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- PRINT ON ONE SIDE ONLY

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 2017

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 or equivalent

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: 0330 109 3602

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

Lower Ground Floor, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX

For Unions based in Scotland:

Certification Office for Trade Unions and Employers' Associations

Melrose House, 69a George Street, Edinburgh EH2 2JG



(Revised November 2017)

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	9,106	339		73	9,518
FEMALE	7,998	446		72	8,516
TOTAL	17,104	785		145	A 18,034

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

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

18,034
0

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 person's 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)

	£	£
INCOME		
From Members: Contributions and Subscriptions		8,672,462
From Members: Other income from members (specify)		
Total other income from members		8,672,462
Total of all income from members		8,672,462
Investment income (as at page 12)		14,354
Other Income		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)	8,020,505	
Total of other income (as at page 4)		8,020,505
	TOTAL INCOME	16,707,321
EXPENDITURE		
Benefits to members (as at page 5)		11,325,497
Administrative expenses (as at page 10)		5,435,543
Federation and other bodies (specify)		
Total expenditure Federation and other bodies		16,761,040
Taxation		
	TOTAL EXPENDITURE	16,761,040
Surplus (deficit) for year		(53,719)
Amount of general fund at beginning of year		(2,761,270)
Actuarial profit/(loss) on pension scheme		2,427,000
Amount of general fund at end of year		(387,989)

(see notes 19 and 20)

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ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation –		brought forward	3,085,732
Employment Related Issues	100,400	Education and Training services	567,227
Representation –			
Non Employment Related Issues	72,213	Negotiated Discount Services	
Communications	2,913,119		
Advisory Services		Salary Costs	5,271,120
Dispute Benefits		Other Benefits and Grants (specify)	
		Donation to BDA Trust Fund	1,415,476
		Grants to Branches & Sections	394,188
		Other	364,869
		Autonomous Committees	226,885
Other Cash Payments			
carried forward	3,085,732	Total (should agree with figure in General Fund)	11,325,497

(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		

[illegible]

(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		
	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		1,883,057
Salaries and Wages included in above	£1,337,272	
Auditors' fees		15,988
Legal and Professional fees		86,487
Occupancy costs		777,016
Stationery, printing, postage, telephone, etc.		157,480
Expenses of Executive Committee (Head Office)		446,681
Expenses of conferences		785,664
Other administrative expenses (specify)		
IT Costs		562,165
Irrecoverable VAT		211,920
General Expenses		32,172
Other Outgoings		
Interest payable:		
Pensions Adjustment		285,000
Mortgages		15,203
Other loans		
Depreciation		176,710
Taxation		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
Total		5,435,543
Charged to:	General Fund (Page 3)	
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
	Fund (Account)	
Total		5,435,543

ANALYSIS OF OFFICIALS SALARIES AND BENEFITS

Office held	Gross Salary £	Employers N.I. contributions £	Benefits			Total
			Pension Contribution s £	Other Benefits Description	Value £	
M Armstrong	75,000	9,227				84,227
P Blaylock	15,000	947				15,947
V Chan	15,000	947				15,947
E Crouch	37,500	4,052				41,552
L D'Cruz	15,000	947				15,947
T Harker	15,000	947				15,947
D Harper	11,250	803				12,053
P Henderson	15,000	947				15,947
J Husband	9,375	1,014				10,389
N Jones	15,000	947				15,947
A Kilcoyne	11,250	803				12,053
R Kinloch	3,750	238				3,988
R Ladwa	15,000	947				15,947
A Lockyer	29,337	2,926				32,263
S Shimberg	15,000	947				15,947
J Stokes	15,000	947				15,947
P Woodhouse	15,000	947				15,947

ANALYSIS OF INVESTMENT INCOME

(see notes 45 and 46)

[illegible]

BALANCE SHEET as at 30th September 2017

(see notes 47 to 50)

Previous Year		£	£
3,411,800	Fixed Assets (at page 14)		3,288,232
	Investments (as per analysis on page 15)		
	Quoted (Market value £)		
	Unquoted		
3,411,800	Total Investments		3,288,232
	Other Assets		
	Loans to other trade unions		
1,307,666	Sundry debtors		494,974
3,007,501	Cash at bank and in hand		3,457,913
	Income tax to be recovered		
48,237	Stocks of goods		46,303
	Others (specify)		
4,363,404	Total of other assets		3,999,190
7,775,204	TOTAL ASSETS		7,287,422
	Fund (Account)		
	Fund (Account)		
	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		
1,219,241	Loans: Other		1,072,135
4,548,353	Defined Benefit Pensions		2,009,778
178,808	Tax payable		183,382
405,959	Sundry creditors		741,926
520,937	Accrued expenses		438,518
2,816,942	Subscriptions in advance		2,771,074
846,234	Other liabilities		458,598
10,536,474	TOTAL LIABILITIES		7,675,411
(2,761,270)	TOTAL ASSETS		(387,989)

FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings Freehold old £	Buildings Leasehold £	Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
Cost or Valuation						
At start of year	4,550,605		1,888,594			6,439,199
Additions			53,142			53,142
Disposals						
Revaluation/Transfers						
At end of year	4,550,605		1,941,736			6,492,341
Accumulated Depreciation						
At start of year	1,465,763		1,561,636			3,027,399
Charges for year	91,012		85,698			176,710
Disposals						
Revaluation/Transfers						
At end of year	1,556,775		1,647,334			3,204,109
Net book value at end of year	2,993,830		294,402			3,288,232
Net book value at end of previous year	3,084,842		326,958			3,411,800

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	8,672,462		8,672,462
From Investments	14,354		14,354
Other Income (including increases by revaluation of assets)	8,020,505		8,020,505
Total Income	16,707,321		16,707,321
EXPENDITURE (including decreases by revaluation of assets)	16,761,040		16,761,040
Actuarial gain on DB pension scheme	(2,427,000)		(2,427,000)
Total Expenditure	14,334,040		14,334,040
Funds at beginning of year (including reserves)	(2,761,270)		(2,761,270)
Funds at end of year (including reserves)	(387,989)		(387,989)
ASSETS			
Fixed Assets			3,288,232
Investment Assets			
Other Assets			3,999,190
Total Assets			7,287,422
LIABILITIES			
Total Liabilities			7,675,411
NET ASSETS (Total Assets less Total Liabilities)			(387,989)

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

SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

PEC Member Signature: <u><i>M. C. Armstrong</i></u>	PEC Member: <u><i>Anthony Wilson</i></u>
Name: <u>M. C. Armstrong</u>	Name: <u>Anthony Wilson</u>
Date: <u>8.2.2018</u>	Date: <u>3/2/18</u>

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: (see Note 80) Found in the annual accounts (enclosed) and printed in the BDJ (publication) sent to all members.	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"/>
IS A MEMBERSHIP AUDIT CERTIFICATE PROVIDED (See Pages 23 and 24 and Notes 88 to 94)	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)

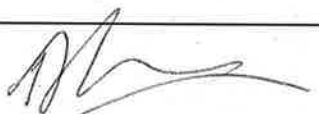
YES/~~NO~~

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)

See enclosed signed financial statements

AUDITOR'S REPORT (section one)

Signature(s) of auditor or auditors:		
Name(s):	DONALD BAWTREE, FOR AND ON BEHALF OF BDO LLP	
Profession(s) or Calling(s):	AUDITOR	
Address(es):	2 CITY PLACE BEEHIVE RING ROAD GATWICK RH6 0PA	
Date:	21/2/18	
Contact name and telephone number:	01293 591 000	

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

MEMBERSHIP AUDIT CERTIFICATE

(see notes 88 to 94)

made in accordance with section 24ZD of the
Trade Union and Labour Relations (Consolidation) Act 1992.

At the end of the reporting period preceding the one to which this audit relates was the total membership of the trade union greater than 10,000?

YES/NO

If "YES" please complete SECTION ONE below or provide the equivalent information on a separate document to be submitted with the completed AR21.

If "NO" please complete SECTION TWO below or provide the equivalent information on a separate document to be submitted with the completed AR21.

MEMBERSHIP AUDIT CERTIFICATE SECTION ONE

*For a trade union with more than 10,000 members, required by section 24ZB of the 1992 Act to
appoint an independent assurer*

1. In the opinion of the assurer appointed by the trade union was the union's system for compiling and maintaining its register of the names and addresses of its members satisfactory to secure, so far as is reasonably practicable, that the entries in its register were accurate and up-to-date throughout the reporting period?

YES/~~NO~~

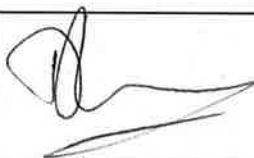
2. In the opinion of the assurer has he/she obtained the information and explanations necessary for the performance of his/her functions?

YES/~~NO~~

If the answer to **either** questions 1 or 2 above is "NO" the assurer must:

- (a) set out below the assurer's reasons for stating that
- (b) provide a description of the information or explanation requested or required which has not been obtained
- (c) state whether the assurer required that information or those explanations from the union's officers, or officers of any of its branches or sections under section 24ZE of the 1992 Act
- (d) **send a copy of this certificate to the Certification Officer as soon as is reasonably practicable after it is provided to the union.**

MEMBERSHIP AUDIT CERTIFICATE (continued)

Signature of assurer	
Name	DONALD BAWTREE, FOR AND ON BEHALF OF BDO LLP
Address	2 CITY PLACE BEEHIVE RING ROAD GATWICK, RH6 0PA
Date	21/2/18
Contact name and telephone number	01293 591 083

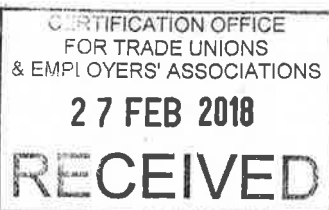
British Dental Association

Report and Financial Statements

Year Ended

30 September 2017

Company Number 14161



British Dental Association

Report and financial statements for the year ended 30 September 2017

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British Dental Association

Report of the Chair of the Principal Executive Committee for the year ended 30 September 2017

Report of the Chair of the Principal Executive Committee

The accounts for 2017 paint a complex picture. The £2.5m pension fund deficit of 2016 significantly changed the accounts for that year. This year's accounts include a £2.4m surplus on the fund, almost wholly counteracting last year's loss. Added to this, the accounts show the impact of the Association's decision to enter a commercial relationship with CloserStill Media to create the British Dental Conference and Dentistry Show.

Two things drive the Association's performance, membership and commercial services. Membership is the life-blood of the Association, its raison d'être and its main source of income. Our commercial services fulfil two functions, providing complementary, high quality services for dentists and generating surplus used to subsidise the cost of membership. Membership numbers are under pressure, with falls in our Essential and Extra tiers being partially offset by continuing growth in Expert membership.

Work continues to rebuild our membership numbers. We have worked with our members to research their needs and aspirations and have started a programme of improvements, ranging from changes to our pricing for dentists entering the workplace to improved communication of our activities (a high member priority) and undertaking a digital review in order to improve the online services and content we provide.


The Association's commercial activities are sensitive to changes in the wider economy, and have felt the impact of wider uncertainty. Most of our services continue to perform at expected levels and our stable of journals remains dominant in its field, but in straitened times, with ever-growing competition, the Association must strive to maintain the quality and relevance of its services. This will be a priority over the next twelve months.

Our focus will extend beyond merely the commercial, however. The Association continues to represent members at a local, national and international level. Where possible, progress has been made by discussion and persuasion, for example a 2.25% increase in fees and payments was negotiated for GDPs in Scotland. But we have also shown that where necessary, we will challenge forcefully on behalf of members, for example pursuing legal action over orthodontic tendering in the South of England.

An increasingly hostile and overbearing culture of regulation and NHS contracting are regrettably a continued focus of BDA resource and communication. In this the Association represents all dentists and dental professionals, not just its members. But the public at large are those who will benefit most from any victory that allows dentists to provide high quality treatment at realistic and sustainable cost.

Financially 2017 was a successful year. The income associated with our new conference arrangement has provided a welcome boost to our reserves, and a source of funding to better support our members and the wider profession. 2018 will present greater challenges. We face deteriorating economic conditions and a government too distracted by Brexit to address the problems in NHS dentistry. Despite our strenuous efforts that same government has failed to bring to heel an overbearing regulator. The impact of the GDC continues to hinder dentists rather than support them. In doing so it threatens the level of patient care that our profession is ready and willing to provide.

While some of these issues seem intractable, together with its members the BDA will continue to champion dentists and dentistry. We will challenge bullies and will continue to improve the professional lives of its members and thereby champion excellence in patient care.



M Armstrong

Chair of Principal Executive Committee

British Dental Association

Directors and professional advisors for the year ended 30 September 2017

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

J Edwards

(Appointed 01 January 2018)

T Harker

(Appointed 01 January 2017)

D Harper

P Henderson

(Resigned 01 January 2017)

J Husband

N Jones

(Appointed 01 January 2017)

T Kilcoyne

(Resigned 01 January 2017)

R Kinloch

R Ladwa

A Lockyer

(Resigned 01 January 2018)

S Shimberg

J Stokes

P Woodhouse

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

Directors' report for the year ended 30 September 2017

The directors present their report together with the audited financial statements of the group for the year ended 30 September 2017.

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).

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 2017. 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 section 9.4 of FRS 102 the Trust should be considered to be a subsidiary of the British Dental Association.

Basis of consolidation

The consolidated accounts of the group incorporate the accounts of the BDA and its subsidiary undertaking, the British Dental Association Trust Fund, which is a registered charity. The results of the charity are consolidated on a line by line basis within the consolidated income and expenditure account using those categories that best reflect the activities of the charity. Separate financial statements for The Trust are available from its registered office and the Charity Commission and present a separate Statement of Financial Activities ('SOFA') for the charity and other disclosures as set out by Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities (FRS102), effective 1 January 2015.

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 15,651 qualified members (2016 - 15,992). Student numbers totalled 2,383 (2016 - 2,527).

Fixed assets

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

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

British Dental Association

Directors' report for the year ended 30 September 2017 (*continued*)

Future developments

In recent years the Association has had to operate within tight financial parameters. The economic uncertainty and government distraction following the EU referendum means that our sole aims are to breakeven, maintain financial stability and if possible identify funds for forthcoming developments. Within these constraints the Association is determined to change in order to meet the developing needs of members and the wider dental world, and where possible invest in new services for members. We await a review of the Association's digital offering that should lead to developments across the whole of the organisation, improving how we engage with and serve our members. The new partnership for our national conference allows us to focus on developing an events programme that reaches out to members locally. The first result of this review is the launch of a series of twenty-four roadshow events exclusively for Extra and Expert members, to be launched in the New Year.

The BDA's CPD Hub continues to grow with 19,700 users. In 2018 the Hub will be redeveloped to meet the new CPD requirements set out by the GDC. Alongside this development the Association will be extending the range of online CPD available to dental professionals. The 2017 launch of stress awareness training received significant interest before formal launch and users have reported a positive experience. This course expands an already large stable of high quality courses and qualifications, and 2018 will see further investment in this suite.

Members will remain at the heart of everything we do, and the Association will seek ways to remain relevant to modern dentists in their working lives.

Pension deficit

The interim actuarial valuation of the defined benefit scheme as at 30 September 2017 based on the principles of chapter 28 of FRS102 reveals a deficit of £2,009,778 (2016 - deficit of £4,548,353). Details are set out in Note 20 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.

British Dental Association

Directors' report for the year ended 30 September 2017 (*continued*)

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 contains 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
- 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 £1,415,476 (2016 - £862,525) to the BDA Trust Fund. There were no political contributions during the year (2016 - £Nil).

Financial instruments

Credit risk

All businesses that sell goods or services on credit take on the risk of non-payment or significant delays in payment. Whilst such losses can be absorbed by large organisations, it can be damaging to the Association's working capital. In order to minimise credit risk, credit will be given only to approved corporate customers. No orders may be taken from a customer who has an overdue account balance without the approval of senior management. Companies paying to attend Association events in a commercial capacity must pay the agreed amount prior to the event.

Liquidity risk

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

British Dental Association

Directors' report for the year ended 30 September 2017 (*continued*)

Market risk

The Association is mainly exposed to market risk from the investment portfolio held within the Shirley Glasstone Hughes restricted fund of The BDA Trust fund. The Trustees have opted to invest for the medium or longer term and have accepted that investments can fluctuate in value. The portfolio which is held by Barclays is reviewed annually by the Trustees with the policy adjusted to ensure sufficient funds are available to meet short term commitments.

Cash flow interest rate risk

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

Directors' responsibilities

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

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

British Dental Association


Directors' report for the year ended 30 September 2017 (continued)

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 8.2.2018 and signed on its behalf by



M Armstrong
Chair of Principal Executive Committee

British Dental Association

Strategic report for the year ended 30 September 2017

Business review

The group's net surplus for the year was £504,589 (2016 - surplus of £252,180).

There was a small drop in membership in 2016/17 compared to the previous year. The financial impact of this was mitigated somewhat by a higher uptake of Expert packages as members chose the right offer for their needs. Patterns of activity were in line with expectations, with steady growth over the course of the year. The Association changed its procedure for moving students onto full membership, which led to a change relative membership numbers. This formed part of a wider review of how student members progress to full dentist. There are clear indications that the sharp drop-off of newly qualified dentists across the UK could be effectively addressed by more affordable annual subscriptions at a time when newly qualified members are financially challenged. A new scale of fees for newly qualified dentists introduced in June 2017 should help to avert this attrition.

The Association's annual conference took place in Manchester for the fifth year running and for the final time. The event was well attended despite the Manchester bombings and subsequent travel chaos. Sponsorship and exhibition revenue remained strong, with both revenues exceeding prior year figures by 4% and 9% respectively. After the 2017 conference, a decision was made to end the long-running annual BDA Conference and to form a new collaboration with Closer Still Media and their existing Dentistry Show. The new event will be called the British Dental Conference and Dentistry Show and will take place in Birmingham on 18-19 May 2018. Work is underway with the aim of providing the defining event in the dental calendar. The Association's regular one-day clinical seminars and Training Essentials days remained popular, well attended and profitable this year across a range of topics.

2016/2017 saw further developments to the BDA CPD Hub, the Learning Management System used to record CPD and deliver online education to the dental profession. The Hub was redesigned to accommodate a wider range of services and to improve the customer experience for the 19,700 registered users. Two new courses were launched: *Tackling Stress* and *Enhanced CPD*. In 2017/2018, work will continue to improve user experience on the Hub and to rapidly extend the range of courses available.

As a result of member survey feedback, 2016/17 saw the near completion of various projects, including research on 'the corporate dental market and the experience of dentists working within it'. Initial findings set out the differences between associates working in corporate and traditional practices. Given the growth of the corporate sector and the need to inform future policy and strategy for general dental practice, the effect of the working environment on associates will be further investigated with the aim of gaining a deeper understanding of the associate working experience. Publications relating to the earlier phases of the project are in preparation.

2016/17 saw the Association challenge NHS England in relation to delays to orthodontic procurement and performer list applications. The judicial review has been deferred and following changes to the tender process, the Association is now in discussions with NHS England over next steps.

Key performance indicators

The BDA's main KPI is its membership which stood at 18,034, consisting of 15,651 dentist members and 2,383 students. Although not quite reaching the same total membership numbers of last year, membership levels in Expert and Student membership remain strong. Having carried out substantial research and planned for necessary change, the Association will seek ways to stabilise and grow both our finances and membership levels.

British Dental Association

Strategic report for the year ended 30 September 2017 (*continued*)

Principal risks and uncertainties

In recent years, the Association has been required to maintain tight budgetary controls to generate even small surpluses. Within these tight confines, however, the Association has continued to invest and develop services. Although the Association seeks ways to stabilise and grow membership, it needs to continue monitoring the potential impact of Brexit on its operations, its members and the wider dental community.

The change in Conference provision, the aspirational targets for growth in membership income and the planned development of an improved digital offer all present risks to the Association. However, the Association will continue to be financially prudent with both developmental activities and ongoing work whilst making the necessary changes to enhance and improve our offering.

Continuing recalcitrance on the part of NHS England coupled with the aggressive stance adopted by policy officials give grave cause for concern in respect of the long-term viability of NHS general practice. The failure to address structural contractual problems generates pernicious impacts on real incomes of dentists. As an Association this has two impacts, it challenges our income streams from cash-strapped dentists and generates continuing demands for challenge and representation - and thereby operating costs.

Similar initiatives and aspirations articulated by the General Dental Council and Health Education England threaten the fundamental nature of dentistry. The added insult to injury is the expectation that it will be dentists themselves who will fund these changes. Simultaneously therefore dentists look set to bear the brunt of an assault on their professional standing and face increased costs of compliance. Again, this has impacts on the Association in challenging membership affordability at the same time as underlining its *raison d'être*.

Approval

The Strategic report was approved by the directors on 8.2.2018 and signed on its behalf by



M Armstrong
Chair of Principal Executive Committee

British Dental Association

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF BRITISH DENTAL ASSOCIATION

Opinion

We have audited the financial statements of British Dental Association ("the Parent Company") and its subsidiaries ("the Group") for the year ended 30 September 2017 which comprise the consolidated statement of comprehensive income, the consolidated and association statements of changes in reserves, the consolidated and association balance sheets, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 September 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

British Dental Association

Independent auditor's report (*continued*)

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Director's report.

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.; or

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

British Dental Association

Independent auditor's report (*continued*)

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



Donald Bawtree (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick

Date: 21/2/18

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

British Dental Association

Consolidated statement of comprehensive income for the year ended 30 September 2017

	Note	2017 £	2016 £
Income	4	16,707,071	15,904,771
Cost of sales	4	(4,388,276)	(4,050,216)
Net income	4	12,318,795	11,854,555
Meeting and sessional costs		(691,694)	(712,421)
Staff costs and overheads		(10,547,366)	(10,313,475)
Branch expenditure		(394,188)	(448,688)
Profit on disposal of investments		5,819	18,176
Profit from changes in fair value of investments		66,029	82,824
Operating surplus	7	757,395	480,971
Interest receivable		10,866	17,991
Investment income		37,557	31,455
Interest payable and similar charges	8	(15,203)	(20,424)
Other finance charges	9	(286,026)	(257,813)
Surplus before taxation		504,589	252,180
Taxation on surplus	10	-	-
Surplus for the year		504,589	252,180
Actuarial gain/(loss) on pension scheme		2,427,000	(2,501,000)
Total comprehensive income for the year		2,931,589	(2,248,820)

All amounts relate to continuing activities.

The notes on pages 19 to 38 form part of these financial statements.

British Dental Association

Consolidated statement of changes in reserves

Year ended 30 September 2017	Note	Income and expenditure account £	Restricted funds £	Total equity £
1 October 2016		(1,539,440)	1,027,996	(511,445)
Comprehensive income for the year		588,689	(84,100)	504,589
Actuarial gain on pension scheme	20	2,427,000	-	2,427,000
Total comprehensive income for the year		3,015,689	(84,100)	2,931,589
30 September 2017		1,476,249	943,896	2,420,145
Year ended 30 September 2016	Note	Income and expenditure account £	Restricted funds £	Total equity £
1 October 2015		588,074	1,149,302	1,737,376
Comprehensive income for the year		373,486	(121,306)	252,180
Actuarial loss on pension scheme	20	(2,501,000)	-	(2,501,000)
Total comprehensive income for the year		(2,127,514)	(121,306)	(2,248,820)
30 September 2016		(1,539,440)	1,027,996	(511,445)

The notes on pages 19 to 38 form part of these financial statements.

British Dental Association

Association statement of changes in reserves

Year ended 30 September 2017	Note	Income and expenditure account	Restricted funds	Total
		£	£	£
1 October 2016		(2,761,270)	-	(2,761,270)
Comprehensive income for the year		(53,719)	-	(53,719)
Actuarial gain on pension scheme	20	2,427,000	-	2,427,000
Total comprehensive income for the year		2,373,281	-	2,373,281
30 September 2017		(387,989)	-	(387,989)

Year ended 30 September 2016	Note	Income and expenditure account	Restricted funds	Total
		£	£	£
1 October 2015		(281,681)	-	(281,681)
Comprehensive income for the year		21,411	-	21,411
Actuarial loss on pension scheme	20	(2,501,000)	-	(2,501,000)
Total comprehensive income for the year		(2,479,589)	-	(2,479,589)
30 September 2016		(2,761,270)	-	(2,761,270)

The notes on pages 19 to 38 form part of these financial statements.

British Dental Association

Consolidated balance sheet at 30 September 2017

Company number 14161	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	11		3,368,069		3,495,194
Investments	12		951,118		878,695
Current assets					
Stocks	13	46,303		48,237	
Debtors	14	514,702		1,330,257	
Cash and cash equivalents		5,091,075		3,994,663	
		<u>5,652,080</u>		<u>5,373,159</u>	
Creditors: amounts falling due within one year	15	<u>(4,618,304)</u>		<u>(4,635,143)</u>	
Net current assets			<u>1,033,776</u>		<u>738,014</u>
Total assets less current liabilities			<u>5,352,963</u>		<u>5,111,903</u>
Creditors: amounts falling due after more than one year	16		(923,040)		(1,074,995)
Net pension liability	20		<u>(2,009,778)</u>		<u>(4,548,353)</u>
Net liabilities			<u>2,420,145</u>		<u>(511,445)</u>
Reserves					
Income and expenditure account			1,476,249		(1,539,441)
Restricted funds			943,896		1,027,996
			<u>2,420,145</u>		<u>(511,445)</u>

The financial statements were approved by the directors and authorised for issue on 08.02.18



M Armstrong
Chair, Principal Executive Committee

The notes on pages 19 to 38 form part of these financial statements.

British Dental Association

Association balance sheet at 30 September 2017

<i>Company number 14161</i>	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	11		3,288,232		3,411,800
Current assets					
Stocks	13	46,303		48,237	
Debtors	14	494,974		1,307,666	
Cash and cash equivalents		3,457,913		3,007,501	
		<u>3,999,190</u>		<u>4,363,404</u>	
Creditors: amounts falling due within one year	15	<u>(4,742,593)</u>		<u>(4,913,126)</u>	
Net current liabilities			<u>(743,403)</u>		<u>(549,722)</u>
Total assets less current liabilities			<u>2,544,829</u>		<u>2,862,078</u>
Creditors: amounts falling due after more than one year	16		(923,040)		(1,074,995)
Net pension liability	20		<u>(2,009,778)</u>		<u>(4,548,353)</u>
Net liabilities			<u>(387,989)</u>		<u>(2,761,270)</u>
Reserves					
Income and expenditure account			<u>(387,989)</u>		<u>(2,761,270)</u>
			<u>(387,989)</u>		<u>(2,761,270)</u>

The financial statements were approved by the directors and authorised for issue on 08.02.18



M Armstrong
Chair, Principal Executive Committee

The notes on pages 19 to 38 form part of these financial statements.

British Dental Association

Consolidated statement of cash flows for the year ended 30 September 2017

	Note	2017 £	2017 £	2016 £	2016 £
Cash flows from operating activities	19		1,271,901		209,075
Cash flows from investing activities					
Interest received		10,866		17,990	
Purchase of tangible fixed assets		(61,030)		(74,173)	
Purchase of investments		(102,104)		(114,958)	
Sale of investments		101,529		118,360	
Investment income		37,557		31,454	
Net cash from investing activities			(13,182)		(21,326)
Cash flow from financing activities					
Interest paid		(15,203)		(20,424)	
Repayment of bank loan		(147,105)		(141,884)	
Net cash from financing activities			(162,308)		(162,308)
Increase in cash and cash equivalents			1,096,412		25,441
Cash and cash equivalents at beginning of the year			3,994,663		3,969,223
			5,091,075		3,994,663
Cash and cash equivalents comprise:					
Cash at bank and in hand			5,091,075		3,994,663

The notes on pages 19 to 38 form part of these financial statements.

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2017

1 Accounting policies

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

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

Parent company disclosure exemptions

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

- No cash flow statement has been presented for the parent Association;
- Disclosures in respect of the parent Association's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent Association as their remuneration is included in the totals for the group as a whole.

The following principal accounting policies have been applied:

Consolidated financial statements

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

The consolidated accounts of the group incorporate the accounts of the BDA and its subsidiary undertaking, the British Dental Association Trust Fund, which is a registered charity. The results of the charity are consolidated on a line by line basis within the consolidated income and expenditure account using those categories that best reflect the activities of the charity. Separate financial statements for The Trust are available from its registered office and the Charity Commission and present a separate Statement of Financial Activities ('SOFA') for the charity and other disclosures as set out by Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities (FRS102), effective 1 January 2015.

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. The net liability position is a result of the inclusion of a liability of £2,009,778 from the Association's defined benefit pension scheme. The Association's funding commitment to the pension scheme remains and the Association has agreed a long-term funding plan with the trustees of the scheme.

The directors have also assessed the impact of the financial budgets in place for 2017/18 and beyond against the working capital available, notably its cash. In 2014/15 the Association agreed a three-year strategy for the period 2015-2018. Successful implementation of our strategy will involve investment, re-organisation and redeployment of resources, at a time of financial recovery. The first priority has been financial recovery, and in this regard the Association has performed well, exceeding its financial target in each year of the plan to date. However, due to the wider economic uncertainties, the 2017/18 budget is prudent and predicts a small deficit while only investing in areas of significant need. In the opinion of the

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2017

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 and unrealised gains and losses on investments are included in the consolidated statement of comprehensive income.

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

Grants and awards

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

Stocks

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

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

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

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

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2017 (continued)

1 Accounting policies (continued)

Deferred taxation (continued)

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

Fixed assets - Heritage assets

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

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

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

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

Fixed asset investments

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

Financial assets

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

Financial liabilities

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

Finance costs

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

Leased assets: Lessee

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 over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2017 (*continued*)

1 Accounting policies (*continued*)

Leased assets: Lessee (continued)

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the consolidated statement of comprehensive income over the term of the lease and is calculated so that it 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 consolidated statement of comprehensive income on a straight-line basis over the term of the lease.

Pension costs

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

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

Holiday pay accrual

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

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2017 (*continued*)

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

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

Other key sources of estimation uncertainty

Tangible fixed assets (see note 11)

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

Investments (see notes 12)

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

Income Recognition

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

Pension scheme deficit

The fall in the Scheme's deficit on an FRS102 measure over the year is due to a combination of a number of factors, in particular the rise in corporate bond yields has led to a higher discount rate and hence a lower value being placed on the liabilities. The changes in demographic assumptions from the last disclosure have also reduced the estimated liabilities of the Scheme.

Although FRS102 can be viewed as being fairly prescriptive about the principles to be used when selecting assumptions, there is still a range of assumptions that could be considered acceptable under the standard. Even small alterations, for example to the discount rate, can have a significant effect on the results.

Journal Portfolio

Changes in the accounting and reporting arrangements (from January 2017) for the BDJ portfolio has meant that only headline figures are available. Whilst there may be some uncertainty in the reports as both organisations marry forecast to actual performance, prudent figures have been incorporated in the accounts. Finalised figures will be available during the course of 2018.

3 Turnover

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

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2017 (continued)

4 Net income

	2017 Income £	2017 Costs £	2017 Net £	2016 Income £	2016 Costs £	2016 Net £
Subscriptions	8,672,462	-	8,672,462	8,728,598	-	8,728,598
Commercial activity	8,024,005	(4,388,276)	3,635,729	7,159,524	(4,050,216)	3,109,308
Charitable activities	10,604	-	10,604	16,649	-	16,649
	<u>16,707,071</u>	<u>(4,388,276)</u>	<u>12,318,795</u>	<u>15,904,771</u>	<u>(4,050,216)</u>	<u>11,854,555</u>

The Association entered into a new collaboration for its national conference. This agreement generated a surplus of £499,793 which is included in Commercial Activity.

5 Employees

	2017 £	2016 £
Staff costs consist of:		
Wages and salaries	5,847,233	5,716,839
Social security costs	585,884	564,185
Other pension costs	888,688	820,447
	<u>7,321,805</u>	<u>7,101,471</u>

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

	2017 Number	2016 Number
Senior management team	5	5
Member services directorate	85	86
Business services directorate	43	41
	<u>133</u>	<u>132</u>

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2017 (continued)

5 Employees continued

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

	2017 £	2016 £
Staff costs consist of:		
Wages and salaries	5,622,883	5,491,668
Social security costs	564,175	542,126
Other pension costs	843,473	779,496
	<u>7,030,531</u>	<u>6,813,290</u>

The key management personnel of the parent association and the subsidiary charity comprise the Senior Management Team. The total employee benefits of the key management personnel during the year was £549,088 (2016 - £524,000).

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

Salary range	2017 Number	2016 Number
£60,001 - £70,000	8	6
£70,001 - £80,000	2	3
£80,001 - £90,000	2	2
£90,001 - £100,000	1	-
£100,001 - £110,000	1	1
£110,001 - £120,000	1	1
£120,001 - £130,000	-	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
	<u>16</u>	<u>14</u>

6 Directors

	2017 £	2016 £
Directors' remuneration consists of:		
Stipend payments	327,462	330,000

There were no (2016 - Nil) directors in the company who were considered to be salaried, full-time executive directors during the year.

There were no (2016 - 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 (2016 - £Nil).

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2017 (continued)

6 Directors (continued)

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

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

In 2017 remuneration totalled £327,462 (2016 - £330,000).

Stipend payments

	2017 £	2016 £
M Armstrong	75,000	75,000
P Blaylock	15,000	15,000
V Chan	15,000	15,000
E Crouch	37,500	37,500
T Harker	15,000	15,000
D Harper	11,250	-
P Henderson	15,000	15,000
J Husband	9,375	37,500
N Jones	15,000	15,000
A Kilcoyne	11,250	-
R Kinloch	3,750	15,000
R Ladwa	15,000	15,000
A Lockyer	29,337	15,000
S Sanderson	-	3,750
S Shimberg	15,000	15,000
J Stokes	15,000	15,000
L D'Cruz	15,000	15,000
P Woodhouse	15,000	11,250
Total	327,462	330,000

7 Operating surplus

	2017 £	2016 £
This has been arrived at after:		
Depreciation	188,155	216,311
Hire of other assets - operating leases	42,500	42,500
Auditors' remuneration:		
- audit services	19,588	23,901
- non audit services (advisory)	9,328	5,074
Surplus in relation to conference agreement (see note 4)	499,793	-

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2017 (continued)

8 Interest payable and similar charges

	2017 £	2016 £
Bank loans repayable in more than five years	15,203	20,424

9 Other financial charges

	2017 £	2016 £
Interest on pension scheme assets	(529,000)	(719,000)
Expected return on pension scheme assets	172,000	173,000
Interest on pension scheme liabilities	642,000	802,000
Investment management charges	1,026	1,813
	286,026	257,813

10 Taxation on surplus

	2017 £	2016 £
<i>Current tax</i>		
UK corporation tax on surplus for the year	-	-

The tax assessed for the year is lower (2016 - lower) than the standard rate of corporation tax in the UK. The differences are explained below:

	2017 £	2016 £
Surplus on ordinary activities before tax	504,589	252,180
Surplus on ordinary activities at the standard rate of corporation tax in the UK of 20% (2016 - 20%)	100,918	50,536
Effects of:		
Surplus not chargeable to corporation tax	(100,918)	(50,436)
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 2017 (*continued*)

11 Tangible assets

Consolidated	Long leasehold properties £	Office fixtures and fittings £	Heritage assets £	IT equipment £	Total £
<i>Cost</i>					
At 1 October 2016	4,550,605	639,578	60,000	1,649,877	6,900,060
Additions	-	18,328	-	42,702	61,030
Disposals	-	-	-	-	-
At 30 September 2017	4,550,605	657,906	60,000	1,692,579	6,961,090
<i>Accumulated depreciation</i>					
At 1 October 2016	1,465,763	581,112	-	1,357,991	3,404,866
Charge for year	91,012	20,792	-	76,351	188,155
At 30 September 2017	1,556,775	601,904	-	1,434,342	3,593,021
<i>Net book value</i>					
At 30 September 2017	2,993,830	56,002	60,000	258,237	3,368,069
At 30 September 2016	3,084,842	58,465	60,000	291,885	3,495,194

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

The exhibits were valued for insurance purposes at £559,450 by Lyon 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 2017 (continued)

11 Tangible assets (continued)

Association	Long leasehold properties £	Office fixtures and Fittings £	IT equipment £	Total £
<i>Cost</i>				
At 1 October 2016	4,550,605	238,718	1,649,876	6,439,199
Additions	-	10,440	42,702	53,142
	<u>4,550,605</u>	<u>249,158</u>	<u>1,692,578</u>	<u>6,492,341</u>
At 30 September 2017				
<i>Accumulated depreciation</i>				
At 1 October 2016	1,465,763	203,645	1,357,991	3,027,399
Charge for year	91,012	9,347	76,351	176,710
	<u>1,556,775</u>	<u>212,992</u>	<u>1,434,342</u>	<u>3,204,109</u>
At 30 September 2017				
<i>Net book value</i>				
At 30 September 2017	<u>2,993,830</u>	<u>36,166</u>	<u>258,236</u>	<u>3,288,232</u>
At 30 September 2016	<u>3,084,842</u>	<u>35,073</u>	<u>291,885</u>	<u>3,411,800</u>

12 Fixed asset investments

Consolidated	2017 £	2016 £
<i>Quoted investments</i>		
At 1 October	878,695	781,096
Additions	102,104	114,958
Disposals	(101,529)	(118,360)
Realised gains	5,819	82,824
Unrealised gains	66,029	18,176
	<u>951,118</u>	<u>878,695</u>
At 30 September		
Historic cost of investments	<u>735,400</u>	<u>726,770</u>

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2017 (continued)

12 Fixed asset investments (continued)

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

	2017 £	2016 £
HSBC US\$ 50c	47,609	44,026

13 Stock

	Group 2017 £	Group 2016 £	Association 2017 £	Association 2016 £
Goods held for resale	46,303	48,237	46,303	48,237

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

14 Debtors

	Group 2017 £	Group 2016 £	Association 2017 £	Association 2016 £
Trade debtors	90,532	397,466	90,532	397,466
Other debtors	51,873	75,757	49,054	74,530
BDA Benevolent Fund	4,834	15,531	4,834	15,531
Prepayments and accrued income	367,463	841,503	350,554	820,139
	514,702	1,330,257	494,974	1,307,666

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

15 Creditors: amounts falling due within one year

	Group 2017 £	Group 2016 £	Association 2017 £	Association 2016 £
Bank loan (secured - see note 16)	149,095	144,246	149,095	144,246
Trade creditors	182,465	308,604	182,465	308,604
Other creditors	559,461	97,356	559,461	97,356
Taxation and social security	183,382	178,808	183,382	178,808
Subscriptions paid in advance	2,771,074	2,816,942	2,771,074	2,816,942
Accruals and deferred income	772,827	1,089,188	745,986	1,038,855
Amounts owed to BDA Trust	-	-	151,129	328,317
	4,618,304	4,635,143	4,742,593	4,913,126

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2017 (continued)

16 Creditors: amounts falling due after more than one year

	Group 2017 £	Group 2016 £	Association 2017 £	Association 2016 £
Bank loan (secured)	923,040	1,074,995	923,040	1,074,995

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 2017 £	Group Bank loan 2016 £	Association Bank loan 2017 £	Association Bank loan 2016 £
In less than one year	149,095	144,246	149,095	144,246
In more than one year but not more than two years	151,043	146,494	151,043	146,494
In more than two years but not more than five years	465,071	453,330	465,071	453,330
In more than five years	306,926	475,170	306,926	475,170
	923,040	1,074,995	923,040	1,074,995

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2017 (continued)

17 Financial instruments

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

	Group 2017 £'000	Group 2016 £'000
Financial assets		
Financial assets measured at fair value through statement of comprehensive income		-
Financial assets that are debt instruments measured at amortised cost	5,371,439	4,940,328
Financial liabilities		
Financial liabilities measured at fair value through statement of comprehensive income		
Financial liabilities measured at amortised cost	2,279,417	2,196,470

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

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

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

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2017 (continued)

18 Commitments under operating leases

As at 30 September 2017, the group had minimum lease payments under non-cancellable operating leases as set out below:

	Land and buildings 2017 £	Other 2017 £	Land and buildings 2016 £	Other 2016 £
Operating leases which expire:				
Within one year	82,293	68,489	119,932	90,731
Between two and five years	213,164	8,180	196,320	66,039
Over five years	3,417,639	-	3,407,083	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total	3,713,096	76,669	3,723,335	156,770
	<hr/>	<hr/>	<hr/>	<hr/>

19 Cash flows from operating activities

	2017 £	2016 £
Surplus for the year	504,589	252,180
Depreciation	188,155	216,311
Decrease in stocks	1,934	8,490
Decrease/(increase) in debtors	815,555	(256,729)
(Decrease)/increase in creditors	(21,689)	245,271
Pension scheme contributions paid in excess of pension charge	(111,575)	(126,426)
Profit on disposal of investments	(5,819)	(18,176)
Interest receivable	(10,866)	(17,990)
Return on investments	(37,557)	(31,455)
Interest payable and similar charges	15,203	20,424
(Profit) from changes in fair value of investments	(66,029)	(82,824)
	<hr/>	<hr/>
Net cash generated on operating activities	1,271,901	209,075
	<hr/>	<hr/>

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2017 (*continued*)

20 Pensions

Defined benefit scheme

At 30 September 2017 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.

The triennial actuarial valuation of the Scheme as at 31 March 2017 is currently in progress following which the contributions paid to the Scheme by the Company will be reviewed and agreed. Under the current recovery plan, the Company has agreed to pay £31,290 per month, increasing annually at 3.70% on and from 1 April 2016, until 28 February 2023 to repair the deficit of the Scheme revealed by the 31 March 2014 valuation.

Under FRS102, the Scheme's liabilities are determined by projecting the expected benefit payments using the chosen assumptions and then discounting the resulting cashflows back to the Review Date. For this purpose, the Scheme's liabilities have been calculated by updating the calculation carried out for the initial results of the Scheme's formal valuation as at 31 March 2017.

At the Review Date there was a deficit of £2,011,000. This compares to a deficit of £4,550,000 at the previous review date.

The fall in the Scheme's deficit on an FRS102 measure over the year is a combination of many factors. The rise in corporate bond yields has led to a higher discount rate and hence a lower value being placed on the liabilities. The changes in demographic assumptions from the last disclosures has also reduced the estimated liabilities of the Scheme. The deficit contributions paid by the Company over the period and the positive investment returns over the year to the Review Date have had a positive effect on the Scheme's assets. However, an increase in inflation expectations has partly offset the fall in the deficit.

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2017 (continued)

20 Pensions (continued)

Amounts recognised in the balance sheet

	2017 £'000	2016 £'000
Fair value of plan assets	21,826	20,858
Present value of plan liabilities	(23,837)	(25,408)
	<hr/>	<hr/>
Scheme deficit	(2,011)	(4,550)
	<hr/>	<hr/>

Reconciliation of defined benefit obligation

	2017 £'000	2016 £'000
Defined benefit obligation at the beginning of the period	25,408	20,246
Interest cost	642	801
Benefits paid	(449)	(415)
Actuarial (gain)	(1,764)	4,776
	<hr/>	<hr/>
Defined benefit obligation at the end of the period	23,837	25,408
	<hr/>	<hr/>

Reconciliation of assets

Fair value of assets at the beginning of the period	20,858	18,070
Expected return on assets (before any restriction)	529	719
Employer contributions	397	382
Benefits paid	(449)	(415)
Administration costs	(172)	(173)
Actuarial (loss) on assets	663	2,275
	<hr/>	<hr/>
Fair value of assets at the end of the period	21,826	20,858
	<hr/>	<hr/>

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2017 (*continued*)

20 Pensions (*continued*)

	2017 £'000	2016 £'000
<i>Amounts recognised in the consolidated income statement are as follows:</i>		
<i>Included in staff costs and overheads:</i>		
Current service cost	-	-
Past service cost	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
 <i>Amounts included in other finance costs</i>		
Net interest cost	285	255
	<hr/>	<hr/>
 <i>Analysis of actuarial loss recognised in other comprehensive income</i>		
Return on plan assets less interest	(663)	(2,275)
Experience gains and losses arising on the scheme liabilities	(279)	(486)
Changes in assumptions underlying the present value of the scheme liabilities	(1,485)	5,262
	<hr/>	<hr/>
	(2,427)	2,501
	<hr/>	<hr/>

British Dental Association

Notes forming part of the financial statements for the year ended 30 September 2017 (continued)

20 Pensions (continued)

The major assumptions at 30 September 2017 as used by the actuary were:

	30 September 2017	30 September 2016
Discount rate	2.90% pa	2.55% pa
Inflation assumption (RPI)	3.65% pa	3.45% pa
Inflation assumption (CPI)	2.65% pa	2.45% pa
Pension increases in payment (RPI)	3.65% pa	3.45% pa
Salary increases	3.85% pa	3.65% 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)
Post-retirement mortality table	Males - 116% of S2NMa Females - 90% of S2 NFA	Males - 116% of S2NMa Females - 90% of S2 NFA
Post retirement mortality projection	CMI 2016 with a 1.25% pa long term rate of improvement	CMI 2015 with a 1.25% pa long term rate of improvement
Tax free cash	Members are assumed to take the maximum tax free cash possible	Members are assumed to take the maximum tax free cash possible

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

	30 September 2017 (years)	30 September 2016 (years)	30 September 2015 (years)
Male currently aged 40	28.9	29.0	29.2
Female currently aged 40	31.5	32.3	32.5
Male currently aged 60	27.5	27.2	27.4
Female currently aged 60	29.9	30.4	30.6

Net pension assets

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

Asset category	30 September 2017	30 September 2016	30 September 2015
Equities	61%	60%	59%
Bonds	20%	19%	20%
Gilts	19%	21%	20%
Cash	0%	0%	1%

The actual return on the Scheme's assets net of expenses over the period to the review date was £1,193,000 (2016 - £2,994,000).

The assets do not include any investment in the BDA.

British Dental Association

Notes forming part of the financial statements
for the year ended 30 September 2017 (*continued*)

21 Financial information for the British Dental Association

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

	2017 £	2016 £
Income	16,696,467	15,888,122
Cost of sales	(4,388,276)	(4,050,216)
Net income	12,308,191	11,837,906
Meeting and sessional costs	(691,694)	(712,421)
Staff costs and overheads	(9,565,203)	(9,514,455)
Branch expenditure	(394,188)	(448,688)
Donations	(1,421,476)	(882,378)
Operating surplus	235,630	279,964
Interest receivable	10,854	17,872
Interest payable and similar charges	(15,203)	(20,424)
Loss on disposal of fixed asset	-	-
Other finance charges	(285,000)	(256,000)
(Deficit)/surplus on ordinary activities before taxation	(53,719)	21,412
Taxation on (deficit)/surplus from ordinary activities	-	-
(Deficit)/surplus on ordinary activities after taxation	(53,719)	21,412