was approximately 2% lower than in the previous financial year. The Association plans to stabilise its membership numbers in 2015/16 with a view to reviewing its offer and building numbers again from 2016 on.

British Dental Association

Strategic report for the year ended 30 September 2015 (*continued*)

The Association intends to ensure the services provided to its members remain relevant and valued thereby serving current members to high levels of satisfaction and attracting new members. With members able to opt out of membership at any time, increasing membership will be a challenge but with a detailed marketing strategy, it still remains an achievable target. Growth in membership will allow the Association to adopt a more forthright stance on key issues and ensure it maintains its position as a key player when negotiating and representing its members.

Principal risks and uncertainties

With the new membership structure now in place for just over two years, the Association has a greater amount of data in order to establish trends for budgeting purposes. The first year of the membership structure saw exceptional activity, as cancellations were not permitted within the year which made it difficult to compare behaviour. The second membership year (2014/15) was therefore the first year where there was unrestricted movement and therefore a more natural pattern of activity. As such, the 2015/16 budgets mirror membership retention and joining rates for last year.

Although greater amounts of data are available and membership numbers are more stable, the membership structure is still relatively new resulting in an element of uncertainty surrounding membership projections. Nevertheless, an earlier membership year has given greater certainty over the first nine months of the new financial year allowing the Association to assess and manage areas of risk in advance.

British Dental Association

Independent auditor's report

TO THE MEMBERS OF BRITISH DENTAL ASSOCIATION

We have audited the financial statements of British Dental Association for the year ended 30 September 2015 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 Financial Reporting Council's (FRC'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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2015 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*)

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.



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

Date 26-02-2016

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 2015

	Note	2015 £	2014 £
Income	3	15,635,186	14,916,194
Cost of sales	3	(3,946,827)	(3,837,030)
Net income	3	11,688,359	11,079,164
Meeting and sessional costs		(762,474)	(721,202)
Staff costs and overheads		(10,158,529)	(10,045,118)
Branch expenditure		(416,031)	(444,568)
Profit on disposal of investments		111,081	31,467
Operating surplus/(deficit)	6	462,406	(100,257)
Interest receivable		18,968	67,345
Return on investments		35,920	41,437
Interest payable and similar charges	7	(22,593)	(24,662)
Other finance charges	8	(49,596)	(178,477)
Surplus/(deficit) on ordinary activities before taxation		445,105	(194,614)
Taxation on surplus/(deficit) from ordinary activities	9	-	-
Surplus/(deficit) on ordinary activities after taxation		445,105	(194,614)

All amounts relate to continuing activities.

The notes on pages 15 to 33 form part of these financial statements.

British Dental Association

Consolidated statement of total recognised gains and losses for the year ended 30 September 2015

	Note	2015 £	2014 £
Consolidated statement of total recognised gains and losses			
Surplus/(deficit) for the year		445,105	(194,614)
Actuarial gain on pension scheme	22	143,000	214,000
Unrealised movement on revaluation of investments		(176,554)	5,742
		<hr/>	<hr/>
Total recognised gains for the year		411,551	25,128
		<hr/>	<hr/>

The notes on pages 15 to 33 form part of these financial statements.

British Dental Association

Consolidated balance sheet at 30 September 2015

Company number 14161	Note	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	10		3,637,332		3,890,938
Investments	11		781,096		1,183,340
Current assets					
Stocks	12	56,726		50,050	
Debtors	13	1,073,528		1,063,710	
Cash at bank and in hand		3,969,223		3,835,015	
		5,099,477		4,948,775	
Creditors: amounts falling due within one year	14	(4,387,659)		(4,691,985)	
Net current assets			711,818		256,790
Total assets less current liabilities			5,130,246		5,331,068
Creditors: amounts falling due after more than one year	15		(1,219,090)		(1,360,984)
Net pension liability	22		(2,173,780)		(2,644,260)
Net assets			1,737,376		1,325,825
Reserves					
Income and expenditure account	16		588,074		(97,841)
Restricted funds	16		1,149,302		1,423,666
			1,737,376		1,325,825

The financial statements were approved by the directors and authorised for issue on 24/02/16



M Armstrong
Chair, Principal Executive Committee

The notes on pages 15 to 33 form part of these financial statements.

British Dental Association

Association balance sheet at 30 September 2015

<i>Company number 14161</i>	Note	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	10		3,550,028		3,804,009
Current assets					
Stocks	12	56,726		50,050	
Debtors	13	1,056,779		1,057,582	
Cash at bank and in hand		3,110,860		3,409,779	
		<u>4,224,365</u>		<u>4,517,412</u>	
Creditors: amounts falling due within one year	14	<u>(4,663,204)</u>		<u>(4,963,131)</u>	
Net current liabilities			<u>(438,839)</u>		<u>(445,720)</u>
Total assets less current liabilities			<u>3,111,189</u>		<u>3,358,289</u>
Creditors: amounts falling due after more than one year	15		(1,219,090)		(1,360,984)
Net pension liability	22		<u>(2,173,780)</u>		<u>(2,644,260)</u>
Net liabilities			<u>(281,681)</u>		<u>(646,955)</u>
Reserves					
Income and expenditure account	16		<u>(281,681)</u>		<u>(646,955)</u>
			<u>(281,681)</u>		<u>(646,955)</u>

The financial statements were approved by the directors and authorised for issue on 24/02/16



M Armstrong
Chair, Principal Executive Committee

The notes on pages 15 to 33 form part of these financial statements.

British Dental Association

Consolidated cash flow statement for the year ended 30 September 2015

	Note	2015 £	2015 £	2014 £	2014 £
Net cash (outflow)/inflow from operating activities	19		(47,037)		2,544
Returns on investments and servicing of finance					
Interest received		18,968		67,345	
Interest paid		(22,593)		(24,662)	
Returns on investments		35,920		41,437	
			32,295		84,121
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(48,890)		(43,414)	
Purchase of investments		(236,125)		(480,817)	
Proceeds from sale of investments		573,680		858,130	
			288,665		333,899
Cash inflow before financing			273,923		420,563
Financing					
Repayment of bank loan		(139,715)		(137,646)	
			(139,715)		(137,646)
Increase in cash			134,208		282,917

The notes on pages 15 to 33 form part of these financial statements.

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2015

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.

Going concern

The Directors of the Association have considered their obligations to prepare these financial statements on an appropriate basis, having specific regard to the Association's net liability position at 31 March 2015. The net liability position is as a result of the inclusion of an FRS 17 liability of £2,173,780 for the Association's defined benefit pension scheme. The Association's funding commitment to the Pension Scheme remains long term and the Association has agreed a long term funding plan with the Trustees of the Pension Scheme.

The Directors have also assessed the impact of the financial budgets in place for 2015/16 and beyond against the working capital available, notably its cash. The Association has agreed a three year strategy for the period 2015-2018. Successful implementation of our strategy will involve investment, re-organisation and redeployment of resources. As such a deficit of £175,000 is planned for 2015/16, in the opinion of the Directors the Association has sufficient resources to be able to meet its obligations as and when they fall due and accordingly the accounts have been prepared on a going concern basis.

Income

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

All income is accounted for when receivable subject to the deferral of subscriptions received in advance.

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.

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 2015 (*continued*)

1 Accounting policies (*continued*)

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

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 2015 (continued)

1 Accounting policies (continued)

Pension costs

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

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the Association are charged to the 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

	2015 Income £	2015 Costs £	2015 Net £	2014 Income £	2014 Costs £	2014 Net £
Subscriptions	8,632,074	-	8,632,074	7,945,523	-	7,945,523
Commercial activity	6,989,951	(3,946,827)	3,043,124	6,959,996	(3,837,030)	3,122,965
Charitable activities	13,161	-	13,161	10,675	-	10,675
	15,635,186	(3,946,827)	11,688,359	14,916,194	(3,837,030)	11,079,164

4 Employees

	2015 £	2014 £
Staff costs consist of:		
Wages and salaries	6,034,824	5,891,256
Social security costs	574,189	555,784
Other pension costs	815,728	776,522
	7,424,741	7,223,562

The average number of employees, including executive directors, during the year was 129 (2014 - 132).

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2015 (continued)

4 Employees (continued)

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

	2015 £	2014 £
Staff costs consist of:		
Wages and salaries	5,772,034	5,617,104
Social security costs	551,413	533,199
Other pension costs	773,175	736,360
	<u>7,096,622</u>	<u>6,886,663</u>

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

Salary range	2015 Number	2014 Number
£1 - £20,000	3	5
£20,001 - £30,000	24	24
£30,001 - £40,000	40	38
£40,001 - £50,000	35	38
£50,001 - £60,000	12	12
£60,001 - £70,000	7	7
£70,001 - £80,000	4	4
£80,001 - £90,000	1	1
£90,001 - £100,000	-	-
£100,001 - £110,000	2	2
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-
£130,001 - £140,000	1	1
	<u>129</u>	<u>132</u>

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2015 (continued)

5 Directors

	2015 £	2014 £
Directors' remuneration consists of:		
Stipend payments	330,000	319,462

There were no (2014 - Nil) directors in the company who were considered to be salaried, full-time executive directors during the year.

There were no (2014 - Nil) directors in the company's defined benefit pension scheme during the year.

The total amount payable to the highest paid director in respect of emoluments was £Nil (2014 - £Nil).

Stipend payments

	2015 £	2014 £
M Armstrong	75,000	47,077
P Blaylock	15,000	15,000
V Chan	15,000	15,000
E Crouch	29,077	9,212
L D'Cruz	11,250	-
M Fallowfield	3,750	38,846
T Harker	15,000	14,327
P Henderson	15,000	15,000
J Husband	32,820	25,000
N Jones	15,000	15,000
R Kinloch	28,103	50,000
R Ladwa	15,000	15,000
A Lockyer	15,000	15,000
S Sanderson	15,000	15,000
S Shimberg	15,000	15,000
G Stokes	3,750	15,000
J Stokes	11,250	-
Total	330,000	319,462

6 Operating surplus

	2015 £	2014 £
This has been arrived at after charging:		
Depreciation	301,711	319,707
Hire of other assets - operating leases	42,500	42,500
Auditors' remuneration:		
- audit services	19,950	19,680
- non audit services (advisory)	4,715	2,973

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2015 (*continued*)

7 Interest payable and similar charges

	2015 £	2014 £
Bank loans repayable in more than five years	22,593	24,662

8 Other financial charges

	2015 £	2014 £
Expected return on pension scheme assets	(767,000)	(670,000)
Interest on pension scheme liabilities	815,000	846,000
Investment management charges	1,596	2,477
	49,596	178,477

9 Taxation on deficit from ordinary activities

	2015 £	2014 £
<i>Current tax</i>		
UK corporation tax on deficit for the year	-	-

The tax assessed for the year is lower (2014 - higher) than the standard rate of corporation tax in the UK. The differences are explained below:

	2015 £	2014 £
Surplus/(deficit) on ordinary activities before tax	445,105	(194,614)
Surplus/(deficit) on ordinary activities at the standard rate of corporation tax in the UK of 20% (2014 - 24%)	89,021	(46,707)
Effects of:		
Surplus/(deficit) not chargeable to corporation tax	(89,021)	46,707
Losses brought forward utilised in the year	-	-
Non trade donations unutilised	-	-
Current tax charge for year	-	-

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2015 (*continued*)

10 Tangible assets

Consolidated	Long leasehold properties £	Office fixtures and fittings £	Heritage assets £	IT equipment £	Total £
<i>Cost</i>					
At 1 October 2014	4,551,607	580,434	60,000	1,618,312	6,810,355
Additions	-	14,170	-	34,720	48,890
Disposals	(1,002)	-	-	(32,356)	(33,358)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2015	4,550,605	594,604	60,000	1,620,676	6,825,887
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Accumulated depreciation</i>					
At 1 October 2014	1,283,935	547,433	-	1,088,048	2,919,416
Charge for year	91,032	19,169	-	191,510	301,711
Disposals	(216)	-	-	(32,356)	(32,572)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2015	1,374,751	566,602	-	1,247,202	3,188,555
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 30 September 2015	3,175,854	28,002	60,000	373,474	3,637,332
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2014	3,267,672	33,001	60,000	530,264	3,890,938
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

In accordance with Financial Reporting Standard 30 - Heritage Assets, the Association's quasi-subsiidiary'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 2015 (*continued*)

10 Tangible assets (*continued*)

Association	Long leasehold properties £	Office fixtures and fittings £	IT equipment £	Total £
<i>Cost</i>				
At 1 October 2014	4,551,607	203,070	1,618,312	6,372,989
Additions	-	-	34,720	34,720
Disposals	(1,002)	-	(32,356)	(33,358)
At 30 September 2015	4,550,605	203,070	1,620,676	6,374,351
<i>Accumulated depreciation</i>				
At 1 October 2014	1,283,935	196,997	1,088,048	2,568,980
Charge for year	91,032	5,373	191,510	287,915
Disposals	(216)	-	(32,356)	(32,572)
At 30 September 2015	1,374,751	202,370	1,247,202	2,824,323
<i>Net book value</i>				
At 30 September 2015	3,175,854	700	373,474	3,550,028
At 30 September 2014	3,267,672	6,073	530,264	3,804,009

11 Fixed asset investments

Consolidated	2015 £	2014 £
<i>Quoted investments</i>		
At 1 October	1,183,340	1,523,181
Additions	236,125	480,817
Disposals	(573,680)	(858,130)
Realised gains	111,865	31,730
Unrealised (losses)/gains	(176,554)	5,742
At 30 September	781,096	1,183,340
Historic cost of investments	711,839	937,528

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2015 (continued)

11 Fixed asset investments (continued)

The following investments make up greater than 5% of the total portfolio value:

	2015 £	2014 £
Invesco Fund Managers	41,640	-

12 Stock

	Group 2015 £	Group 2014 £	Association 2015 £	Association 2014 £
Goods held for resale	56,726	50,050	56,726	50,050

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

13 Debtors

	Group 2015 £	Group 2014 £	Association 2015 £	Association 2014 £
Trade debtors	348,516	311,566	348,516	311,566
Other debtors	51,959	79,056	49,946	76,328
BDA Benevolent Fund	11,606	16,195	11,606	16,195
Prepayments and accrued income	661,447	656,893	646,711	653,493
	1,073,528	1,063,710	1,056,779	1,057,582

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

14 Creditors: amounts falling due within one year

	Group 2015 £	Group 2014 £	Association 2015 £	Association 2014 £
Bank loan (secured - see note 15)	142,034	139,855	142,034	139,855
Trade creditors	152,308	393,080	152,308	393,080
Other creditors	105,750	91,502	105,750	91,502
Taxation and social security	171,235	172,239	171,235	172,239
Subscriptions paid in advance	2,944,734	3,030,325	2,944,734	3,030,325
Accruals and deferred income	871,598	864,983	812,586	806,244
Amounts owed to BDA Trust	-	-	334,557	329,885
	4,387,659	4,691,985	4,663,204	4,963,131

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2015 (*continued*)

15 Creditors: amounts falling due after more than one year

	Group 2015 £	Group 2014 £	Association 2015 £	Association 2014 £
Bank loan (secured)	1,219,090	1,360,984	1,219,090	1,360,984

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 2015 £	Group Bank loan 2014 £	Association Bank loan 2015 £	Association Bank loan 2014 £
In less than one year	142,034	139,855	142,034	139,855
In more than one year but not more than two years	144,248	142,036	144,248	142,036
In more than two years but not more than five years	446,378	439,532	446,378	439,532
In more than five years	628,464	779,416	628,464	779,416
	1,219,090	1,360,984	1,219,090	1,360,984

16 Reserves

Group	Income and expenditure account £	Restricted funds £	Total £
At 1 October 2014	(97,841)	1,423,666	1,325,825
Surplus/(deficit) for the year	542,915	(97,810)	445,105
Unrealised movement on revaluation of investments	-	(176,554)	(176,554)
Actuarial gain on pension scheme	143,000	-	143,000
At 30 September 2015	588,074	1,149,302	1,737,376

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2015 (continued)

16 Reserves (continued)

	Total £
Association	
At 1 October 2014	(646,955)
Surplus for the year	222,274
Actuarial gain on pension scheme	143,000
	<hr/>
At 30 September 2015	(281,681)
	<hr/>

17 Reconciliation of movement in reserves

	2015 £	2014 £
Group		
Surplus/(deficit) for the year	445,105	(194,614)
Other recognised gains and losses relating to the year:		
- Actuarial gain on pension scheme	143,000	214,000
Unrealised movement on revaluation of investments	(176,554)	5,742
	<hr/>	<hr/>
Net increase in funds	411,551	25,128
Opening funds	1,325,825	1,300,696
	<hr/>	<hr/>
Closing funds	1,737,376	1,325,824
	<hr/>	<hr/>
Association		
Surplus for the year	222,274	21,076
Other recognised gains and losses relating to the year:		
- Actuarial gain on pension scheme	143,000	214,000
	<hr/>	<hr/>
Net increase in funds	365,274	235,076
Opening deficit	(646,955)	(882,031)
	<hr/>	<hr/>
Closing deficit	(281,681)	(646,955)
	<hr/>	<hr/>

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2015 (continued)

18 Commitments under operating leases

As at 30 September 2015, the group had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2015 £	Other 2015 £	Land and buildings 2014 £	Other 2014 £
Operating leases which expire:				
Within one year	-	1,466	35,692	1,466
Between two and five years	79,584	88,254	35,975	88,254
Over five years	42,500	-	42,500	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total	122,084	89,720	114,167	89,720
	<hr/>	<hr/>	<hr/>	<hr/>

19 Reconciliation of operating surplus/(deficit) to net cash outflow from operating activities

	2015 £	2014 £
Operating surplus/(deficit)	462,406	(100,257)
Depreciation	301,711	319,707
(Increase)/decrease in stocks	(6,676)	16,364
(Increase)/decrease in debtors	(9,818)	84,285
(Decrease)/increase in creditors	(306,503)	74,529
Pension scheme contributions paid in excess of pension charge	(375,480)	(358,140)
Investment management charge	(1,596)	(2,477)
Profit on disposal of investments	(111,081)	(31,467)
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(47,037)	2,544
	<hr/>	<hr/>

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2015 (*continued*)

20 Reconciliation of net cash inflow to movement in net funds

	2015 £	2015 £	2014 £	2014 £
Increase in cash in the year	134,208		282,917	
Cash inflow from decrease in debt	139,715		137,646	
Change in net funds resulting from cash flows		273,923		420,563
Opening net funds		2,334,176		1,913,611
Closing net funds		2,608,099		2,334,175

21 Analysis of net funds

	At 1 October 2014 £	Cash flow £	Other non-cash changes £	At 30 September 2015 £
Cash in hand and at bank	3,835,015	134,208	-	3,969,223
Debt due within one year	(139,855)	139,715	(141,894)	(142,034)
Debt due after one year	(1,360,984)	-	141,894	(1,219,090)
Net funds	2,334,176	273,923	-	2,608,099

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2015 (*continued*)

22 Pensions

Defined benefit scheme

At 30 September 2015 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 2014. An interim valuation was prepared by the actuary on 30 September 2015.

At the interim valuation date, the market value of the assets in the scheme was £18,070,000. The value of these assets represented 89% 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 4.40% per annum, that salary increases would average 3.70% per annum above inflation and that present and future pensions would increase at the rate of 3.50% per annum.

In light of the results of the triennial valuation as at 31 March 2014, the Scheme Trustees and employer agreed contributions of £31,290 per month will be paid by the employer from 1 April 2014, increasing annually at a rate of 3.7% on and from 1 April 2016. These contributions are expected to eliminate the shortfall in 8 years and 11 months from the valuation date.

The next actuarial valuation is due on 31 March 2017 and the contributions payable by the Employer will be reviewed as part of that valuation.

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2015 (continued)

22 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 2014. This information has been used by the actuary to calculate the value of the scheme assets and liabilities at 30 September 2015 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 2015 as used by the actuary were:

	30 September 2015	30 September 2014	30 September 2013
Discount rate	4.00% pa	4.10% pa	4.50% pa
Inflation assumption (RPI)	3.50% pa	3.55% pa	3.50% pa
Inflation assumption (CPI)	2.50% pa	2.55% pa	2.75% pa
Pension increases in payment (RPI)	3.50% pa	3.55% pa	3.50% pa
Salary increases	3.70% pa	4.30% pa	4.25% pa
Pension increases in deferment	CPI (except for those members who retain a salary-linked pension)	CPI (except for those members who retain a salary-linked pension)	CPI (except for those members who retain a salary-linked pension)
Post-retirement mortality table	Males - 116% of S2NMA Females - 90% of S2NFA	Males - 100% of S2NMA Females - 100% of S2NFA	Males - S1NMA Light Females-S1NFA Light
Post retirement mortality projection	CMI 2014 with a 1.25% pa long term rate of improvement	CMI 2013 with 4.25% p.a. long term rate of improvement.	CMI 2010 with 1% p.a. long term rate of improvement.
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 2015 (years)	30 September 2014 (years)	30 September 2013 (years)
Male currently aged 40	29.2	30.4	30.0
Female currently aged 40	32.5	31.6	31.3
Male currently aged 60	27.4	28.6	28.5
Female currently aged 60	30.6	29.6	29.7

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2015 (*continued*)

22 Pensions (*continued*)

Net pension assets

	Long-term rate of return expected at 30 September 2015	Long-term rate of return expected at 30 September 2014	Long-term rate of return expected at 30 September 2013
Scheme's assets	Not applicable	4.40% pa	4.20% pa

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

Asset category	30 September 2015	30 September 2014	30 September 2013
Equities	59%	58%	61%
Bonds	20%	20%	19%
Gilts	20%	21%	19%
Cash	1%	1%	2%

The actual return on the Scheme's assets net of expenses over the period to the review date was £674,000 (2014 - £1,520,000).

The assets do not include any investment in the BDA.

Amounts recognised in the balance sheet

	2015 £'000	2014 £'000
Fair value of assets	18,070	17,451
Present value of funded obligations	(20,246)	(20,096)
 Scheme deficit	 (2,174)	 (2,645)

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2015 (*continued*)

22 Pensions (*continued*)

Experience (losses)/gains on Scheme assets in the year to 30 September 2015

	2015 £'000	2014 £'000
Amount	(93)	850
Percentage of Scheme assets	(0.5%)	4.9%

Experience gains on Scheme liabilities in the year to 30 September 2015

Amount	396	881
Percentage of Scheme assets	2.2%	5.0%

Amounts recognised in the income and expenditure account

Interest cost	(816)	(846)
Expected return on assets	767	670

Total	(49)	(176)
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Analysis of amount recognised in statement of total recognised gains and losses

Total actuarial gain	143	214
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Total gain in statement of total recognised gains and losses	143	214
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Cash flows

Benefits paid	430	388
Employer contributions	375	358

Reconciliation of assets

Fair value of assets at the beginning of the period	17,451	15,961
Expected return on assets (before any restriction)	767	670
Employer contributions	375	358
Benefits paid	(430)	(388)
Actuarial (loss)/gain on assets	(93)	850

Fair value of assets at the end of the period	18,070	17,451
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British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2015 (*continued*)

22 Pensions (*continued*)

Reconciliation of defined benefit obligation

	2015 £'000	2014 £'000
Defined benefit obligation at the beginning of the period	20,096	19,002
Interest cost	816	846
Benefits paid	(430)	(388)
Actuarial loss/(gain)	(236)	636
Defined benefit obligation at the end of the period	20,246	20,096

Summary of prior year amounts

Period to	2015 £'000	2014 £'000	2013 £'000	2012 £'000
Present value of defined benefit obligation	20,246	20,096	19,002	16,382
Fair value of assets	18,070	17,451	15,961	14,149
Scheme deficit	(2,175)	(2,645)	(3,041)	(2,233)
Experience gains on Scheme liabilities	396	881	(386)	162
Experience gains/(losses) on Scheme assets	(93)	850	1,654	1,347

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2015 (continued)

23 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:

	2015 £	2014 £
Income	15,622,025	14,905,518
Cost of sales	(3,946,827)	(3,837,030)
Net income	11,675,198	11,068,488
Meeting and sessional costs	(762,474)	(721,202)
Staff costs and overheads	(9,395,465)	(9,228,316)
Branch expenditure	(416,031)	(444,568)
Donations	(826,408)	(519,589)
Operating surplus	274,820	154,813
Interest receivable	18,832	67,189
Interest payable and similar charges	(22,593)	(24,662)
Loss on disposal of fixed asset	(785)	(264)
Other finance charges	(48,000)	(176,000)
Surplus on ordinary activities before taxation	222,274	21,076
Taxation on surplus from ordinary activities	-	-
Surplus on ordinary activities after taxation	222,274	21,076

