



**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)****COMPANY INFORMATION**

DIRECTORS

Dr Krishan Aggarwal (Council Member)
Professor Philip Banfield (Chair of Council and BMA Board)
Dr Alexandra Freeman (Council Member)
Mrs Neeta Major (Group Chief Financial Officer & Co-Chief Executive Officer)
Mrs Catherine Mayor (Non-Executive Director)
Ms Elisa Nardi (Non-Executive Director)
Dr Latifa Patel (Chair of Representative Body)
Dr Trevor Pickersgill (Treasurer)
Mrs Rachel Podolak (Co-Chief Executive Officer)
Dr Emma Runswick (Deputy Chair of Council)
Dr Vishal Sharma (Council Member)
Mr Peter Vicary-Smith (Chair of BMJ Publishing Group Limited)

REGISTERED NUMBER

00008848

REGISTERED OFFICE

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Welcome

2023 has represented a year of significant progress for the BMA. Having supported the medical profession through some of the most challenging years it has faced due to the impact of the pandemic, the Group has taken steps to seek to ensure that the sacrifices made by so many doctors are reflected in NHS and government decisions. High inflation, a cost of living crisis and the human and economic costs of the COVID pandemic have created a very challenging environment for the medical profession as a whole and therefore for the BMA Group specifically.

Despite the scale of the challenges we have faced, we have much to be proud of. Our membership numbers have reached a new all-time high of over 190,000; this is reflected in our increased membership income and a member density well in excess of 50% in the majority of medical workforces. Similarly, the BMJ grew revenues whilst maintaining gross margin ratios in a challenging inflationary environment. This has been a major focus for management in 2023 and will continue to be so into 2024 and beyond.

Whilst the Group has delivered significant growth in income, our costs have also risen due to a combination of inflationary pressures, costs of implementing change and also costs associated with industrial action in pursuing disputes in all four nations of the UK. We remain committed to our 2022-2026 financial recovery programme which is progressing well and remain grateful to our staff and our members for their active engagement in and support of this programme.

Our overall target is for the Association to break even within three years and reduce our dependency on group dividends. This will enable significant further investment in key member priorities and also allow the BMJ to re-invest to secure its future. Pressures from the external environment have eroded some savings made through the recovery programme to date but we are in a stronger financial position than we would otherwise be, were it not for the positive progress made by the financial recovery programme.

Our focus is on being fit for the future – with a growing membership, sustainable finances and building a supportive culture in line with our strategy published in late 2022.

2023 represents significant progress in every pillar of our strategy:

Membership density growth: We have significantly increased membership in every nation and almost every branch of practice. In those areas where member density remains lower than we would like, there are now active plans in place to support growth.

Representing the profession: 2023 has demonstrated the capability of the Association to mobilise doctors in defence of the profession. Successful ballots for industrial action in England, Scotland and Wales, as well as advanced planning for balloting in Northern Ireland have seen the BMA hold respective governments to account for the repeated failure for doctors' pay to keep pace with living costs. In Scotland this has seen members accept a government proposal to move towards pay restoration for junior doctors, whilst other branches of practice continue active negotiations with their respective governments. At the same time we have created a new internal structure to support our local organising of doctors.

External influencing: We have taken steps to challenge institutional racism in the NHS which regularly affects our members and others working in the NHS and also reviewed our own internal structures (including how we provide support to our minority ethnic members). Implementation of the recommendations from this review is a vital part of how we will continue to work to promote equal rights and opportunities, proactively tackle discrimination or disadvantage in all forms and create an open and inclusive culture for our members, staff and stakeholders. We have represented the voice of the profession to government on critical public health issues ranging from physician assisted dying to banning the manufacture and sale of disposable vapes. We are actively participating in the UK and Scotland public inquiries into the covid pandemic, making written submissions and providing oral evidence at both.

Running the BMA: As well as making progress in financial recovery we continue to build towards a sustainable, carbon neutral, digitally enabled future. We are prioritising work to improve the BMA's inclusive culture. We have invested in successfully implementing new systems for both our member records management (CRM) and a new platform for our website (CMS) to ensure that our technological infrastructure delivers for members and is fit for the future and secure.

We are incredibly proud of the progress we have made in 2023; it has been hard won and it is down to the commitment, expertise, and dedication of our staff and members.

Neeta Major Rachel Podolak

Neeta Major and Rachel Podolak
Co-Chief Executive Officers

Philip Banfield

Professor Philip Banfield
Chair of Council and BMA Board

STRATEGIC REVIEW

The BMA represents, supports and negotiates on behalf of all UK doctors and medical students. We are member-run and led, and we negotiate both individually and collectively with respect to terms and conditions of employment.

As a trade union, we are formally recognised for collective bargaining purposes by national governments across the UK and with individual employers at a local level.

As a professional body, we lobby and campaign on issues impacting the medical profession. Through our research and publishing we lead the debate on key ethical, scientific and public health matters and award grants to encourage research in medicine.

Our vision remains unchanged: to be “a profession of valued doctors delivering the highest quality health services, where all doctors:

- have strong representation and expert guidance, whenever they need it
- have their individual needs responded to, through career-long support and professional development
- are championed by the BMA and their voices are sought, heard and acted upon
- can connect with each other as a professional community
- can influence the advancement of health and the profession.”

This vision permeates our strategy and directorate plans, to ensure we place our members and all doctors at the heart of what we do. Our 2023 business plans remained true to the current strategy, which was refreshed and endorsed by Council in 2022, and have delivered significant change and improvements across the association.

Key 2023 developments against our strategic priorities are described below:

<p>Priority 1: Membership density growth</p> <p>Priorities include the following activities:</p> <ul style="list-style-type: none"> • Improving our offer around recruitment and retention growth projects and communication – focusing on low density groups • Improving our services including digital member services – to ensure members access the right advice, in the right place at the right time • Listening to members through closer teamwork, networks and business intelligence – to garner consistent data and insights and better understand affected, underrepresented groups. 	<p>Actively increase our membership density by listening to our members and improving services</p> <p>Addressing our strategic desire to grow membership density during the year, two target groups were identified: international medical graduates for growth, and junior doctors for retention.</p> <p>With resources dedicated to these target groups we witnessed significant growth in IMG density and ongoing retention and engagement of junior doctors, many of whom have been actively involved in organising strike action and picket lines.</p> <p>We have also identified GPs as an emerging target for growth; planning and pilot activities have taken place in 2023 for full implementation in 2024.</p>
<p>Priority 2: Representing the profession</p> <p>Priorities include the following activities:</p> <ul style="list-style-type: none"> • Improve pay and conditions – to deliver measurable improvements in pay and conditions for members • Change pensions taxation rules – to deliver changes to UK/NHS pensions tax rules to remove the incentives to retire early • Improve member representation, structures and visibility – through more engagement and training of members delivering improved working conditions for colleagues. 	<p>Act upon the concerns of our profession to achieve the best possible outcomes, both individually and collectively, as a strong trade union and professional association</p> <p>Pay restoration and industrial action has undoubtedly been the primary focus of the association throughout 2023, with ballots and strike action across all nations and progress of negotiations to progress the mandate from our members. In terms of our GP members, this involves supporting ongoing contract negotiations to ensure general practice is properly funded in all four nations of the UK.</p> <p>To better support doctors on a regional basis, we completed a full restructure of our member relations directorate with management leads in place to increase workplace visibility, make improvements to the working lives of doctors locally, and drive membership.</p> <p>During the spring budget of 2023 the chancellor abolished the lifetime allowance to pensions and increased the maximum amount of tax-relieved pension savings that can be accrued in a year - key aspects to pensions on which the BMA had lobbied</p>

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	and engaged with government extensively, holding roundtables and meetings with MPs and peers of all parties, lobbying the government, and the Treasury specifically, directly to make the case for change and suggest workable alternatives to the issues being faced by our members.
Priority 3: External influencing	Being the leading voice of doctors to bring about change
<p>Priorities include the following activities:</p> <ul style="list-style-type: none"> Public health and COVID – to influence governments to ensure improvements in public health policy with particular reference to health inequality, and to ensure the voice of doctors is heard in the COVID inquiries being undertaken by UK and Scottish governments Regulatory reform – to work towards significant reforms to UK medical regulation to improve the experience of doctors and the fairness of the system Support for the NHS and wider health services – to provide demonstrable improvements to the working lives of doctors and create a fairer, more equal and more inclusive NHS. 	<p>The BMA has been actively involved in all aspects of the COVID inquiries in all nations with the Chair of Council, Professor Philip Banfield, giving oral evidence in October. BMA evidence has been submitted to all modules of the inquiry:</p> <ol style="list-style-type: none"> Resilience and preparedness Core UK decision-making and political governance Impact of Covid-19 pandemic on healthcare systems in the 4 nations of the UK Vaccines and therapeutics (postponed as of 10 January 2024) Procurement Care sector <p>We are actively engaged with NHS workforce planning activities to stress the need to focus on retention, raise concerns around medical apprenticeships and physician associate workforce expansion, as well as to improve infrastructure to absorb the large increase in medical students and future doctors on training programmes.</p>
Priority 4: Running the BMA	Build a sustainable, carbon neutral organisation for a changing world
<p>Priorities include the following activities:</p> <ul style="list-style-type: none"> Financial recovery plan – to be financially sustainable so that we break even by 2026 and BMJ dividend can be used to invest in membership (including ongoing funding for a strike fund) Improving our culture – through improving membership demographics information and better representation on committees, and clear, efficient, fair processes to report concerns about elected members' conduct Improving our infrastructure – ensuring secure systems, effective governance and certified standards and controls with 50/50 onsite/hybrid meetings for reliable member engagement. 	<p>We continue to navigate the Association through a challenging political landscape and wider global events that have had an impact on financial goals. However, in 2023 we did launch our new CRM system to better monitor our member contact. To support the restructure of member relations, greater focus is now being given to data and reporting at the regional levels.</p> <p>In 2023 we established a strike fund to support doctors whose pay has been deducted when they are on strike.</p>

BMJ Progress against the strategic priorities

Delivering superior digital solutions

In 2023, BMJ worked with external experts to begin construction of a programmatic platform capable of delivering the right content to the right user at the right time and in the right format for the right device. In 2024, work will begin on consolidating BMJ's outsourced technological resourcing, with the aim of accelerating development, unleashing digital innovation and crystallising efficiencies in our processes and costs. Part of this endeavour includes joining the DIMPACT project, an industry-wide initiative, to evaluate the environmental footprint of BMJ's digital presence and to ensure that best practice is being applied to all future development.

Increasing operational efficiency

Rationalisation of central resourcing across finance, strategy, risk management and people services delivered a more effective and efficient structure of enabling functions in 2023, whilst the remodelling of the organisation along three core lines of business at the end of the year is expected to serve as the foundation for further enhancements to processes and operating models over the course of 2024.

Optimising the product portfolio

In 2023, the BMJ Impact Analytics tool won The Association of Learned and Professional Society Publishers (ALPSP) Award for Innovation in Publishing, demonstrating the success of this recent portfolio addition. Each newly formed line of business has been empowered to assess and augment their portfolio, with opportunities surrounding new launches, new markets, acquisitions and partnerships all being actively explored in 2024.

Impact, influence, and capabilities in healthcare are all the mainstay for global organisations. We are benchmarked against the very best - we can and will step up to the challenge.

Strengthening organisational effectiveness

In 2023, the embedding of BMJ's enhanced culture framework led to progressive scores across our Culture15 assessment whilst the 2024 partnership with Gallup, a global analytics and advisory organisation, will help continue to build an exceptional workplace at BMJ Group.

STRUCTURE, GOVERNANCE AND MANAGEMENT CONSTITUTION

Representative body

BMA policies are determined by doctors in local, regional and national forums. They send motions to the Representative Body (RB), which is the main policy-making body. The RB is made up of voting member doctors from all parts of the profession. They come together at the Annual Representative Meeting (ARM) to debate the motions and vote on them to formulate policy of the BMA.

Council

Council is the principal executive committee (PEC) of the trade union as set out by trade union legislation (TULRCA 1992). It sets the strategic direction of the Association in line with policy decided by the RB at the Annual Representative Meeting (ARM), and is responsible for the formulation of policy throughout the year between ARMs, and for delegating the implementation of policy to the company by way of aims and desired outcomes. Council has responsibility for overseeing the co-ordination and timing of policy implementation of the Association, and the authority to resolve disputes between other BMA bodies and to authorise industrial action.

At the start of 2023, Council had 69 voting members elected by the membership to give a geographical and cross-branch of practice mix in addition to five seats for members who identified as ethnic minority. Due to resignations, this number reduced to 67 as at 31 December 2023. BMA Council also has non-voting ex-officio members, including the BMA's President, UK chairs/co-chairs of branch of practice committees and chairs of national councils of which there are currently 26.

Council also appoints members to central boards and committees and can establish additional committees and working groups.

Dr Rebecca Acres*	Prof Anil Jain*
Prof Raymond Agius*	Dr Gabrielle Jee*
Dr Krishan Aggarwal (until September 2023)	Dr Terry John*
Miss Lara Akinnawonu (until September 2023)	Dr Omer Karim*
Dr Shah Ali*	Dr Iain Kennedy*
Dr Shohaib Ali*	Mr Zain Khan*
Dr Jackie Applebee*	Dr Jamshid Khan (from September 2023)
Dr David Bailey*	Dr Amit Kochhar*
Prof Philip Banfield* (Chair of Council)	Dr Robert Laurenson
Miss Rebecca Bates*	Dr Jeremy Lawrance
Dr Tom Black	Dr Sumi Manirajan*
Dr Stuart Blake*	Prof Martin McKee (President until June 2023)
Dr Katie Bramall-Stainer*	Dr Kitty Mohan*
Mr Corey Briffa*	Dr Ujjwala Mohite
Dr Andrew Buist	Dr Lewis Morrison*
Mr Ollie Burton*	Dr Anvarjon Mukhammadaminov*
Dr Hannah Cagney*	Ms Chinelo Nnadi (from August 2023)
Dr Anne Carson*	Mr Kayode Oki*
Dr John Chisholm*	Dr Serge Omanyodo*

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Dr Christine Clayton*	Dr Susan Overal*
Dr Iona Collins	Dr Siddhant Parashar*
Dr Emma Coombe*	Dr Latifa Patel (Chair of Representative Body)
Dr Cristina Costache*	Dr Trevor Pickersgill (Treasurer)
Mr Vassili Crispi*	Dr Siobhan Quinn*
Dr Peter Curry (from September 2023)	Dr Emma Runswick* (Deputy Chair of Council)
Dr Adam Daneshmend*	Dr Helen Salisbury*
Dr Jacqueline Davis*	Prof Wendy Savage*
Dr Thomas Dolphin*	Dr Selvaseelan Selvarajah*
Mrs Chrissie Douglass	Dr Vishal Sharma*
Mr Louis Dowland*	Dr Nitin Shrotri
Mr Raymond Effah (until September 2023)	Dr Arjan Veer Singh Nagra*
Dr Paul Evans*	Dr Tom Stocks*
Sir Sam Everington*	Dr Alan Stout*
Dr Alex Freeman*	Dr David Strain*
Ms Shivani Ganesh (from August 2023)	Dr Jo Sutton-Klein*
Miss Preethi George Pandeth* (resigned November 2023)	Dr Reshma Nasreen Syed*
Dr Rannan Gillon*	Dr Penelope Toff*
Dr Zoe Greaves* (resigned September 2023)	Dr Vivek Trivedi
Sir Ian Gilmore (President from July 2023)	Dr Richard Vautrey*
Dr Gaurav Gupta*	Mr Peter Vicary-Smith (BMJ Chair)
Dr Brian Guttridge (until September 2023)	Dr Poh Jia Wang*
Dr Sara Hedderwick*	Dr Mark Weir*
Mr Michael Henley*	Dr Jan Wise
Dr Peter Holden*	Dr Jennifer Yell*
Dr Ian Hume*	Dr David Wrigley*
Dr Shan Hussain*	
Dr Nyree Jackson*	

*Indicates voting members

Board

The BMA Board is tasked with directing the activities of the company in accordance with the Companies Act. The relationship with Council is via two routes:

- The articles of association of the company, which require the Board to ensure the implementation of strategic and operational objectives. Provided they are legal and do not constitute a breach of fiduciary duty to the company, all resolutions made by the BMA Council (who in turn maintain the existing relationship with the Representative Body), must be translated into the policy and activity of the company.
- The Audit and Risk Committee, which is the primary source of oversight accountable to Council, tasked with risk management, the monitoring of effective controls and ongoing operational effectiveness.

The BMA Board has group oversight of the BMJ Publishing Group Limited and BMA Investments Limited.

BUSINESS REVIEW

Financial review

The BMA Group is made up of the British Medical Association (a company limited by guarantee), BMJ Publishing Group (BMJ), BMA Investments Limited (BMAI) and BMA Law Limited (BMA Law). The group results shown on pages 28-33 reflect the combined results for the entire group.

Group results

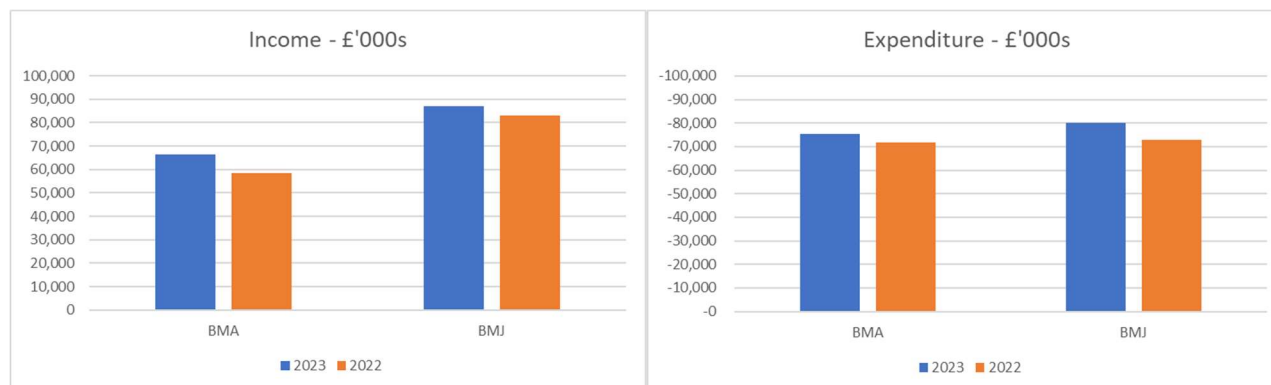
Overall, the BMA Group shows a profit for the year of £9.6m, (2022: £19.1m loss). The main drivers are one off income from BMJ's sale of its stake in a co-owned title, increased revenue at group level, and significantly improved market conditions leading to an increase in value of investments.

Group revenue at £153.7m is £11.1m higher than 2022 (2022: £142.6m). Revenue growth has come from a combination of increased BMA subscription income from higher membership and an increase in subscription rates together with increased BMJ income. Administrative expenses for the group have increased £8.7m to £155.0m (2022: £146.3m). The key drivers are higher staff costs across the group and costs relating to representing the profession and supporting industrial action.

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Group Income and Expenditure graph 2023 vs 2022



The Group Operating profit for the year is £2.2m (compared to 2022 loss of £0.6m). This represents the combined trading operating profits/losses of the different entities within the BMA Group.

Other gains and (losses)

The investment portfolio increased by £5.1m during 2023. Dividends received are automatically re-invested back into the portfolio of £3.0m (2022:£2.6m).

The investment gains in 2023 of £5.1m contrast with investment losses of £15.9m in 2022 highlighting how fluctuations in the market can significantly impact the unrealised (non-cash) financial gains and losses within the group.

The BMA is reliant on the BMJ to fund its deficit and BMA Investments to provide working capital support, with the longer-term financial strategy to significantly reduce this dependency. BMA Investments is primarily used to underpin the defined benefit pension fund liability and provide investment / emergency funds as required. The unrealised gains and losses from BMA Investments are due to movements in the global financial markets and would only be realised if part of the portfolio was to be sold.

Group balance sheet

The net worth of the BMA Group remains strong at £214.1m (2022: £202.2m). The growth in net worth is supported by the group profits and unrealised investment gains. The element of BMA House that is leased to tenants as an investment property was £75.9m at the end of the financial year (2022: £74.8m). 1,603 sq ft of operational space was reclassified as 'investment property' in 2023 resulting in a fair value gain of £1.1m. BMA House will be increasingly used to generate revenue to support member services in the medium to long term as part of the Association's recovery plan. The fair value of BMA House remained unchanged in 2023 at £170m.

The remaining part of BMA House used for BMA operational activities and the Queen Street Edinburgh offices remain on the balance sheet at nominal value except for the element of BMA House that transferred back into BMA operational use during 2022 which valued at £4.8m at the time of transfer.

The defined benefit pension scheme, under FRS102, at 31 December 2023 indicated a surplus of £14.5m (2022: £17.3m), which is not recognised in the financial statements, see Notes 3 and 31. The reduction in surplus is mainly due to a reduction in the long-term inflation expectation, and change in mortality assumption, offset by a reduction in the discount rate. Group cash at bank and in hand has decreased to £50.5m, down from £51.8m in 2022. BMJ holds significant cash balances in order to provide working capital flexibility for its global business and in readiness for planned investment opportunities.

Individual entities within the Group

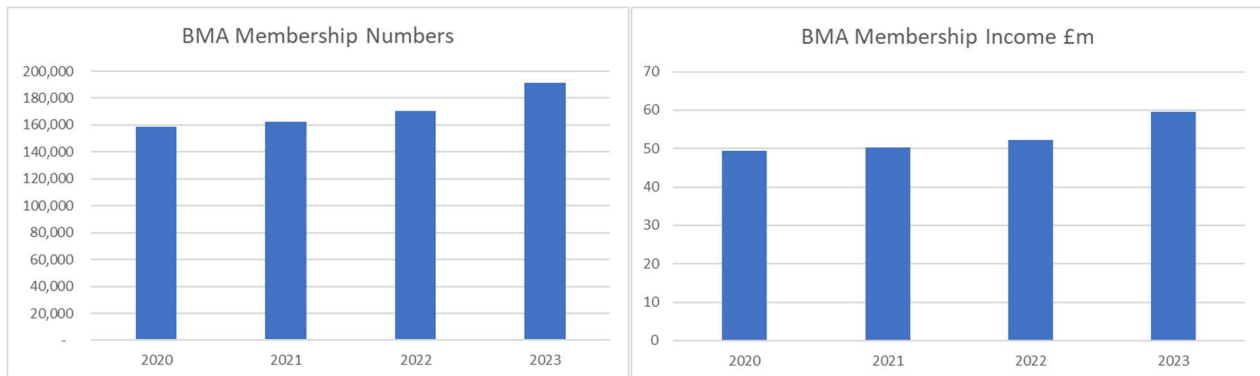
BMA

The BMA incurred an operating loss of £3.8m (2022: £10.4m). This represents the operations of running the organisation and excludes corporation tax and any of the unrealised gains/losses impacting the 2023 accounts.

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Overall revenue has increased to £66.6m (2022: £58.3m). Membership has increased over the last year and the Association had 191,105 members as at 31 December 2023 compared to 170,633 at 31 December 2022. Higher membership is due to organic growth and an increase in junior doctors joining as a result of industrial action seeking pay restoration. Membership revenue grew to £59.6m (2022: £52.2m) due to higher membership and higher average subscription rates. This has allowed for the £2.5m to be repaid back to reserves for industrial action costs provided for in 2022. Events and property lease revenue have grown by a combined £0.7m to £8.6m in 2023 (2022: £7.9m). This is due to increased events bookings and property income stabilising with fewer tenants relinquishing/downsizing their space requirements during the year.



Administrative expenses have increased by £5.0m due to inflationary pressures, representing the profession and industrial action. BMJ staff costs are included within the BMA administrative expenses, but are re-imbursed through other operating income. £3.2m of the increase above relates to these transactions.

BMJ Publishing Group Limited (BMJ)

Revenues grew by 4.4% year on year, which management view as outperforming the market in a challenging economic environment. Whilst direct costs increased by 6.4%, this was impacted by the resurgence of the events business, a traditionally low margin area generating substantial brand impact for BMJ and positively influencing thousands of medical professionals worldwide. A strategic review of BMJ's journals portfolio led to the change in ownership of two titles, generating a profit on disposal of our stake in one journal of £3,560,000, and will generate a number of new launches across the next eighteen months. Maintaining underlying gross margin ratios in a challenging inflationary environment whilst growing revenues has been a major focus for management in 2023 and will continue to be so into 2024 and beyond.

Overall, trading performance and the general financial profile grew pleasingly, confirming the strategic course of the business, with the consolidated profit before taxation equalling £10,345,000 (2022: £6,417,000).

BMA Investments

Our investment portfolio (excluding cash) held by BMA Investments Limited (BMAI) closed the year at £133.5m, versus £125.3m at the end of 2022.

BMAI does not hold any shares directly and invests through a number of different funds. BMAI works closely with fund managers to ensure funds are invested ethically and investment managers are invited on a rotational basis to all Investment Sub-committee meetings. We have invested in a number of ESG funds and are working with advisors to develop a long-term plan to transfer all remaining investments into ESG funds, whilst seeking to minimise the impact on returns.

BMA Law

BMA Law offers legal services to members. BMA Law made a small loss in 2023 after breaking even after tax in 2022. During the year we have concluded a strategic review of the operations and the panel firms. Greater marketing collaboration with panel firms and improved margins are expected to drive future profits which should then enable sustainable growth.

GROUP

Even with difficult political economic factors in the UK and globally, the BMA Group remains strong due to the ongoing performance of the BMJ and the resilience provided by the investment portfolio which recovered at the end of the calendar year; offsetting the losses of the BMA. The BMA operating losses were £3.8m, increasing to £7.7m once corporation tax, interest and reserves repayment for industrial action are included. Our overall group financial strength coupled with a clearly articulated strategy and recovery programme enables us to continue our core work of supporting doctors and promoting the health of the nation.

STATEMENT BY THE DIRECTORS IN PERFORMANCE OF THEIR STATUTORY DUTES IN ACCORDANCE WITH S.172(1) OF THE COMPANIES ACT 2006

The Directors are well aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the long-term success of the Association for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests and needs of both members and employees;
- the need to foster business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the company.

Long-term decisions are assessed against the overall strategic objectives of the company, their financial viability within the current year budget and the 3-year plan.

The Board is regularly reminded of the s.172 (1) Matters through regular training sessions and induction materials provided on appointment include an explanation of Directors' duties and responsibilities.

Corporate, social, environmental, responsibility is key when developing new and existing relationships. The BMA has long acted as a responsible organisation; we are the oldest medical association in the world to award grants to encourage and further medical research and have always advocated the highest standards of human rights in healthcare.

ENGAGEMENT WITH MEMBERS, SUPPLIERS, STAFF AND OTHERS

Working with our Members

As a professional association and trade union, working with and for our members is key to the future success of the organisation. 2023 has been another extraordinary year for the profession as the BMA stepped up our fight for pay restoration and won a major concession from the government in addressing the unfair pension taxation of doctors. This has included multiple rounds of industrial action undertaken by junior doctors and consultants in England as well as a successful ballot for action by SAS doctors in England. Junior doctors in Scotland successfully negotiated a new pay deal with the Scottish Government after a successful ballot for action, and action by our members in England has seen government open negotiations with the profession, but not yet provide a credible offer. Our fight for pay restoration saw the BMA achieve its highest ever membership, as well as substantial turnouts of well over 50% at each ballot conducted.

We have also captured the experiences of members on race equality, experiences of LGBTQ+ doctors, doctors with disabilities and neurodiversity across the UK through surveys and features in The Doctor magazine. Improvements have been made to our processes for listening to members' feedback and complaints, with a renewed focus on customer service, swift and satisfactory resolutions, and sharing lessons learned about the BMA's products, services, political position and the support offered to our members.

The BMA has also been externally influencing on COVID by participating in the UK and Scotland public inquiries, including becoming a core participant to the UK inquiry. We also sought to influence the regulation and scope of practice of new Physician Associate and Anaesthetic Associate roles to try to tackle the extensive confusion that exists whereby members of the public may mistakenly believe they have been seen by a doctor.

Working with our Suppliers

Our suppliers and agencies are experts in their fields and help us to deliver quality services to our members and customers to meet our strategic goals. The BMA group works with key suppliers to develop strong mutually beneficial partnerships ensuring delivery of high-quality services to members and key customers globally through regular review meetings and monitoring of key performance indicators. The supply of major services is regularly tendered to ensure that members/customers continue to receive high levels of service, delivered cost effectively. During any tender process we take steps to identify the most appropriate partner based on a combination of cost, and quality, our due diligence review includes looking at a range of ESG matters to help identify potential partners whose ethos is aligned with ours.

Working with our Staff

Our staff are a key resource without whom we would not be able to deliver high quality services to our members and customers. The BMA recognises the GMB unions for collective bargaining and beyond that we also have a collaborative working arrangement whereby leadership regularly meet GMB representatives to update on future developments and discuss a wide range of topics impacting staff. Throughout the pandemic and in returning to office based working we have taken a 'safe staff first' approach with GMB representatives being involved in key decisions. Staff involvement through forums/workshops have helped refresh the future BMA strategy.

We also engage with staff through quarterly, anonymous, on-line 'pulse' surveys, tracking engagement and opinion on a wide range of work-place issues. The tool enables insight to engagement data at a team level and also enables anonymous exchange of ideas and views between staff and leadership. We hold regular all-staff virtual events to enable the whole organisation to interact with the senior leadership team including a Q&A session. We continue to support staff networks who share common interests or characteristics such as our forums covering ethnicity, gender, sexual orientation or those at a similar 'life-stage', such as new parents. Our staff are concerned with opportunities for personal development, career progression, inclusion, fair pay and the ability to make a difference. We recognise that we have a responsibility to promote and adopt organisational policies that support sustainable practices and improve the health and wellbeing of our employees, and which ensure staff can work effectively and collegially with our members. We are committed to promoting equal rights and opportunities, proactively tackling discrimination or disadvantage in all forms and creating an open and inclusive culture for our employees.

Working with our Communities

The BMA's mission is "We look after doctors, so they can look after you". Through our social responsibility and wellbeing activities, we live out this mission to contribute positively to the wider society for the benefit of doctors, the communities they serve and, crucially, the environment. We fulfil our social responsibility through activities such as:

- Upholding fundamental human rights in health practice
- Funding research careers through the BMA Foundation
- Supporting doctors and medical students through our wellbeing support services
- Supporting doctors and medical students during industrial action
- Adapting and delivering our charitable activities to meet the changing needs of our doctors and wider society
- Celebrate and encourage excellence in the production and dissemination of accessible, well-designed and high-quality patient information.

We launched our first Corporate Social Environmental Responsibility (CSER) strategy in 2018; since then, the pandemic has had a profound impact on everyone, not least our doctors. Our CSER work adapted due to the pandemic, stepping up our charitable activities to meet the changing needs of our doctors and wider society. We are proud of this response, and the BMA's focus on supporting doctors and medical students.

SUSTAINABILITY AND HEALTH

We recognise the detrimental effects climate change has on the health of individuals and communities and aim to minimise our impact on the environment. Doctors and other health professionals have a vital role in supporting and advocating for better approaches to tackling climate change that protect and promote public health, while also reducing the burden on health services. The BMA is a founding member of the UK Health Alliance on Climate Change, a coalition of health professionals advocating to protect the public's health in response to these health threats.

In 2023 BMA House won the 'Sustainable Awards for Venues, under 400 Reception Style' at the London Venue and Catering Awards. BMA House also won the prestigious Greengage Insights and 2023 Sustainability Award for 'Best Accommodation & Meetings Sustainability Initiative'.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board is responsible for ensuring that proper arrangements are in place for adequate risk management and control. The Audit & Risk Committee provides assurance to the Board and Council on these matters and has a remit that includes:

- considering the annual report of the directors and the financial statements prior to their submission to Council
- establishing an internal audit function to ensure the effectiveness of the governance structure and the internal controls
- monitoring key risks against the different risk appetites in each of the group companies.

Throughout 2023 the BMA has steadfastly remained focused on pay restoration, galvanising the profession to take unprecedented levels of industrial action to achieve this. Whilst pay deals have been agreed with some doctors, this is not the case across the board and in all nations, and therefore remains where we focus our resources. Industrial action is intensive, dynamic activity, and navigating long-term industrial action carries inherent risk that requires closely managed mitigations. Our mitigating actions are coordinated across the association to ensure the coherence required.

In the spring budget of 2023 significant changes were made to public sector annual and lifetime pension allowances, which we had lobbied for. This positive action addressed, in large, a key corporate risk covered in our 2022 report around supporting members with complex pensions decisions and related tax implications.

The BMA is not immune from economic pressures affecting the everyday lives of our members and our people, as well as the finances of the association. External pressures of the ongoing Russian invasion of Ukraine were exacerbated by the Palestinian/Israeli conflict as well as internal pressures from a turnover of UK governmental leadership and economic policy. However, a three-year financial recovery programme started in 2022 to mitigate cash flow volatility has served to protect the BMA this year and ensure that the Association can remain financially sustainable in the medium term. In 2023 the BMA created a strike-fund to support members through industrial action. Robust stewardship of income from our members allows us to remain committed to the primary concern of our members: pay restoration.

Financial risks

In terms of financial risks, the BMA group closed its defined benefit pension scheme to future accrual in July 2014. As of that time, the pension scheme was fully funded. Subsequently through abnormal external market conditions, the scheme has fluctuated between deficit and surplus and is currently in a small surplus position (as at 31 March 2021, the latest triennial valuation). Pension Trustees manage the on-going financial risk. The next triennial valuation of the scheme is in the Summer of 2024, results based on the scheme to 31 March 2024. It should be noted that the triennial valuation forms the basis for additional cash contribution requests from the Group (as opposed to the FRS102 valuations which are for statutory accounts purposes and do not reflect potential cash requests from the scheme).

With the management of the investment fund, an Investment Sub-committee is appointed via the Finance Committee to manage its investment portfolio. Experienced outsourced investment managers manage the funds to agreed investment benchmarks. The present benchmark used for the overall pool of investments held within BMA Investments Limited is SONIA + 3%. The performance of these investment managers has been below the benchmark for 2023, with the Investment Sub-committee highlighting this performance but advising that the risk should be tolerated whilst market conditions were suppressed.

The key business risks and uncertainties affecting the BMJ are considered to relate to global economic conditions and competition from other publishers, and the company recognises the need to invest and innovate to retain its market leading position which it will continue to do in 2024. The management of BMJ review the level of currency risk inherent within the business, as they deem this a key risk, and they hedge a level of foreign exchange risk via forward contracts.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**



The investments held in BMA Investments are there to mitigate financial risks to the BMA Group. A reserve of £130 million is maintained to ensure there is sufficient capital to withstand risks materialising.

Despite significant debtor balances being held at each balance sheet date, credit risk is considered low given the nature of trade debtors (which are primarily well funded and established medical institutions), the historically low profile of bad debt write offs and the presence of an appropriate level of bad debt provision.

Below are the key corporate risks that have been identified for monitoring across the group:

Risk description	Risk consequence	Controls, actions, mitigations
Cybercrime resulting in data loss or other significant breach of data.	Significant regulatory fine and reputational damage.	CEP+ accreditation. Security operations centre implemented. Disaster recovery plan in place.
Galvanise member support in relation to pay restoration to ensure we have a clear mandate for negotiations.	Outcomes are not achieved leading to reduced member satisfaction and therefore membership density.	Focus on membership density for clear mandates. Strike fund established. Coordination of ballots across branches of practice.
Not delivering on the Estates strategy which leads to a poor use and management of BMA Estates portfolio.	Potential property revenues not realised, affecting financial recovery plan; missed environmental (CO2 reduction) and sustainability targets.	Explored and refined all options with board and finance committee scrutiny; plans refined against changing economic pressures.
Cash flow volatility.	Potential temporary reduction in service levels to members.	Pan-association financial recovery programme in place with greater financial controls and scrutiny around budgets alongside cost reduction and income generation ideas.

FINANCIAL KEY PERFORMANCE INDICATORS

The BMA's most important KPI is its membership which stood at 191,105 (2022: 170,633) at the end of the financial year. By ensuring that we are representative and provide up to date, relevant, progressive and supportive services for our members, the BMA aims to retain and grow its membership and from 2024 we will continue to monitor membership density (i.e. the % of practicing doctors who are members of the BMA). Strong membership ensures the BMA can maintain its position as a key player when negotiating and influencing health related policy. This is highlighted by the growth in membership during the year, with increased numbers of junior doctors joining to support the industrial action seeking pay restoration. Other key performance indicators include profit/loss after tax, member satisfaction, and staff engagement.

BMJ measures performance by reference to its profitability (gross profit and operating profit) and its influence in the medical community. Influence is monitored by a number of measures, including readership (both online and in print), usage and article citations.

FUTURE DEVELOPMENTS

The BMA continues its campaign to ensure fair pay and full pay restoration for all of its members across the UK. This includes further campaigns, ballots and various forms of industrial action; with the ultimate aim of DDRB reform and fruitful negotiation with governments across the UK. To support this work we will be re-evaluating our democratic and internal structures and services, to best align with what we want to deliver for members.

**BRITISH MEDICAL ASSOCIATION
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GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

We will also continue to elevate our members' voices as the COVID Inquiry enters another year, with the Scottish COVID Inquiry getting underway.

In addition, the BMA maintains its external influence on policy on medical ethics, the future of the NHS, public Health, medical regulation, and equalities to improve the healthcare system and the lives of medical professionals in the UK.

As we seek to improve our services to members we are insourcing our First Point of Contact operations. This will enable us to have better control of service outcomes and to prioritise Member needs.

EVENTS AFTER THE BALANCE SHEET DATE

The BMA is carefully monitoring the impact of industrial action on the finances of the BMA group. Contingency plans are in place to fund any long-term industrial action from reserves.

Reviews and reforecasts have not identified events or conditions that prevent the business from being able to meet obligations as they fall due. With strong cash reserves at Group level, possible adverse impact to working capital can be safely and effectively managed.

First Point of Contact (FPoC), the service BMA provides for members to support their employment and membership issues, is a vital gateway service and the cornerstone of the Association's operations. Currently, this service is run by a private company on the BMA's behalf. A transition will begin in early 2024 to move FPoC in house to the BMA.

In January 2024 a special dividend for £6.0m was paid by BMJ Publishing Group to the British Medical Association. £6.0m was paid by British Medical Association to BMJ Publishing Group to reduce the intra-group loan.

This report was approved by the board on 17 April 2024 and signed on its behalf.

Dr Trevor Pickersgill

Dr Trevor Pickersgill (Treasurer)
Director

Date: 20/5/2024

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

The directors present their report and the financial statements for the year ended 31 December 2023.

PRINCIPAL ACTIVITY

The principal activity of the BMA is to provide trade union representation and personal professional services for its members.

BMJ Publishing Group Limited (BMJ) and BMA Investments Limited are both wholly owned subsidiaries of the BMA. BMJ and its subsidiaries' principal activities are the production and distribution of medical information through various media including the flagship journal The BMJ. BMA Investments Limited is the investment holding subsidiary for the BMA.

RESULTS

The profit for the year, after taxation, amounted to £9.6m (2022: £19.1m loss). See additional information included in the Strategic Report.

DIRECTORS

The directors who served during the year were:

Dr Krishan Aggarwal (Council Member)
Professor Philip Banfield (Chair of Council and BMA Board)
Dr Alexandra Freeman (Council Member)
Mrs Neeta Major (Group Chief Financial Officer & Co-Chief Executive Officer)
Mrs Catherine Mayor (Non-Executive Director)
Ms Elisa Nardi (Non-Executive Director)
Dr Latifa Patel (Chair of Representative Body)
Dr Trevor Pickersgill (Treasurer)
Mrs Rachel Podolak (Co-Chief Executive Officer)
Dr Emma Runswick (Deputy Chair of Council)
Dr Vishal Sharma (Council Member)
Mr Peter Vicary-Smith (Chair of BMJ Publishing)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The BMA's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the BMA's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The BMA does not use derivative financial instruments for speculative purposes. Details of other risks and the management of these can be found in the Strategic Report and also in the Audit and Risk Committee Report.

EMPLOYMENT MATTERS AND INFORMATION

The BMA is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of gender, race, age, colour, disability or sexual orientation. The BMA gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the BMA. If members of staff become disabled the BMA continues employment, either in the same or an alternative position, with appropriate retraining being given.

FUTURE DEVELOPMENTS

Commentary on future developments is included within the Strategic Report.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)****DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

EMPLOYEE INVOLVEMENT

The BMA systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests.

Employee involvement in the BMA is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the BMA. The BMA encourages the involvement of employees by means of an intranet, email updates, notice boards, information bulletins and circulars. In addition, regular meetings are held with staff representatives on general and specific matters.

POLITICAL AND CHARITABLE CONTRIBUTIONS

The BMA made no political donations during the year (2022: £NIL).

Charitable donations in the year totalled £110,000 (2022: £182,000) to various medical education and research charities to support a number of healthcare related initiatives.

BMA HOUSE AND EDINBURGH OFFICE VALUATION

The directors consider that the market value of owned property (BMA House and Queen Street, Edinburgh) used in 2022 is still reasonable for 2023. £170m for BMA House and £2.65m for Edinburgh. Only areas of BMA House that meet the FRS 102 definition of investment property are included at market value in the financial statements. (c45%)

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

A qualifying third-party indemnity provision, which was in force during the financial year and also at the date of approval of the financial statements, is held on behalf of the directors of the BMJ by the company's ultimate parent undertaking, the BMA.

GOING CONCERN

The BMA has undertaken an assessment of going concern and considered the level of disclosure relating to these issues within the financial statements. The directors have completed a detailed cashflow analysis for 2024 and business plan to 2027, including performing reverse stress testing which looked at a number of different scenarios such as a significant loss of members. Scenarios were created on a scale ranging from best to worst; worst being membership numbers returning to pre-industrial action levels in 2022 with 2% subscription rate increases and organisational costs remaining at the current level. The organisation performs regular financial reporting and forecasting which would allow any corrective action to be taken swiftly. Following this review and given the cash and investment portfolio controlled by the BMA Group, the directors have concluded that the BMA and BMA Group have sufficient resources to meet its ongoing liabilities for twelve months from the date that these financial statements have been signed, that there are no material uncertainties and as a result the accounts have been prepared on a going concern basis.

POST BALANCE SHEET EVENTS

Commentary on any post balance sheet events is included within the Strategic Report.

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 financial affairs 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 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 rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he/she should consider obtaining independent legal advice.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

EQUALITY, DIVERSITY AND INCLUSION (EDI)

Our aim is to foster a culture where individual differences and diversity are welcomed. We are committed to promoting equal rights and opportunities, pro-actively tackling discrimination or disadvantage in all forms and creating an open and inclusive culture for our members, staff and stakeholders.

Ensuring we are a diverse and inclusive organisation for our members, staff and stakeholders is important for the following reasons:

- **Sustainability:** The medical profession across the UK is becoming increasingly diverse. Our membership should reflect the medical workforce and student body to be sustainable, to grow and to allow the voices of all groups to be heard in the decisions we make as a trade union, professional association, and as a business.
- **Policy making:** Embedding values of equality, diversity and inclusion in our organisational processes and policies strengthens our ability to stand up for our members, both individually and collectively, on a wide variety of policy and employment issues. It also ensures our policy making is grounded in creating improved conditions for work and study, ensuring fair treatment of all, and equal access to working and educational opportunities.
- **External influence:** Embedding equality, diversity and inclusion into the heart of our work allows us to respond to and influence effectively, quickly and coherently on key issues affecting our members' working lives and wider public health matters. These values ensure our work is aligned with our legal obligations around equalities and that we can create a strong moral case for our advocacy for our members and the wider medical workforce.
- **High-performance organisation:** Organisations that are more inclusive and embrace diversity perform better and achieve more. An organisational commitment to equality, diversity and inclusion helps us in attracting and retaining talented and committed staff and members, who can thrive in a positive working environment in which individual differences are valued and welcomed.

The BMA's EDI work is carried out by teams who work closely and in collaboration with one another: our corporate EDI team is accountable for the BMA's corporate commitment to EDI, the EIC (equality, inclusion and culture) policy team is accountable for the formulation and delivery of the BMA's external policy on equality, inclusion and workplace culture issues in England, and the BMA HR (human resources) team are responsible and accountable for equality, diversity, and inclusion related matters for BMA staff. The EIC policy and corporate EDI teams also work with BMA Scotland, BMA Northern Ireland and BMA Cymru Wales to understand the unique equality, diversity and inclusion considerations for all four countries in the UK.

Find out more about our EDI work here: www.bma.org.uk/about-us/equality-diversity-and-inclusion

MODERN SLAVERY ACT 2016

The Modern Slavery Act requires the BMA to prepare and publish a "slavery and human trafficking statement" for each financial year (the 'Statement'). The Statement:

- sets out the steps which the BMA has taken, each year, to ensure modern slavery (that is, slavery, servitude, forced and compulsory labour and human trafficking) is not taking place in the BMA's own business and its supply chains; and
- is published on the BMA website.

A link to the current statement can be found here: www.bma.org.uk/modern-slavery-statement

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

GENDER PAY

The gender pay gap legislation introduced in April 2017 requires that UK employers with 250 employees or more on the snapshot date (5 April) publish data about their gender pay gap. As a group that includes a trade union, professional association and global healthcare knowledge provider, the BMA/BMJ group is committed to championing equal rights and opportunities and proactively tackling discrimination or disadvantage in all forms to create an open and inclusive culture for our employees, members, customers and stakeholders.

It is encouraging to see high levels of female representation at all levels within the group, but we recognise that over representation of females in the lowest quartile significantly contributes to the width of the gap we report. As the Association campaigns for fair pay for our members, we are determined to practice what we lobby for, and the group is committed to fair pay for all our staff and reducing our gender pay gap.

The BMA group workforce is 63% female and 37% male. The gender pay gap has been calculated as:

Gender pay gap	2023	2022	2021	2020
Mean gender pay gap	13.7%	13.2%	10.6%	11.5%
Median gender pay gap	15.2%	13.7%	11.7%	11.9%

The latest Gender Pay Gap data released by the ONS in November 2023 shows the National mean pay gap as has narrowed to 13.2% in favour of men, which means that BMA/BMJ's mean gap is now slightly higher than the national. The national median pay gap has narrowed to 14.3% in 2023 meaning that BMA/BMJ's median pay gap is also higher than the national picture this year.

As part of the Group gender pay gap submission, we include a breakdown of the profile of women and men across four pay quartiles. This data gives us a better understanding of what is driving the Group's gender pay gap.

Quartile	Men	Women	Mean Gender Pay Gap Within Quartile	Median Gender Pay Gap Within Quartile
Upper	48%	52%	0.8% (M)	-1.9% (F)
Upper middle	46%	54%	0.3% (M)	1.9% (M)
Lower middle	38%	62%	1.7% (M)	2.3% (M)
Lower	23%	77%	3.4% (M)	-1.6% (F)

A minus indicates the gap is in favour of females

The data shows that the over representation of women in the lower pay quartile is the principal driver of the gender pay gap. Pay gaps within quartiles are all less than 5% which is a positive improvement since last year. This suggests that there is pay parity between male and female employees within each quartile and reinforces that the pay gaps are driven by the gender distribution throughout the workforce rather than bias pay practices.

The BMA/BMJ Group is determined to reduce our gender pay gap. We continue to work with our leadership teams and employees to identify practical ways to build on the initiatives that we have started over recent years. There is still more to do, but we are determined to make further progress during the following weeks and months.

Some of the actions we have introduced to close the gender pay gap include:

- Unconscious bias training
- Active bystander training
- Gender balanced recruitment and selection panels for senior roles
- Mixed gender candidate shortlists
- Online training modules to support equality, diversity and inclusion
- Career development discussion included in quarterly manager review meetings
- Launched a new mentoring programme
- Recruitment software introduced that allows blind shortlisting to reduce unconscious bias

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)****DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

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- Women@BMJ network
 - Staff women's network meet HRD and CEO (with other staff network chairs) on quarterly basis to discuss issues
 - Menopause policy was updated in 2022 and an awareness campaign on menopause was run in 2023 for managers
 - BELONG Staff Network now represents carers

The BMA/BMJ group will continue to work with colleagues to reduce the gender pay gap and we are firmly committed to championing equal rights and opportunities, and proactively tackling discrimination or disadvantage in all forms to create an open and inclusive culture for our employees, members, customers, and stakeholders.

GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENCY ACTION**Streamline Energy and Carbon Reporting (SECR)**

The BMA operates in multiple office locations including London (BMA House), Cardiff, Belfast, and Edinburgh. Our London office (BMA House) is heated through gas oil and burning oil. Our office in Edinburgh is heated through gas and our electricity is purchased. Both of our offices in Cardiff and Belfast are in serviced buildings. Our office in Cardiff uses an electricity-powered aircon system for heating. Gas is used in the common areas of the building in Belfast, and electricity is used in the BMA occupied work areas. As at December 2023, the BMA has 10 (2022:17) company cars and 46 (2022:51) grey fleet drivers (staff who are in receipt of an allowance for using their own car). Any member of staff can claim mileage as a business expense if they use their car for a relevant business journey (not for commuting). Though not employed by the BMA, we have included mileage claimed by BMA committee members in our reporting.

The table below compares the BMA's greenhouse gas emissions and energy use between 2022 and 2023. While there has been a decrease in some aspects of our energy consumption overall the energy consumption has remained the same. Business travel by BMA staff and members have been the main cause of the increase in our emissions between 2022-2023.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

UK Greenhouse gas emissions and energy use data	Current reporting year 2023	Reporting year 2022 (including re-calculations)
Energy consumption used to calculate emissions (kWh)	3,196,898.48	3,333,558.86
Scope 1 emissions in metric tonnes CO2e		
Gas oil	60.10	129.65
Burning oil	270.63	199.16
Gas	24.78	30.27
Company cars	10.31	6.02
Total Scope 1	365.82	365.10
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	276.90	303.90
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee and member owned vehicles	81.39	64.18
Air travel	50.28	17.88
Rail travel	23.61	17.91
Hotel stay	5.35	4.47
Water supply	1.10	0.59
Water treatment	1.16	1.01
Material use	24.14	19.14
Total Scope 3	187.03	125.18
Total gross emissions in metric tonnes CO2e	829.76	794.18
Intensity ratio Tonnes CO2e staff member	0.91	0.81

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines.

To calculate our consumption and GHG emissions, we have followed the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting and the Carbon's Trust Conversion Factors to calculate litres of gas oil and burning oil into kWh.

GHG protocol scope	Definition
Scope 1 (Direct) GHG emissions	These include emissions from activities owned or controlled by your organisation that release emissions into the atmosphere. They are direct emissions. Examples of Scope 1 emissions include emissions from combustion in owned or controlled boilers, furnaces, vehicles; emissions from chemical production in owned or controlled process equipment.
Scope 2 (Energy indirect) emissions	These include emissions released into the atmosphere associated with your consumption of purchased electricity, heat, steam and cooling. These are indirect emissions that are a consequence of your organisation's activities, but which occur at sources you do not own or control.
Scope 3 (Other indirect) emissions	Emissions that are a consequence of your actions, which occur at sources which you do not own or control and which are not classed as Scope 2 emissions. Examples of Scope 3 emissions are business travel by means not owned or controlled by your organisation, waste disposal which is not owned or controlled, or purchased materials.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per FTE member of staff.

Measures taken to reduce our environmental impact

The BMA recognises the detrimental effects climate change has on the health of individuals and communities and aims to minimise our impact on the environment. Our 2019 eco-audit evaluated all aspects of our operations to see where our ecological and climate impacts could be reduced, and the further decarbonisation audit of BMA House helped inform our overarching carbon descent pathway.

The BMA strives to contribute positively to wider society for the benefit of doctors, the communities they serve and, crucially, the environment. The BMA has long advocated for the link between climate change and health to be recognised. Since 1989, our membership has promoted climate change-related motions at the Annual Representatives Meeting (ARM). At the ARM in 2023 the BMA's carbon neutral pathway was presented, confirming our commitment to become zero-carbon by 2030.

The BMA owns our London and Edinburgh offices, providing the opportunity to implement a wider and long term set of energy efficiency measures.

Work on the estates strategy for BMA House is ongoing. This incorporates phases of substantial refurbishment work between 2024 and 2027, presenting the opportunity to install new, energy efficient plant, equipment, and infrastructure, alongside improvements to the building's fabric and energy efficiency. The strategy will enable a decarbonisation programme and building construction to run parallel to reduce the reliance on fossil fuels and old, inefficient plant. This will be seen with our first refurbishment of around 20,000 sq ft in the South Block with a focus on glazing, electric heating and ventilation as key energy efficiency measures.

Work will also start in 2024 on a study of our Edinburgh property to evaluate the decarbonisation opportunities and viability with a refurbishment programme.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Specific actions contributing to our sustainability aims during 2023 include:

- Increasing plant based menu options to 60% (40% in 2022) across our venues in BMA House.
- The creation of menus across our venues that clearly show the carbon impact of individual items, allowing event organisers and delegates to select those options that most reflect their own carbon goals.
- BMA House venues won several awards for sustainability throughout 2023. Most notably, a Gold winner of 'The Sustainable Award for Venues, under 400 reception style' at the London Venue and Catering Awards 2023.
- BMA venues have maintained Platinum level status with Greengage's ECOsmart Accreditation for 2023.
- All electricity in BMA House and Edinburgh is from 100% renewable sources
- Old furniture recycled through Business2Schools charity initiative which repurposes office furniture and technology to improve learning environments for students in UK state schools.
- IT procurement: 38 remanufactured laptops were purchased in 2023 as part of a programme to replace 600 laptops with sustainably sourced products in the next four years.
- We have launched a salary-sacrifice benefit for staff to lease a fully electric vehicle through Octopus Electric Vehicles. 5 staff took this up in 2023.

Re-fitting BMA House:

- Complete recycling of old carpets by reducing those removed to component fabrics.
- We continue to prioritise reusing or recycling furniture before selecting new. This includes repurposed, high-quality furniture with a long economic life. When new is needed, we select manufacturers such as Burgess with high sustainability credentials and which use using environmentally friendly materials in their products.
- All building materials stripped out separated into waste zones. Timber, metal, glass, concrete brick, and rubble were all separated on site to be re-used or recycled.
- A rolling programme of replacing obsolete and old lighting with LED lighting – including large spaces such as the Council Chamber.

DISCLOSURE OF INFORMATION TO AUDITORS

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITORS

Grant Thornton UK LLP have expressed their willingness to continue in office as auditor. It is the responsibility of the AGM to appoint our auditors.

This report was approved by the board and signed on its behalf.

Dr Trevor Pickersgill

Dr Trevor Pickersgill (Treasurer)
Director

Date: 20/5/2024

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)****DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

The directors are responsible for preparing the strategic report, the Directors' 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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and profit or loss of the company and group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 Company 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 to 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 MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)****AUDIT AND RISK COMMITTEE REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

The chair presents her statement for the period ended 31 December 2023.

INTRODUCTION

The BMA group audit and risk committee supports the Board in fulfilling its responsibilities regarding financial reporting, the effectiveness of risk management and internal controls processes and compliance matters. The committee's duties and powers are set out in the first schedule to the byelaws of the Association's articles and byelaws and can be found on the website at Memorandum Articles and Bye-laws (bma.org.uk).

MEMBERSHIP AND MEETINGS

The committee is comprised of five voting members: two BMA lay members and a BMJ non-executive director appointed for their technical skill and experience in areas of relevance to the committee and two members of the Association elected to the committee by UK Council. All terms of office are for three years. During this period, elections were held for the two medical member positions. In November 2023 I was appointed as chair of the committee, taking over from Jacques Cadranel who stood down after reaching a term limit of nine years on the committee including three years as chair.

During this period, the committee membership was as follows:

- Dr Krishan Aggarwal (elected member) – until 11 October 2023
- Jacques Cadranel (BMA lay member and chair of the committee) until 1 November 2023
- Kathryn Cearns (BMA lay member and chair of the committee) - appointed chair 1 November 2023
- Dr. Peter Holden (elected member) - until 11 October 2023
- Dr. Anil Jain (elected member) - since 1 November 2023
- Dr. Zain Khan (elected member) - since 1 November 2023
- Brian McCarthy (BMJ NED)

In addition to committee members, meetings were also attended by the BMA treasurer, BMA Group CFO/co-chief executive and BMA chief accountant and the BMJ chief executive and chief financial officer on behalf of the BMJ publishing group. The committee was advised throughout the year by the external auditors (Grant Thornton) and internal auditors (Crowe) who also attended meetings.

The committee met four times in 2023. Meetings were timed to align with the financial reporting process to enable effective and timely scrutiny. Each meeting followed a distinct agenda to reflect the financial reporting cycle and particular matters for the committee's consideration. The committee has a periodic and structured forward-looking workplan. This is designed to ensure that responsibilities are discharged in full during the year and that emerging issues of relevance continue to be brought to the committee's attention. Committee meetings are scheduled close to Board meetings to facilitate effective and timely reporting. An update is provided to the Board following each meeting. Committee members regularly hold private sessions following each meeting to provide an additional opportunity for open dialogue and feedback without management present. The Committee Chair also meets regularly with the GCFO and other senior leaders in the Group. ARC reported throughout the year to the board of directors and to UK Council in May 2023.

INTEGRITY OF FINANCIAL REPORTING

During 2023, the committee received regular reports from the BMA group chief financial officer and chief accountant, BMJ chief financial officer and the treasurer regarding the financial performance, systems and processes operating within the BMA and its subsidiary, the BMJ Publishing Group Ltd. The committee considered the annual directors' report and financial statements prior to their approval by the Board of Directors and Council. During 2023, the ARC obtained sufficient assurance from both the internal and the external auditors that the integrity of the Association's financial reporting was maintained.

EXTERNAL AUDITOR

The committee received regular verbal and written reports from Grant Thornton, its external auditor. The committee's work programme for the year included approving the proposed audit plan, agreeing the schedule of audit fees and receiving the auditors' final report at the conclusion of their audit work.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)****AUDIT AND RISK COMMITTEE REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

In addition, the committee continues to ensure the independence and objectivity of the external auditors by:

- Conducting a review into the effectiveness of the auditor annually
- Setting out an appropriate policy on the provision by the external auditor of non-audit work
- Receiving written confirmation of the auditor's independence and objectivity and compliance with the Financial Reporting Council's Ethical Standard.

INTERNAL CONTROLS, SYSTEMS AND PROCESSES

During 2023, the committee continued to monitor the effectiveness of the BMA's internal control systems and were advised by internal auditors, Crowe, who reported regularly to the committee and the chair. Day-to-day liaison and management of the internal auditor's activity was led by the BMA's chief financial officer. A three-year internal audit plan made provision for a 2023 audit plan as follows:

BMA Specific

- Human Resources (retention and engagement)
- CRM post implementation review
- Data security and data protection

BMJ Specific

- Financial controls
- Product technology roadmap

Along with each completed review, the organisation was given a detailed report of actions identified for improvement. The actions identified are agreed with managers to improve systems and controls and the committee monitor progress against agreed actions by way of regular reports from management.

RISK MANAGEMENT

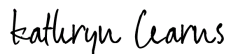
A key responsibility of the committee is the oversight of risk management. BMA and BMJ corporate risk registers were reviewed at each meeting with consideration being given to the overall risk profile of the Association and to each of the principal risks identified, mitigation strategies, scoring and trends. The committee continued to consider emerging risks with each meeting, undertaking regular deep dive discussions on selected topics. During this period, this included consideration of the BMA trade union pay restoration campaigns. The committee reported to the Board after each of its meetings.

Senior leaders are accountable for the management of principal risks supported by locally networked risk champions responsible for day-to-day risk management activities. Risk registers are also held by each directorate.

COMPLIANCE AND GOVERNANCE

The committee continued to seek assurance from senior leaders on major areas of regulatory compliance including data protection, health and safety and whistleblowing. The committee also sought assurance on matters of cyber security, disaster recovery and business continuity.

Mrs Kathryn Cearns OBE



Chair, Audit and Risk

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH MEDICAL ASSOCIATION

OPINION

We have audited the financial statements of British Medical Association (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023, which comprise the Company Income Statement, Company Statement of Comprehensive Income, Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows, Consolidated Analysis of Debt, 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 the parent company's affairs as at 31 December 2023 and of the group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as the crisis in Ukraine and the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH MEDICAL ASSOCIATION (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

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.

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 themselves. 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 the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

MATTER ON WHICH WE ARE REQUIRED TO REPORT UNDER THE COMPANIES ACT 2006

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

RESPONSIBILITIES OF DIRECTORS

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH MEDICAL ASSOCIATION (CONTINUED)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- The group and parent company are subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur: the Companies Act 2006, the Trade Union and Labour Relations (Consolidation) Act 1992, FRS102, tax legislation, anti-bribery legislation and employment law;
- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the Directors, and from review of the group's Board minutes. We discussed the policies and procedures regarding compliance with laws and regulations with the Directors;
- Based on the results of our risk assessment, we designed audit procedures to identify non-compliance with such laws and regulations as identified above. These audit procedures were performed at all components within the scope of our audit. Our procedures also involved journal entry testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business; enquiries of in-house legal counsel; and enquiries of group management;
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation;
 - Knowledge of the industry in which the group and the parent company operates; and
 - Understanding of the legal and regulatory requirements specific to the group and parent company.
- We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH MEDICAL ASSOCIATION (CONTINUED)

USE OF OUR REPORT

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

Grant Thornton UK LLP

Nicholas Page PhD BSc FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

Date: 20/5/2024

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 £000	2022 £000
Revenue	4	153,672	142,633
Gross profit		153,672	142,633
Administrative expenses	5	(154,998)	(146,252)
Other operating income	6	3,542	2,992
Operating profit/(loss)	7	2,216	(627)
Property income from fixed asset investments	11	646	703
Fair value movements on investment property revaluation	22	-	(9,370)
Fair value gain/(loss) on fixed asset investments	11	5,145	(15,852)
Gain/(loss) on disposals	18	3,560	(38)
Dividend income on fixed asset investments	11	3,011	2,584
Interest receivable and similar income	12	1,057	113
Other finance costs	13	(1,228)	(1,127)
Profit/(loss) before tax		14,407	(23,614)
Tax on profit/(loss)	14	(4,781)	4,508
Profit/(loss) for the financial year		9,626	(19,106)
Profit/(loss) for the year attributable to:			
Owners of the parent		9,626	(19,106)
		9,626	(19,106)

The notes on pages 43 to 75 form part of these financial statements.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**COMPANY INCOME STATEMENT
AS AT 31 DECEMBER 2023**

	2023 £000	2022 £000
Revenue	66,553	58,265
Gross profit	66,553	58,265
Administrative expenses	(109,391)	(104,442)
Other operating income	39,010	35,789
Operating loss	(3,828)	(10,388)
Dividend income from unlisted investments in subsidiaries	4,140	18,150
Fair value movements on investment property	-	(9,370)
Interest payable and similar expenses	(734)	-
Interest receivable and similar income	8	-
Other finance costs	(1,228)	(1,127)
Loss before tax	(1,642)	(2,735)
Tax (charge)/credit on loss	(627)	1,529
Loss for the financial year	(2,269)	(1,206)
Loss for the year attributable to:		
Owners of the parent	(2,269)	(1,206)
	(2,269)	(1,206)

The notes on pages 43 to 75 form part of these financial statements.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 £000	2022 £000
Profit/(loss) for the financial year		9,626	(19,106)
Other comprehensive income			
Unrealised surplus on revaluation of investment property	22	1,124	-
Actuarial loss on defined benefit schemes	31	(2,410)	(25,948)
Irrecoverable surplus other than interest	31	3,638	27,075
Other comprehensive income for the year		2,352	1,127
Total comprehensive income/(expense) for the year		11,978	(17,979)
Owners of the parent Company		11,978	(17,979)

The notes on pages 43 to 75 form part of these financial statements.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**COMPANY STATEMENT OF COMPREHENSIVE INCOME
AS AT 31 DECEMBER 2023**

	2023	2022
	£000	£000
Loss for the financial year	(2,269)	(1,206)
Other comprehensive income		
Unrealised surplus on revaluation of investment property	1,124	-
Actuarial gain on defined benefit schemes	(2,410)	(25,948)
Irrecoverable surplus other than interest	3,638	27,075
Other comprehensive income for the year	2,352	1,127
Total comprehensive income/(expense) for the year	83	(79)

The notes on pages 43 to 75 form part of these financial statements.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	2023 £000	As restated 2022 £000
Fixed assets			
Intangible assets	18	3,637	2,924
Tangible assets	19	11,259	11,415
Investments	21	134,901	126,746
Investment property	22	75,933	74,800
		<u>225,730</u>	<u>215,885</u>
Current assets			
Stocks		-	4
Debtors: amounts falling due within one year	23	24,652	27,185
Cash at bank and in hand	24	50,501	51,784
		<u>75,153</u>	<u>78,973</u>
Creditors: amounts falling due within one year	25	(56,524)	(65,432)
Net current assets		<u>18,629</u>	<u>13,541</u>
Total assets less current liabilities		<u>244,359</u>	<u>229,426</u>
Provisions for liabilities			
Deferred taxation	26	(24,987)	(24,207)
Other provisions	27	(5,230)	(3,055)
		<u>(30,217)</u>	<u>(27,262)</u>
Net assets		<u>214,142</u>	<u>202,164</u>
Capital and reserves			
Profit and loss account: unrealised	28	130,521	125,223
Revaluation reserve	28	82	84
Industrial action reserve	28	-	2,500
Other reserves	28	56,378	56,378
Profit and loss account	28	27,161	17,979
Equity attributable to owners of the parent Company		<u>214,142</u>	<u>202,164</u>

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:00008848**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2023**

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Dr Trevor Pickersgill

Dr Trevor Pickersgill (Treasurer)
Director

Date: 20/5/2024

The notes on pages 43 to 75 form part of these financial statements.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:00008848**

**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	2023 £000	As restated 2022 £000
Fixed assets			
Intangible assets	18	1,275	1,253
Tangible assets	19	11,153	11,307
Investments	21	140,878	140,878
Investment Property	22	75,933	74,800
		229,239	228,238
Current assets			
Debtors: amounts falling due within one year	23	7,154	7,367
Cash at bank and in hand	24	11,886	11,521
		19,040	18,888
Creditors: amounts falling due within one year	25	(34,193)	(34,928)
Net current liabilities		(15,153)	(16,040)
Total assets less current liabilities		214,086	212,198
Provisions for liabilities			
Deferred taxation	26	(19,323)	(19,691)
Other provisions	27	(5,230)	(3,055)
		(24,553)	(22,746)
Net assets		189,533	189,452
Capital and reserves			
Profit and loss account: unrealised	28	141,130	140,006
Revaluation reserve	28	82	84
Industrial action reserve	28	-	2,500
Profit and loss account brought forward		46,861	39,911
Loss for the year		(2,270)	(1,206)
Other changes in the profit and loss account		3,730	8,157
		48,321	46,862
Total capital and reserves		189,533	189,452

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:00008848**

**COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2023**

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Dr Trevor Pickersgill

Dr Trevor Pickersgill (Treasurer)
Director

Date: 20/5/2024

The notes on pages 43 to 75 form part of these financial statements.

BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Revaluation reserve	Profit and loss account: unrealised	Industrial action reserve	Other reserves	Profit and loss account	Total equity
	£000	£000	£000	£000	£000	£000
At 1 January 2023	84	125,223	2,500	56,378	17,979	202,164
Profit for the year	-	-	-	-	9,626	9,626
Transfer from industrial action reserve	-	-	(2,500)	-	2,500	-
Actuarial gains on pension scheme (Note 31)	-	-	-	-	1,228	1,228
Surplus on revaluation of investment property (Note 22)	-	1,124	-	-	-	1,124
Unrealised fair value movement on investments (Note 21)	-	5,145	-	-	(5,145)	-
Deferred tax on fair value movement on investments (Note 26)	-	(971)	-	-	971	-
Transfer of depreciation on revalued property	(2)	-	-	-	2	-
At 31 December 2023	82	130,521	-	56,378	27,161	214,142

The notes on pages 43 to 75 form part of these financial statements.

BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Revaluation reserve £000	Profit and loss account: unrealised £000	Industrial action reserve £000	Other reserves £000	Profit and loss account £000	Total equity £000
At 1 January 2022 (as reported)	86	144,926	-	56,378	18,753	220,143
Prior year adjustment - transfer to industrial action reserve	-	-	2,500	-	(2,500)	-
At 1 January 2022 (as restated)	86	144,926	2,500	56,378	16,253	220,143
Loss for the year	-	-	-	-	(19,106)	(19,106)
Actuarial gains on pension scheme (Note 31)	-	-	-	-	1,127	1,127
Gain realised on disposal	-	(2,114)	-	-	2,114	-
Unrealised fair value movement on investments	-	(15,852)	-	-	15,852	-
Deferred tax on fair value movement on investments (Note 26)	-	7,633	-	-	(7,633)	-
Transfer of depreciation on revalued property	(2)	-	-	-	2	-
Fair value loss on investment property	-	(9,370)	-	-	9,370	-
At 31 December 2022 (as restated)	84	125,223	2,500	56,378	17,979	202,164

The notes on pages 43 to 75 form part of these financial statements.

BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Revaluation reserve	Profit and loss account: unrealised	Industrial action reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 January 2023	84	140,006	2,500	46,861	189,451
Loss for the year	-	-	-	(2,270)	(2,270)
Transfer from industrial action reserve	-	-	(2,500)	2,500	-
Actuarial gains on pension scheme (Note 31)	-	-	-	1,228	1,228
Surplus on revaluation of investment property (Note 22)	-	1,124	-	-	1,124
Transfer of depreciation on revalued property	(2)	-	-	2	-
At 31 December 2023	82	141,130	-	48,321	189,533

The notes on pages 43 to 75 form part of these financial statements.

BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Revaluation reserve	Profit and loss account: unrealised	Industrial action reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 January 2022 (as previously stated)	86	147,033	-	42,411	189,530
Prior year adjustment - transfer to industrial action reserve	-	-	2,500	(2,500)	-
At 1 January 2022 (as restated)	<u>86</u>	<u>147,033</u>	<u>2,500</u>	<u>39,911</u>	<u>189,530</u>
Loss for the year	-	-	-	(1,206)	(1,206)
Actuarial gains on pension scheme (Note 31)	-	-	-	1,127	1,127
Deferred tax on fair value movement on investments (Note 26)	-	2,343	-	(2,343)	-
Transfer of depreciation on revalued property	(2)	-	-	2	-
Fair value loss on investment property	-	(9,370)	-	9,370	-
At 31 December 2022	<u><u>84</u></u>	<u><u>140,006</u></u>	<u><u>2,500</u></u>	<u><u>46,861</u></u>	<u><u>189,451</u></u>

The notes on pages 43 to 75 form part of these financial statements.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	£000	£000
Cash flows from operating activities		
Profit/(loss) for the financial year	9,626	(19,106)
Adjustments for:		
Amortisation of intangible assets	706	526
Depreciation of tangible assets	580	534
Profit on disposal of tangible assets	(47)	-
Income from investments and interest	(6,848)	14,902
Dividend income reinvested	(3,011)	(2,595)
Taxation charge	4,781	(4,508)
Decrease in stocks	4	3
Decrease/(increase) in debtors	2,693	(3,243)
(Decrease)/increase in creditors	(9,494)	5,021
Increase in provisions	2,175	1,933
Corporation tax (paid)	(3,422)	(3,182)
Other finance expenditure	1,228	1,127
Fair value movement on investment property	-	9,370
Profit on disposal of stake in a co-owned title	(3,560)	-
Net cash generated from operating activities	(4,589)	782
Cash flows from investing activities		
Purchase of intangible fixed assets	(1,420)	(503)
Purchase of tangible fixed assets	(435)	(354)
Proceeds on sale of tangible fixed assets	58	-
Sale of listed investments	-	6,500
Interest received	1,057	113
Dividends received	486	695
Profit on disposal of stake in a co-owned title	3,560	-
Net cash from investing activities	3,306	6,451

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	£000	£000
Net (decrease)/increase in cash and cash equivalents	(1,283)	7,233
Cash and cash equivalents at beginning of year	51,784	44,551
Cash and cash equivalents at the end of year	50,501	51,784
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	50,501	51,784
	50,501	51,784

The notes on pages 43 to 75 form part of these financial statements.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2023**

	At 1 January 2023 £000	Cash flows £000	At 31 December 2023 £000
Cash at bank and in hand	51,784	(1,283)	50,501
	<u>51,784</u>	<u>(1,283)</u>	<u>50,501</u>
	<u><u>51,784</u></u>	<u><u>(1,283)</u></u>	<u><u>50,501</u></u>

The notes on pages 43 to 75 form part of these financial statements.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. GENERAL INFORMATION

British Medical Association (the Company) is a private Company, limited by guarantee, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is BMA House, Tavistock Square, London, WC1H 9JP, United Kingdom.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Balances are rounded to the nearest £1,000.

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 (see note 3).

The following principal accounting policies have been applied:

2.2 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

The Parent Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- Disclosures required by this section need not be given of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

2.3 BASIS OF CONSOLIDATION

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated income statement from the date on which control is obtained. They are deconsolidated from the date control ceases.

Control exists when the Association has the power to directly or indirectly to govern the financial and operational policies. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Association.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (continued)

2.4 GOING CONCERN

The BMA has undertaken an assessment of going concern and considered the level of disclosure relating to these issues within the financial statements. The Directors have completed a detailed cashflow analysis for 2024 and business plan to 2027, including performing reverse stress testing which looked at a number of different scenarios such as a significant loss of members. Scenarios were created on a scale ranging from best to worst; worst being membership numbers returning to pre-industrial action levels in 2022 with 2% subscription rate increases and organisational costs remaining at the current level. The organisation performs regular financial reporting and forecasting which would allow any corrective action to be taken swiftly. Following this review and given the cash and investment portfolio controlled by the BMA Group, the Directors have concluded that the BMA and BMA Group have sufficient resources to meet its ongoing liabilities for twelve months from the date that these financial statements have been signed, that there are no material uncertainties and as a result the accounts have been prepared on a going concern basis.

2.5 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Income Statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (continued)

2.6 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Publishing subscriptions and advertising

Publishing subscriptions and advertising revenue is generated from the BMJ, and is generated by the following distinct revenue streams:

Subscription revenues

Subscription income for online services, information and journals is normally received in advance and is therefore recorded as deferred revenue on the balance sheet. Revenue is then recognised evenly over time as the performance obligations are satisfied over the term of the subscription. These revenue streams relate to one performance obligation that is settled over time and so invoice value is recognised on a straight-line basis because the customers simultaneously receive and consume the benefit of accessing the content.

Licensing revenues

The Group license a number of collaborators, partners and aggregators to access owned content for a finite period of time. As content can be updated or added to and as the period of access is clearly defined, revenue is recognised over the period of the contract.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (continued)

2.6 REVENUE (CONTINUED)

Advertising revenues

Advertising in print publications is recognised in the month the publication is issued. Online advertising is predominantly invoiced for a month at a time and so is recognised for the month in which the online advert is live and accessible. These revenue streams relate to one performance obligation which is delivered when the advert is live.

Open Access revenues

Fees paid to cover the cost of publishing Open Access articles are recognised in the month that confirmation of article acceptance is delivered, which takes the form of an invoice. At this point, all performance obligations relating to the review and acceptance of the article are complete and all costs have been incurred.

Tailored editions

A variety of bespoke editions, translations and article collections or disaggregations are available for a fee. Once the content has been made available to the paying customer, the performance obligation has been met and the transactional value is recognised.

Event and course revenues

For events and courses, revenue primarily comprises income from exhibitors and sponsors and delegate attendance fees. Event and course revenue is recognised on occurrence of the event or course.

Publishing fees

The Group coordinate the publication, sale and management of some titles on behalf of third parties. Fees received in lieu of these services are recognised on a straight-line basis throughout the period over which the service is delivered.

Publishing royalties

In some instances, the Group receive a royalty based on product financial performance as consideration for coordinating the publication, sale and management of third-party titles. Royalties are recognised in parallel to product financial performance, with the contractual royalty rate applied to the appropriate metric for each period.

Contract delivery

Where the goods or services promised within a contract are distinct, they are identified as separate performance obligations and are accounted for separately. Where separate performance obligations are identified, total revenue is allocated based on relative stand-alone selling prices or management's best estimate of relative value where stand-alone selling prices do not exist. Recognition of each contract component mirrors the nature of the performance obligation, with licence elements straight-lined over the period agreed and service delivery elements recognised based on the percentage of completion method.

Membership subscriptions

All subscriptions are taken into income in the year to which they relate. Amounts received by the balance sheet date in respect of future years are deferred.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (continued)

2.6 REVENUE (CONTINUED)

Income from other activities

Income from other activities which includes rental, venue event hire and affinity commissions is recognised in the year to which it relates. Deposits received by the balance sheet date in respect of events in future periods are deferred.

Grant Income

Grant income is recognised as income evenly over the deed of grant period. BMA shall use all grants received by it pursuant to the terms of the deed.

2.7 OPERATING LEASES: THE GROUP AS LESSOR

Rental income from operating leases is credited to profit or loss on a straight-line basis over the lease term.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight-line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.8 OPERATING LEASES: THE GROUP AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.9 INTEREST INCOME

Interest income is recognised in profit or loss using the effective interest method.

2.10 BORROWING COSTS

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (continued)

2.11 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

DEFINED BENEFIT PENSION PLAN

The Group operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Statement of Financial Position in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of plan assets at the reporting date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience, adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

An asset is recognised to the extent that an employer can recover a surplus in a defined benefit scheme through reduced contributions and refunds. Where this is not the case, no asset is recognised. A liability is recognised to the extent that the deficit reflects the employer's legal or constructive obligation.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (continued)

2.11 PENSIONS (CONTINUED)

MULTI-EMPLOYER PENSION PLAN

The Group is a member of a multi-employer plan. Where it is not possible for the Group to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

2.12 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

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

- 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
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (continued)

2.13 INTANGIBLE ASSETS

GOODWILL

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Income Statement over its useful economic life. The company reviews its goodwill for triggers of impairment each year. The current economic situation has triggered a full impairment review, with no reduction in asset carrying value being deemed necessary. In accordance with Accounting Standards any impairment would be charged to the income statement in the year.

OTHER INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	5 to 20 years
Computer software	-	5 years

Computer software

Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Association are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use;
- Management intends to complete the software and use or sell it;
- It can be demonstrated how the software will generate probable future economic benefits;
- Adequate technical, financial, and other resources to complete the development and to use or sell the software are available; and
- The expenditure attributable to the software during its development can be reliably measured.

Other computer software expenditure that does not meet these criteria are recognised as an expense as incurred. Development cost previously recognised as an expense are not recognised as an asset in subsequent periods.

Assets under construction are not depreciated until they are brought into use.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (continued)

2.14 TANGIBLE FIXED ASSETS

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

The Group operates a capitalisation policy, whereby only items in excess of £1,500 are capitalised.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 1% to 33%
Motor vehicles	- 25%
Plant and office equipment	- 10% to 33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Assets in the course of construction

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use and are reviewed for impairment at each reporting date.

2.15 REVALUATION OF TANGIBLE FIXED ASSETS

With the exception of a surplus of £454,000 (subsequently reduced to £84,000 following the part transfer of fixed assets to investment property) that arose on the revaluation of BMA House, London in 1957, all acquisitions of, and additions to, freehold premises are shown in the balance sheet at cost or deemed cost. Areas of BMA House that no longer meet the definition of investment property are transferred to freehold property within tangible fixed assets. The deemed cost is the fair value of these areas at the date of transfer. Expenditure since 1957 is capitalised where it is probable that future economic benefit in excess of that valuation will flow as a result of that expenditure. Depreciation on this expenditure is calculated on a straight-line basis over the estimated useful lives of the asset categories, the rates of depreciation varying from 1% to 33.3%. All other expenditure is treated as an expense.

2.16 INVESTMENT PROPERTY

Investment property is carried at fair value, reviewed annually, and changes in fair value recognised in profit or loss.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (continued)

2.17 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Consolidated Income Statement for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.18 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.19 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.20 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.21 PROVISIONS FOR LIABILITIES

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (continued)

2.22 FINANCIAL INSTRUMENTS

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Income Statement.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

**3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

The preparation of the financial statements requires management and Directors to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The critical judgments and estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Provisions and contingent liabilities

The company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision, see Notes 27 and 30.

Defined benefit pension scheme

The cost of defined benefit pension plans and other post-employment medical benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Therefore these assumptions, individually or collectively, may be different to actual outcomes.

In determining the appropriate discount rate, management relies on an actuary to consider/management considers the interest rates of corporate bonds with extrapolated maturities corresponding to the expected duration of the defined benefit obligation and the quality of the bonds are also reviewed. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the respective country.

The value of the liabilities is calculated by adjusting and updating results of the latest available full/triennial valuation and while the results are not expected to differ materially from those which would arise from undertaking a full valuation, the approximate nature of the figures applied can lead to inaccuracies.

A retirement benefit surplus is only recognised to the extent that it is expected to be recoverable in the future.

Under FRS102, the defined benefit pension scheme valuation has resulted in a surplus of £14.5m (2022: £17.3m). Having taken advice from legal consultants, BMA do have the right to any remaining surplus. Under the Scheme documents, the trustees can force the plan to wind up before the last benefit is paid, and thus effectively eliminate any surplus. If the pension trustees terminated the scheme today, it would currently cost in excess of £100m over the value of the assets available. After reviewing both FRS102 and IFRIC14 it is the considered opinion of the BMA Directors that the surplus should not be recognised, as if the plan liability is settled by an immediate wind-up, the costs associated with the wind-up would be significant and wipe out any current surplus.

Further detail on the defined benefit pension scheme is included within Note 31.

**BRITISH MEDICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. REVENUE

An analysis of revenue by class of business is as follows:

	2023	2022
	£000	£000
Publishing subscriptions and advertising	86,321	83,165
Strike fund income	545	-
Membership subscriptions	59,600	52,217
Other activities	7,206	7,251
	153,672	142,633

Analysis of revenue by country of destination:

	2023	2022
	£000	£000
United Kingdom	95,623	88,532
Rest of Europe	15,035	14,058
Rest of the world	43,014	40,043
	153,672	142,633

5. ADMINISTRATIVE EXPENSES

	2023	2022
	£000	£000
Publishing subscriptions and advertising	79,928	73,218
Members' services	75,051	73,015
Fund management fees	19	19
	154,998	146,252

6. OTHER OPERATING INCOME

	2023	2022
	£000	£000
Property income receivable	3,542	2,992
	3,542	2,992

£3.6m represents BMA House rental income after intra-group trading; £5.1m is total rental received as per BMA company income statement.

**BRITISH MEDICAL ASSOCIATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:

	2023	2022
	£000	£000
Depreciation	580	534
Amortisation	706	526
Other operating lease rentals	351	383
Gain on disposal of fixed assets	(49)	(22)
	=====	=====

8. AUDITOR'S REMUNERATION

	2023	2022
	£000	£000
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	211	216
Fees payable to the Group's auditor and its associates in respect of:		
Taxation services	24	19
Other non-audit services	60	37
	=====	=====

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9. EMPLOYEES

Staff costs, including Directors' remuneration, were as follows:

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Wages and salaries	59,850	60,750	58,170	57,077
Social security costs	6,776	6,211	6,227	5,941
Cost of defined contribution scheme	5,802	5,404	5,765	5,287
	72,428	72,365	70,162	68,305

The average monthly number of employees, including the Directors, during the year was as follows:

	Group 2023 No.	Group 2022 No.	Company 2023 No.	Company 2022 No.
Members' services	507	509	534	509
Publishing	429	462	-	386
	936	971	534	895

A £33,909,000 (2022: £30,744,000) notional recharge has been recognised by the Company to reflect the grossing up of BMJ Publishing Group Limited's staffing costs, to reflect the legal structure as outlined in the BMJ Publishing Group Limited's contracts of employment.

Similarly, the Company's employee numbers have been grossed up for those 429 (2022: 386) employees that have been included as part of the recharge arrangement.

10. DIRECTORS' REMUNERATION

	2023 £000	2022 £000
Directors' emoluments	1,879	1,704
Group contributions to defined contribution pension schemes	96	94

During the year retirement benefits were accruing to 8 directors (2022: 9) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £383,000 (2022: £363,000).

The value of the Group's contributions paid to a defined contribution scheme in respect of the highest paid director amount to £Nil (2022: £3,000).

Directors of both BMA and BMJPG are deemed to be the Key Management Personnel.

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11. INCOME FROM INVESTMENTS

	2023	2022
	£000	£000
Unrealised fair value gain/(loss) on listed investments	5,145	(15,852)
Income from property investments	646	703
Dividend income	3,011	2,584
	<u>8,802</u>	<u>(12,565)</u>
Gain on disposal of fixed asset investments		
Realised (loss)/gain on disposal of listed investments	-	(38)
	<u>-</u>	<u>(38)</u>

12. INTEREST RECEIVABLE

	2023	2022
	£000	£000
Bank interest receivable	1,057	113

13. OTHER FINANCE COSTS

	2023	2022
	£000	£000
Interest income on pension scheme assets	13,463	8,052
Net interest on net defined benefit liability	(14,691)	(9,179)
	<u>(1,228)</u>	<u>(1,127)</u>

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14. TAXATION

	2023	2022
	£000	£000
CORPORATION TAX		
Current tax on loss/profit for the year	3,984	2,881
TOTAL CURRENT TAX	3,984	2,881
DEFERRED TAX		
Origination and reversal of timing differences	398	(2,333)
Changes to tax rates	9	9
Adjustments in respect of prior years	(581)	225
Charge on fair value movements on investments	971	(5,290)
TOTAL DEFERRED TAX	797	(7,389)
TAXATION ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	4,781	(4,508)

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14. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2022: higher than) the standard rate of corporation tax in the UK of 23.5% (2022: 19%). 23.5% is the full year average after corporation tax increased from 19% to 25% on 1 April 2023. The differences are explained below:

	2023	2022
	£000	£000
Profit/(loss) on ordinary activities before tax	14,407	(23,614)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.5% (2022: 19%)	3,386	(4,487)
EFFECTS OF:		
Non-tax deductible amortisation of goodwill and impairment	181	707
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,503	2,306
Capital allowances for year in excess of depreciation	313	(2,335)
Adjustments to tax charge in respect of prior periods	(644)	(180)
Other timing differences leading to an increase (decrease) in taxation	211	420
Non-taxable income	(708)	(491)
Double taxation relief	36	40
Remeasurement of deferred tax for changes in tax rates	8	10
Unrealised gains on investments	(238)	(2,278)
Revaluation of investment property	(267)	1,780
TOTAL TAX CHARGE FOR THE YEAR	4,781	(4,508)

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

15. GAIN/(LOSS) FOR THE FINANCIAL YEAR

	2023	2022
	£000	£000
BMA	(6,409)	(19,356)
BMJ Publishing Group	8,156	8,238
BMA Investments	7,872	(7,991)
BMA Law	7	3
	9,626	(19,106)

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16. NET CASH GENERATED FROM OPERATING ACTIVITIES

	2023	2022
	£000	£000
BMA	(4,059)	(10,168)
BMJ Publishing Group	3,085	11,963
BMA Investments	2,401	1,574
BMA Law	177	8
	<u>1,604</u>	<u>3,377</u>

17. FINANCIAL INSTRUMENTS

The Group enters into forward currency contracts to mitigate the exchange rate risk for certain foreign currency receivables. At 31 December 2023, no outstanding contracts were in place. On 3 January 2024 the Group entered into a USD/GBP forward currency contract of US\$14,000,000 which will mature on 27 December 2024.

18. INTANGIBLE ASSETS

Group

	Computer software £000	Goodwill £000	Total £000
COST			
At 1 January 2023	3,736	71,019	74,755
Additions	1,420	-	1,420
At 31 December 2023	<u>5,156</u>	<u>71,019</u>	<u>76,175</u>
AMORTISATION			
At 1 January 2023	2,143	69,689	71,832
Charge for the year on owned assets	487	219	706
At 31 December 2023	<u>2,630</u>	<u>69,908</u>	<u>72,538</u>
NET BOOK VALUE			
At 31 December 2023	<u>2,526</u>	<u>1,111</u>	<u>3,637</u>
At 31 December 2022	<u>1,594</u>	<u>1,330</u>	<u>2,924</u>

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18. INTANGIBLE ASSETS (CONTINUED)

During the year, the Group received consideration in respect of the sale of its stake in a co-owned title. As the value of the share held was £nil, the monies received for this change in business model, less any related transactional fees, have been recognised as a profit on disposal within the income statement.

Company

	Computer software £000
COST	
At 1 January 2023	2,821
Additions	324
At 31 December 2023	<u>3,145</u>
AMORTISATION	
At 1 January 2023	1,568
Charge for the year	302
At 31 December 2023	<u>1,870</u>
NET BOOK VALUE	
At 31 December 2023	<u>1,275</u>
At 31 December 2022	<u>1,253</u>

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19. TANGIBLE FIXED ASSETS

Group

	Freehold property £000	Motor vehicles £000	Plant & Office equipment £000	Total £000
COST				
At 1 January 2023	15,879	491	3,635	20,005
Additions	-	-	444	444
Disposals	(2)	(99)	(1,152)	(1,253)
Transfer to investment property	(18)	-	-	(18)
	<u>15,859</u>	<u>392</u>	<u>2,927</u>	<u>19,178</u>
At 31 December 2023	<u>15,859</u>	<u>392</u>	<u>2,927</u>	<u>19,178</u>
DEPRECIATION				
At 1 January 2023	5,109	426	3,055	8,590
Charge for the year on owned assets	165	36	379	580
Disposals	-	(91)	(1,151)	(1,242)
Transfer to investment property	(9)	-	-	(9)
	<u>5,265</u>	<u>371</u>	<u>2,283</u>	<u>7,919</u>
At 31 December 2023	<u>5,265</u>	<u>371</u>	<u>2,283</u>	<u>7,919</u>
NET BOOK VALUE				
At 31 December 2023	<u>10,594</u>	<u>21</u>	<u>644</u>	<u>11,259</u>
At 31 December 2022	<u>10,770</u>	<u>65</u>	<u>580</u>	<u>11,415</u>

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19. TANGIBLE FIXED ASSETS (CONTINUED)

Company

	Freehold property £000	Motor vehicles £000	Office equipment £000	Total £000
COST				
At 1 January 2023	15,879	491	3,046	19,416
Additions	-	-	354	354
Disposals	(2)	(99)	(1,152)	(1,253)
Transfer to investment property	(18)	-	-	(18)
	<u>15,859</u>	<u>392</u>	<u>2,248</u>	<u>18,499</u>
DEPRECIATION				
At 1 January 2023	5,109	426	2,574	8,109
Charge for the year on owned assets	165	36	287	488
Disposals	-	(91)	(1,151)	(1,242)
Transfer to investment property	(9)	-	-	(9)
	<u>5,265</u>	<u>371</u>	<u>1,710</u>	<u>7,346</u>
NET BOOK VALUE				
At 31 December 2023	<u>10,594</u>	<u>21</u>	<u>538</u>	<u>11,153</u>
At 31 December 2022	<u>10,770</u>	<u>65</u>	<u>472</u>	<u>11,307</u>

20. HERITAGE ASSETS

The BMA's collection of artefacts relates to silverware, paintings, historical and contemporary books, the vast majority of which were accumulated in the previous years.

In the opinion of the Directors, reliable information on cost or valuation is not available for this collection. This is owing to the lack of information on purchase cost; the lack of comparable market values; and the volume of items held. This collection is therefore not reported as assets in the balance sheet.

The Directors have obtained insurance valuations for the collection of paintings, silverware and historical books which amounts to £1.4m.

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21. FIXED ASSET INVESTMENTS

Group

	Listed investments £000
COST OR VALUATION	
At 1 January 2023	126,746
Additions	3,010
Revaluations	5,145
At 31 December 2023	<u>134,901</u>

The £5,145,000 fair value movement represents an unrealised gain in respect of amounts held at the Balance Sheet date.

The fair value of listed investments at 31 December 2023 was £134,901 (2022: £126,746).

Company

	Investments in subsidiary companies £000
COST OR VALUATION	
At 1 January 2023	140,878
At 31 December 2023	<u>140,878</u>

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21. FIXED ASSET INVESTMENTS (CONTINUED)

DIRECT SUBSIDIARY UNDERTAKINGS

The following were direct subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
BMJ Publishing Group Limited	BMA House, Tavistock Square, London, WC1H 9JR	Ordinary	100%
BMA Investments Limited	BMA House, Tavistock Square, London, WC1H 9JP	Ordinary	100%

100% of the share capital in BMA Law Limited is held in trust by Renaissance Trust Corporation Limited for the British Medical Association who are the beneficial owners.

INDIRECT SUBSIDIARY UNDERTAKINGS

The following were indirect subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Medelect Limited	BMA House, Tavistock Square, London, WC1H 9JR	Ordinary	100%
BMJ Publishing Inc.	Two Hudson Place, Hoboken, NJ07030 USA	Ordinary	100%
BMJ Group India Private Limited	Navkar Marol, Andheri, Mumbai, India	Ordinary	99%
BMJ (Beijing) Medical Science and Technology Co Limited	1509 Silver Tower No2 East, Chaoyang District, Beijing 100027 China	Ordinary	100%

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22. INVESTMENT PROPERTY

Group and Company

	Freehold investment property £000
VALUATION	
At 1 January 2023	74,800
Surplus on revaluation	1,124
Transfers between classes	9
AT 31 DECEMBER 2023	75,933

Areas of BMA House that meet the definition of investment property per FRS 102 section 16 have been measured at fair value. The directors obtained an independent valuation from Cushman & Wakefield as at 31 December 2022, valuing BMA House at £170m. Management believes there is no material change to this figure as at 31 December 2023.

23. DEBTORS

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Trade debtors	15,776	14,774	908	1,045
Amounts owed by group undertakings	-	-	3,879	(862)
Other debtors	798	4,407	612	4,585
Prepayments and accrued income	8,078	8,004	1,755	2,599
	24,652	27,185	7,154	7,367

The £862k bad debt provision was moved between creditors and debtors in 2022.

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24. CASH AND CASH EQUIVALENTS

	Group	Group	Company	Company
	2023	2022	2023	As restated
	£000	£000	£000	2022
				£000
Cash at bank and in hand	50,501	51,784	11,886	11,521

Cash balances for the company at the year end include amounts totalling £426k relating to the strike fund.

25. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Group	Company	Company
	2023	2022	2023	2022
	£000	£000	£000	£000
Payments received on account	31,722	32,864	9,099	8,859
Trade creditors	5,492	6,027	2,739	3,459
Amounts owed to group undertakings	-	-	14,529	12,543
Corporation tax	1,975	1,413	381	274
Other taxation and social security	3,030	6,099	927	915
Other creditors	1,741	1,893	291	217
Accruals and deferred income	12,564	17,136	6,227	8,661
	56,524	65,432	34,193	34,928

26. DEFERRED TAXATION

Group

	2023
	£000
At beginning of year	(24,207)
Charged to profit or loss	(780)
AT END OF YEAR	(24,987)

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26. DEFERRED TAXATION (CONTINUED)

Company

	2023 £000
At beginning of year	(19,691)
Charged to profit or loss	368
AT END OF YEAR	(19,323)

The provision for deferred taxation is made up as follows:

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Accelerated capital allowances	(336)	(339)	(340)	(309)
Short term timing differences	80	179	-	-
Onerous lease provision	-	112	-	-
Fair value movements on investments	(24,732)	(24,159)	(18,983)	(19,382)
	(24,988)	(24,207)	(19,323)	(19,691)

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27. PROVISIONS

Group and Company

	Legal cases £000	Industrial action provision £000	Strike fund provision £000	Total £000
At 1 January 2023	1,231	1,824	-	3,055
Amounts charged against the provision in year	(218)	(1,562)	-	(1,780)
Unused amounts reversed during the period	-	(262)	-	(262)
Additions during the period	1,692	2,269	256	4,217
AT 31 DECEMBER 2023	2,705	2,269	256	5,230

All of the Group's provisions are held in the Parent Company.

At the year end, an assessment of all ongoing legal cases was undertaken. Disclosure requirements as set out in sections 21.14 to 21.17 of FRS102 have been applied in respect of these cases.

This assessment identified 15 ongoing cases where there is an actual or constructive obligation (as a result of past events) to pursue the cases where it has been assessed as probable that the Association will be required to settle the obligation.

The provision reflects a reliable estimate of the expected outflow of resources in future years in relation to these cases.

For these cases, uncertainty exists in respect of the timing of settlement due to the protracted process when dealing with such cases. However, it is expected that these cases will be settled by 31 December 2025.

Post year end, there have been no developments or changes to the above.

Strike fund and industrial action provisions:

A resolution was passed by Council in November 2022 to support Junior Doctors in industrial action. Subsequent resolutions were passed to support other branches of practice in their industrial action. Whilst much of this work is being carried out by existing staff, there will be external expenditure to deploy an industrial action strategy. The strike fund and industrial actions provisions are expected to be utilised in 2024.

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28. RESERVES

Profit and loss account

This reserve relates to realised profits and losses generated to date.

Revaluation reserve

This reserve relates to the £454k fair value uplift on BMA House back in 1957.

Industrial action reserve

This reserve was created to ringfence funds identified to contribute towards industrial action.

Other reserves

Other reserves relate to the legacy reserves transferred from British Medical Association to BMA Investments Limited on acquisition.

Profit and loss account: unrealised

This reserve relates to the aggregate of unrealised fair value gains generated from the Group's fixed asset investments and the £59m fair value uplift following the transfer of the trade and net assets from British Medical Association to BMJ Publishing Group Limited on 1 January 2003, net of the deferred taxation on those unrealised gains.

29. COMPANY STATUS

The Company is a private Company limited by guarantee and, consequently, does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

30. CONTINGENT LIABILITIES

As part of the plan to bring First Point of Contact in house there is expected to be one-off costs of c£0.5m. These costs are likely to be incurred during the first half of 2024.

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31. PENSION COMMITMENTS

The Group operates a Defined Contributions Pension Scheme.

The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £5,802,000 (2022: £5,287,000). Contributions totalling £nil were payable to (2022: £nil payable to) the fund at the reporting date and are included in creditors.

The Group operates a Defined Benefit Pension Scheme.

The British Medical Association (“Association”) has applied FRS102 and the following disclosures relate to this standard.

The Association operates a defined benefit scheme called the BMA Staff Pension Scheme (the “Scheme”) that pays out pensions at retirement based on service and final pay. The scheme operates under UK trust law and the trust is a separate legal entity from the Association. The assets of the Scheme are held separately from those of the Association, being invested in trustee administered funds, mainly through investment management agreements with specialist Fund Managers. Pension costs are charged to the income and expenditure account so as to spread the cost of the defined benefit scheme over the employees’ period of employment with the Association, based on the advice of an independent qualified actuary using the projected unit method.

The most recent formal actuarial valuation of the Scheme was at 31 March 2021 and at this date there were no contributing members in the Scheme. The majority of the pensions in the Scheme, in excess of Guaranteed Minimum Pension (GMP), increase in payment in line with RPI inflation. Other pensions, in excess of GMP, increase in payment in line with RPI subject to a maximum of 5% each year. The actuarial valuation assumed that present and future pensions would increase at a rate of 2.95% per annum, and pensions with capped increases would increase at 2.90% pa.

The actual return on assets over the year to 31 December 2023 was a loss of £3.8m.

The Association expects to make £nil contributions to the Scheme in the next financial year.

Reconciliation of present value of plan liabilities:

	2023	2022
	£000	£000
RECONCILIATION OF PRESENT VALUE OF PLAN LIABILITIES		
At the beginning of the year	281,118	407,648
Interest cost	13,493	8,052
Actuarial gains	(1,348)	(124,514)
Administration costs	1,198	1,127
Benefits paid	(12,701)	(11,195)
AT THE END OF THE YEAR	281,760	281,118

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31. PENSION COMMITMENTS (CONTINUED)

Reconciliation of present value of plan assets:

	2023	2022
	£000	£000
RECONCILIATION OF PRESENT VALUE OF PLAN ASSETS		
At the beginning of the year	281,118	407,648
Interest income	14,310	8,052
Actuarial (losses)	(3,758)	(150,462)
Benefits paid	(12,701)	(11,195)
Derecognition of surplus	2,791	27,075
AT THE END OF THE YEAR	281,760	281,118

Composition of plan assets:

	2023	2022
	£000	£000
Equities	58,204	34,538
Bonds	133,135	93,200
Real estate	52,977	57,526
Cash and cash equivalents	35,188	14,603
Other quoted securities	16,743	98,529
TOTAL PLAN ASSETS	296,247	298,396

	2023	2022
	£000	£000
Fair value of plan assets	281,760	281,118
Present value of plan liabilities	(281,760)	(281,118)
NET PENSION SCHEME LIABILITY	-	-

The amounts recognised in profit or loss are as follows:

	2023	2022
	£000	£000
Interest on obligation (including administration costs)	(14,691)	(9,179)
Interest income on plan assets	13,463	8,052
TOTAL	(1,228)	(1,127)

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31. PENSION COMMITMENTS (CONTINUED)

	2023	2022
	£000	£000
ANALYSIS OF ACTUARIAL LOSS RECOGNISED IN OTHER COMPREHENSIVE INCOME		
Actuarial (losses) on plan assets	(3,758)	(150,462)
Actuarial gains on plan liabilities	1,348	124,514
Derecognition of surplus	3,638	27,075
	1,228	1,127
Principal actuarial assumptions at the reporting date (expressed as weighted averages):		
	2023	2022
	%	%
Discount rate	4.6	4.9
Future salary increases - in line with RPI	3.2	3.4
Future salary increases - in line with RPI subject to maximum of 5%	2.8	3.0
RPI inflation	3.0	3.2
CPI inflation	2.8	3.0
Mortality rates		
- for a male aged 65 now	22.4	22.7
- at 65 for a male aged 45 now	23.2	23.6
- for a female aged 65 now	24.6	24.9
- at 65 for a female member aged 45 now	25.7	26.0

In 2022 there was significant movements to the defined benefit obligation and fair value of assets. This was the result of a change in financial assumptions, mainly due to an increase in the discount rate (2022 – 4.9%; 2021 – 2.0%).

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32. RELATED PARTY TRANSACTIONS

Group entities

The Association is exempt from disclosing related party transactions with other companies that are wholly owned within the Association, under s.33.1A of FRS102.

The BMA Board, BMJ Publishing Group Board and Audit Committee members

Transactions the BMA has directly with individual BMA Board, BMJ Publishing Group Board and Audit Committee members, excluding transactions expected in order for the member to carry out their duties, are considered related party transactions.

Transactions occur with these related parties as many are medical practitioners and certain transactions will occur in the normal course of them undertaking that role. These have not been disclosed as they all have standard charges applicable to all medical practitioners and are considered necessary to undertake their role.

Other standard arm's length transactions occur in the normal course of business with Council members' practices, for example, licensing of software and payment for locum services. These are not disclosed here as the Council members would not be able to influence these transactions.

All related party transactions are carried out at arm's length and there were no material related party transactions. Council members are paid Honoraria amounts.

A full list of subsidiaries, the country of incorporation and effective percentage of ownership has been disclosed in Note 21.

33. POST BALANCE SHEET EVENTS

In January 2024 a special dividend for £6.0m was paid by BMJ Publishing Group to the British Medical Association. £6.0m was paid by British Medical Association in January 2024 to BMJ Publishing Group to reduce the intra-group loan.