



British  
Orthopaedic  
Association

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Registered Charity No. 1066994  
Company Registration No.3482958



# Annual Reports & Accounts

as at 31st Dec 2019

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# Presidents Foreword

This annual report focuses on the developments within the BOA following our fantastic centennial year. 2019 was a time for reflection and review, putting in place robust mechanisms across both operational and governance structures to ensure that the BOA is relevant and sustainable for its next century.

The BOA Executive and Council undertook an extensive review of our values and strategy so that we can deliver what is important to our entire constituency. A key part of our review was to completely revise our committee structures and terms of reference, with committees being more responsive and delivering change through defined projects delivered by smaller working groups. We want to be leaner and more efficient and make sure that we make the most of our time and resources. Our members must have confidence that we are effective and responsive.

Integral to this transformation has to be increasing the diversity of representation throughout our organisation. In the latter half of the year we began work on a diversity and inclusion policy, drawing views together from a wide group of interested parties and challenging the BOA to think creatively. We must ensure that the Trauma and Orthopaedic workforce provides the best possible patient care and this is substantially enhanced by ensuring we are representative of the population we serve. This will be a key focus for development in 2020 and one which we hope the wider membership will engage in and help us drive forward change.

In February 2019 we launched our new website, underpinned by our bespoke member database and management system. This has enabled us to enhance the way we interact with our members, improve facilities including booking events and courses and more importantly managing memberships online. We hope the new platform will enable us to showcase Trauma and Orthopaedics, provide resources to support current and future surgeons as well as enabling us to communicate more effectively with our members and stakeholders. We hope you like the new site; content and functionality is developing all the time and we openly welcome feedback and ideas for

For the BOA, publishing high quality guidance, including the ever popular BOASTs, is central to our role in ensuring patients receive the right care at the right time. During the course of the year we developed our offering to incorporate elective BOASTs and will be working closely with the Specialist Societies to develop these further. We were also delighted to establish a relationship with the Journal 'Injury' to feature Trauma BOASTs, thus reaching a wider audience and enabling the BOASTs to be citable.

We also began our second century with a rebrand of the Journal of Trauma and Orthopaedics (JTO), bringing a fresh new look and maximising impact. Readership continues to grow and we always welcome contributions for articles as well as letters to the editor. Many of the pressures and issues concerning members in 2018 continued into 2019. Over the course of the year waiting times continued to grow with little hope of the situation improving in 2020. We understand this is an issue of real concern for patients and our members as they strive to provide the best possible care in challenging circumstances. Throughout the year we sought to raise concerns around access to elective orthopaedic surgery at the highest level, including the growing waiting lists, differing Clinical Commissioning Group (CCG) policies and lack of use of national guidelines. We also jointly hosted a Westminster roundtable event with Arthritis and the Arthritis and Musculoskeletal Alliance (ARMA) and Versus Arthritis, met with senior NHS leadership, and raised our concerns at forums such as parliamentary receptions with MPs and key decision makers. Collaborations with ARMA and Versus Arthritis continue to be a key way to provide a unified voice representing the concerns of patients and surgeons alike.

We continued to work closely with the Specialist Societies during the year, collaborating on a number of issues, including a statement for patients about media coverage on implants used in hip and knee surgery and developments in complex joint replacement surgery.



We continued to support and promote excellence in clinical practice through our Elective Care and National Hip Fracture Database Reviews. These peer led initiatives utilise registry data to investigate and offer expert independent advice to assist the hospitals in identifying and managing issues relating to performance and outcomes for joint replacement.

Our research activity remains strong. As well as continuing to support world class research through the BOA Orthopaedic Surgery Research Centre (BOSRC) and the James Lind Alliance Priority setting partnerships, we have also been exploring partnership options with Versus Arthritis to strengthen and diversify our research offer. Our congress returned to Liverpool, reflecting the theme of New Horizons, and again grew in strength and numbers. A diverse programme looked to the future with topics such as Machine Learning, tackled challenging issues facing the workforce, such as Burn Out and the Ageing Surgeon and championed diversity with presentations from Nicky Moffat CBE, on developing an inclusive organisation, as well as hosting our first Women in Orthopaedics Networking session. The Congress continues to provide a unique opportunity for networking with national and international colleagues alongside supporting professional development and revalidation which could not be delivered without the ongoing support of the Specialist Societies.

To develop and build our education offer we reviewed and revised our popular Clinical Leaders Programme moving into a new phase as the Future Leaders Programme, with a sharper focus on developing the core leadership skills required within the context of Trauma and Orthopaedics and the wider NHS. We have continued to invest in the UK In-training examination (UKITE) exam through a robust question bank system and improved quality assurance processes. The pilot of enhanced induction through the Bootcamp course continued and guidance will be produced to assist deaneries to implement locally.

We are forever grateful to our members, Committees, Council, Executive and core supportive staff whose dedication and commitment facilitates delivery of these activities and allows us the opportunity to provide the framework for achieving our strapline – “Supporting Surgeons, Caring for Patients”.



**Philip Turner**  
Immediate Past President



**Don McBride**  
President

# Trustees Annual Report

## Charitable Objectives

The BOA is established for the advancement for the public benefit of Science, Art and Practice of Orthopaedic Surgery with the aim of bringing relief to patients of all ages suffering from the effects of injury or disorders of the musculoskeletal system.

As a Surgical Specialty Association for Trauma and Orthopaedics in the UK we provide national leadership, a unifying focus, and charitable endeavour by: Caring for Patients, Supporting Surgeons.

The trustees further confirm that the activities of the Charity are carried out, in line with its objects, for the public benefit as described below.

Our principal concern is to ensure that patients under our care receive high quality treatment. In order to achieve this, we must support trauma and orthopaedic surgeons throughout their careers. As a charity we also care for patients by raising funds for and promoting research into musculoskeletal disorders. We also operate a benevolent fund to support our members in time of need.

## Public Benefit

The trustees confirm that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.



# BOA Strategic Priorities

## Promote the highest standards of patient care



1

- Share responsibility for the patient pathway from prevention to treatment and rehabilitation.
- Promote relevant data collection and analysis, ethical innovation and patient safety
- Promote and help sustain high quality research in Trauma and Orthopaedics
- Identify means of quality improvement and reducing variation
- Identify and promote mechanisms for peer support
- Include patients and those who support them in making decisions about their care

## Influence, engage and collaborate



2

- Forge strong and lasting relationships with all those involved in the care of patients with musculoskeletal disease or injury
- Proactively engage with all national, regional and local stakeholders in patient care
- Represent and support all sub-specialties in Trauma and Orthopaedics and collaborate on policy and standards development
- Support our members, proactively seek their views and clearly communicate the work of the BOA and its outcomes
- Develop BOA strategic international partnerships with a particular focus on activities in the less economically developed countries

## Educate, train and develop



3

- Promote and support a career in Trauma and Orthopaedic Surgery
- Encourage the development of a diverse workforce
- Support surgeons in all aspects and at all stages of their careers
- Support the clinical and professional development of the entire Trauma and Orthopaedic team
- Encourage and inspire students to become Trauma and Orthopaedic surgeons

## Demonstrate the highest standards in our organisation



4

- Promote fairness, accountability and resilience
- Work in an open and inclusive way
- Ensure there is no tolerance of discrimination, harassment, bullying and undermining
- Communicate clearly, decisively and promptly
- Invest, train and develop our staff
- Embed good governance across our organisation, for our finances, data, membership and other processes

# Activities and Achievements

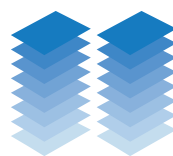
## Influencing and Engagement

During the course of 2019 we produced policy and position statements and media responses on

- NHS waiting times
- NHS 10 year plan
- Medical Device Regulation from 2020
- Hip and knee surgery in obese patients
- Patient Statement regarding NJR and Implants
- NHS Improvement Patient Safety Alert on fracture fixation plates
- GIRFT reports on spinal surgery and on orthopaedic surgery
- Media Reports on Sexism in Orthopaedics.
- We responded to fifteen consultations by public bodies, including NICE and NHS England on topics such as Evidence Based Interventions, surgical site infections and standards on fragility fractures.
- We also responded to Public Accounts Committee inquiry on NHS waiting times for elective and cancer care.

Barriers to access to surgery and growing waiting times for patients remained a concerning issue throughout 2019 and we sought to raise this at the highest level. In February we held a Westminster Roundtable event jointly with the charity Versus Arthritis and the Arthritis and Musculoskeletal Alliance (ARMA) on the subject of barriers in patient access to NHS hip and knee replacements. The event was attended by two MPs and a member of the House of Lords, and aimed to raise their awareness of challenges for patients accessing care and the different policies and thresholds of CCGs for these patients.

### BOA Standards (BOASTS)



17 BOASTS  
produced so far



Accessed online over  
2,000 times per month

Two new BOASTs were produced on Fracture Related Infections (FRI) and The Care of the Older or Frail Orthopaedic Trauma Patient bringing the total number of BOASTs to 17. These remain one of the most popular resources on our website with over 22,000 unique page views last year.

We began in 2018 a scheme of Elective Care Reviews for hospitals in difficulty, building on previous successes with our Hip Fracture Care Reviews. During 2019, we made enhancements to both schemes, improving the governance and robustness of the processes, and further improvements are due to be implemented during 2020. Both these programmes provide key opportunities for us to support hospitals where nationally collected data causes concerns, with the aim of improving care for patients.

Tariff developments: we have again had significant influence in discussions about the impact of tariff changes on orthopaedics, and have participated in meetings with representatives from NHS Improvement on this.

We have worked collaboratively with BASK (British Association for Surgery of the Knee), GIRFT (Getting it Right First Time) and NHS England to review how knee revision surgery is delivered in England, and were due to progress work on a new delivery model for 2020. The project has been suspended during the coronavirus pandemic and will be further developed once that situation improves.



# Membership

Membership has remained relatively steady throughout the year at just over 5,000 and we were delighted to see an increase in the numbers of our SAS, Foundation Year and student members as we are working hard to encourage engagement with the future trauma and orthopaedic workforce.

During 2019 we have paid particular focus on engagement with medical students and medical student societies. We have created a sponsorship programme for orthopaedic medical student societies in order to support students in learning more about careers in trauma and orthopaedics,

and the events and prizes we run for medical students. 2019 saw the BOA provide sponsorship for seven medical student societies in the UK which consisted of financial support, and a supply of BOA flyers, notebooks, and pens for their events. We will continue building on this engagement in 2020 and expect an increase in membership numbers as a result. We will also be undertaking further development on careers information available through the BOA website and more BOA presence at medical student society events now that the Education and Careers Committee is now up and running.



# Digital Transformation

March 2019 saw the culmination of our yearlong digital transformation project, with the launch of our new website, building on the foundations of our new member database and management system (CRM) implemented at the end of 2018. At the same time we launched an updated version of the BOA crest and logo, optimised for the digital age.

As part of this the BOA brand colours and brand identity have also been updated with a more modern, inclusive look and feel. With the increasing use of our website and social media channels to communicate with our members and other stakeholders, our logo has been updated in order to work effectively in these formats, while still retaining the historic ties of the original BOA crest.

We have already seen a range of members engaging with the new platform, managing their memberships online and booking events and courses. We will be developing this content over the coming year to enable us to showcase Trauma and Orthopaedics, provide resources to support current and future surgeons as well as enabling us to communicate more effectively with our members and stakeholders. Average website users per month increased by 43% and average monthly page views increase 120% during 2019 compared with the previous year.

The website was launched in spring 2019 including the provision of the BOA members' directory online, membership management functionality and online booking.

Engagement with the website has tripled since the launch and traffic has continued to grow in early 2020.

Event booking and BOASTs were the most popular resources but a growing number were using the website to manage their subscriptions following renewal notifications at the end of the year.

The number of international visitors has also increased significantly, with particular emphasis on visitors from the US.

Our Twitter and Facebook presence has continued to grow as we seek to better engage with our members and grow awareness of our activities.

We continued to work closely with the Specialist Societies, including joint publications and consultations responses, and attendance by both staff and senior council members at Specialist Society meetings.



**Twitter:**  
- 14 425 followers  
- 18% increase



**Linked In:**  
- 6065 followers  
- 40% increase



**Facebook:**  
- 4500 followers  
- 6% increase



**Instagram:**  
- Launched end of 2019



## Diversity and Inclusion

At Congress we held out first networking session, kicking off of a programme of work aimed at improving diversity and inclusion across Trauma and Orthopaedics.

The BOA is committed to embedding the principles of diversity and inclusion across its core objectives, thus providing equal opportunities and eliminating discrimination in all areas.

Trauma and Orthopaedics is a challenging and rewarding career but its future strength in a

competitive environment depends on attracting and retaining the best applicants from a more diverse workforce, nurturing the talents of all of its members and delivering care through a workforce that better reflects the population it serves.

Towards the end of 2019 a short life working group began work on a dedicated Diversity and Inclusion Strategy for launch in 2020. This includes a dedicated action plan addressing activity across five key areas:



**Commitment and Communication**



**Leadership**



**Congress and educational events**



**Recruitment**



**Career Support**

# Education

From autumn 2019 the BOA commenced a new 12-month 'Future Leaders Programme', which had evolved out of the BOA Clinical Leaders Programme. The new scheme led by Hiro Tanaka (BOA Education Committee Chair) and Lisa Hadfield-Law (BOA Education Advisor) aims to support 25 surgeons (post-CCT, SAS or in the first years of consultancy) with the passion to be future leaders within T&O and equip them with the advanced leadership skills needed to excel in their career. The structure of the programme will comprise four, two day residential forums over a 12 month period with Action Learning Sets that will be self-directed. The curriculum consists of 4 core domains :

## Personal leadership

To develop heightened awareness of themselves as individuals, how they impact upon others within their organisation and in their roles as leaders in quality improvement.

## Relational leadership

To understand how they can influence organisational change and culture as leaders.

## Technical leadership

To understand the science of quality improvement. When and what methodologies are best applied for a quality improvement effort.

## Contextual leadership

To develop an awareness of their own organisational culture and how their quality improvement can influence local or national healthcare strategy.

23 travelling fellowships were awarded thanks to generous sponsorship. These supported members who are home associates or SAS members, offering unique opportunities to develop skills and learn techniques in other settings around the world.

TOTs (Training Orthopaedic Trainers) and TOES (Training Orthopaedic Educational Supervisors) continued to be popular with over 283 attendees across 12 courses.



Instructional Course ran again as a one day course with 115 attendees.

"The CBD sessions were excellent and involvement of all participants to contribute to the discussions was useful."

"Excellent. I have attended this course for the last 4 years and as an overseas doctor (Australia) I found the small group interactions really useful in finding out how the specialist centres manage critical conditions which I am not really exposed to in my DGH".



Piloting of the enhanced induction 'Bootcamp' for trainees continued with the support of an educational grant from Zimmer Biomet. Different formats were trialled during the year with the aim of creating of a template programme for local implementation by deaneries in 2020.

The UK in training examination (UKITE) ran in December with record numbers in the UK and exam in South Africa held in January 2020. 790 took the exam in the UK and Ireland (20 SAS surgeons, 756 ST1-8, 6 LAT, 8 'other') and a further 138 in South Africa. Overall exam reliability (KR20) was 0.928 which is a high level of reliability.



In 2019 we implemented new exam management software which includes functionality for question banking (including question authoring, editing, categorization and tracking), exam creation (build of a question set for an exam instance) and exam analysis (as detailed above).

These functions form part of the quality assurance structure that has been further developed and applied to the UKITE.

Additionally this year we have been able to perform item analysis to determine any 'poor' performing questions, thus improving the quality of the exam.



Casting : 80 casting technicians were trained and examined and a further 221 recertified. Recruitment of a new National Casting Training Adviser commenced at the end of the year with the incumbent taking up post in spring 2020.





# Congress

Liverpool ACC was host venue for the Annual Congress and the event continued to attract strong numbers with over 2,500 registered in advance. Support from Industry was again a vital part of the Congress with over 400 exhibitors across 77 stands. The size of the exhibition increased by c10% with seven companies taking part in Congress for the first time.

The programme contained the usual blend of key note presentations, revalidation sessions organised by the BOA's affiliated specialist societies, free paper sessions and sessions directly supporting medical students. Wider sessions covered diverse subjects such as Machine Learning and Artificial Intelligence, a robust debate on Unicondylar knee replacement (UKR), Training Programme Director Question Time on the Curriculum 2020, Practicalities of Coding and Tariff and a fascinating session from the Carousel Presidents on international approaches to the Ageing Surgeon.

Diversity and Leadership were key themes with a key note speech from Guest Lecturer, Brigadier Nicky Moffat, CBE and our first Diversity and Inclusion networking lunch celebrating Women in T&O. We recognise that women in particular are underrepresented within the specialty and this is especially visible when looking at speakers across Congress. This is an issue we are committed to tackling and will be a key feature within our diversity and inclusion action plan.

Over

# 2,500

**Registered Delegates**

"I always try to attend the annual BOA congress. It delivers everything that I need to maintain current practice as a DGH consultant"

# 90%

**Rated the range of programmes as good/excellent**

"Looked very interactive, good scientific presentations and final day full packed with training events"

# 96%

**Said they will be able to apply knowledge gained to their clinical practice**

"Best organised so far with excellent"



# Research

We continued our funding of the BOA Orthopaedic Surgery Research Centre (BOSRC) at the University of York, which provides support for the development of new multi-centre clinical trials in trauma and orthopaedics. Over 2019, the team were successful in securing funding for the 'Suture fixation versus tension band wiring for simple olecranon fracture fixation trial' (SOFFT). In total over the duration of BOA support, the BOSRC has now secured a total of £11m for 11 studies.

£11<sup>M</sup>

We commenced a new funding round to provide infrastructure funding for two trials units from mid-2019 when the current BOSRC grant ends. We received an unprecedented level of interest in this call, and although the timescales have needed to be adjusted because of the COVID-19 pandemic we are very encouraged by the level of interest in supporting T&O clinical trials.



The BOA supported the recruitment of three Surgical Speciality Leads (SSLs) who will act as a conduit for clinicians interested in developing trials and to provide a forum for discussion of proposals that can be processed through appropriate funding bodies. They will each chair a clinical research group to help develop new trials in their field, and work closely with the BOA in supporting development of research and trials.

Close working with the James Lind Alliance led to the award of one grant (of £4000) for a new Priority Setting Partnership (PSP). This was a partnership with the British Elbow and Shoulder Society (BESS).

# Fundraising

The main fundraising objectives of the BOA are to directly support the research grant programme. Fundraising is done predominantly through membership donations, public donations (through cash appeals) and support from specific fundraising challenge events. The 2019 Christmas appeal raised over £10,000 and the London Marathon raised an impressive £12,000 both significantly increases on 2018.



Unfortunately, due to changes in processes as a result of General Data Protection Regulations (GDPR) we had to change how we handle regular member donations. This has resulted in a significant drop in the number of regular member donations. We are carrying out specific appeals to address this issue and raise awareness with members of the importance of donating.

In 2019 we received just over £300k from legacies. £106k dedicated to research and a further £195k supporting the wider spectrum of activities across the BOA, including education, influencing and engagement. This is a vital income stream for the BOA and we are very grateful to those who remember us within their will.

All fundraising activities for the BOA are carried out by the Association staff. The Association does not use professional fundraisers or have any commercial participators. All fundraising activities are managed by the Exhibitions and Events Coordinator and are monitored by the Head of Events and the Chief Operating Officer (COO), with overall oversight by the trustees.

No complaints relating to fundraising activities have been received by the Association during this financial period. However, the Association has in place procedures that would be followed in the event of a complaint being received with the initial response being the responsibility of the Director of Communications and Operations. Any continuing issues would then be passed to the trustees to determine what further action might be required.

The Association does not currently subscribe to any specific fundraising standards or schemes for fundraising regulation but considers that it has set appropriate standards for the operation and management of its fundraising activities. In particular, the Association considers that its processes and controls should ensure that vulnerable people and other members of the public are protected from any unreasonable intrusion on a person's privacy and that no fundraising activities would be unreasonably persistent or place undue pressure on a person to give money or other property.

## Patient Engagement

The BOA is keen to ensure that it has a clear and focused patient involvement and engagement strategy and that input is facilitated in the most effective way, enhancing the work of the BOA but also utilising patient time and experience effectively.

Following the review of committee structures and methods for patient engagement we are piloting a new approach involving representatives from patient charities on key committees. These include patients and staff representatives with the aim of identifying the most appropriate input for each type of committee. We are also in discussion about effective ways of consulting wider groups where required and working with them to identify suitable case studies for use with press and media.

While we are piloting this approach we have retained Judith Fitch to sit as a patient member on Council to allow for patient input into key discussions and policy development.



## Finance and Resources

The benevolent fund awarded four grants during the year.

Continued integration of the CRM with the finance system and streamlining of processes, including moving to paperless Direct Debits.



# 2020 developments and the impact of COVID-19

At the time of compilation of this report developments in the current and future activities of the BOA have been fundamentally impacted by COVID-19; the most major one being the decision to cancel the Annual Congress. In reaching this decision a number of factors were carefully considered by the Executive Committee including the significant financial impact on the BOA. We understand that this was disappointing for our members but it was felt that due to the demands that would be placed on them over the spring and summer of 2020 the delivery of Congress would not be viable. While the long term impact of the pandemic is not yet fully understood the NHS is undoubtedly under significant pressures which will reach into the autumn. The BOA acknowledges the commitment and dedication shown to the NHS at this difficult time and our intention is to ensure maximum resources are available to support these efforts.



To support members during this difficult time we are proactively working on COVID-19 advice and support for clinicians and patients and have been delighted with the level of engagement with these resources.

Financially, the impact of COVID-19 will be felt across all activity, for example income has reduced due to the postponement or cancellation of education activities and investment income is reduced due to the drop in the market. As a result all activity has been assessed and budgets reforecast. Where possible activities have been postponed to be held later in the year, as our members will still require CPD and educational support. Savings from reduced committee and Council travel are being used to offset reductions in income.

Advice is being taken from our investment managers and further adjustments will be made to the budgets later in the year if necessary.

## 2020 priority activity areas

**For 2020 the following areas of activity were highlighted as a priority and continued to be so, even if delivery timescales have been adjusted, or activity gets pushed into 2021:**

- Providing robust standards, advice and guidance to all members to support their daily practice.
- Development of a more proactive role in global orthopaedics, enhancing and supporting delivery of key services and educational support within developing countries.
- Supporting the development and delivery of new models of working e.g. knee revision.
- Development and delivery of elective and subspecialty BOASTs.
- Enhanced engagement with our members through a variety of social media platforms, including use of Instagram and dedicated campaigns to mark or support key awareness days.
- Improvements of the website to enhance the member experience and to provide information and support for future T&O surgeons.
- Continued enhancement and development of our membership support utilising the new CRM and website aimed at improving the member experience and increasing engagement and interaction with the BOA.
- Increased use of paperless systems, including improved finance processing and development of systems for nominating and voting electronically.
- Development of a diversity and inclusion strategy and accompanying action plan to raise awareness and address issues of underrepresentation in the specialty.
- Ongoing implementation of new committee structures with open and transparent recruitment to all new positions.
- Enhanced engagement with and support of Medical student societies to raise awareness of the specialty and provide good quality educational opportunities.
- Stocktake of all education activities to ensure they are costs effective and provide members with the key support that they need.
- Continued delivery of BOA Elective Care and Hip Fracture Care Reviews with a view to developing lessons learned and using this to drive improvements.
- A focus on developing new and innovative benefits for our members and membership drives to continue increase in our membership with a particular focus on existing consultants working in the NHS and also SAS surgeons who remain an under-represented cohort.



- Review and development of fundraising approach to provide greater cross organisational opportunities and maximise income
- (delayed from 2019).
- Development of improved risk management and business continuity processes
- Piloting of revised mechanisms for engagement with patients including collaboration with key patient groups and charities. This will support the development of a clear and focused patient involvement and engagement strategy and associated delivery framework (carried forward from 2019).
- Further collaborative work with NHS England and NHS Improvement in relation to the current tariff setting methodology for T&O procedures.
- Continuing to work with key partners and stakeholders including ARMA and Versus Arthritis in the development of broader MSK networks:

the focus here remains on knowledge sharing, competencies of the community based multidisciplinary Musculoskeletal team, data and metrics, and generic pathways.

- Enhancement of the UK In-Training Exam (UKITE) to ensure quality assurance of the process.
- Support for the development and delivery of the new Trauma and Orthopaedic Curriculum, including transitional arrangements for existing trainees and ensuring that all members involved in training have adequate knowledge to effectively support trainees through the new requirements.
- Developing a clinical research infrastructure in T&O surgery across the UK through centrally funded methodological support embedded within one or more existing UK Clinical Research Collaboration (UKCRC)-registered Clinical Trials Units.

# Governance

The British Orthopaedic Association (BOA) is a registered Charity (Reg. 1066994) and a Company (Reg. 3482958). Limited by Guarantee. Not having a Share Capital, in terms of the Companies Act 2006, we are governed by the Memorandum and Articles of Association which came into force on 12 December 1997, and by our Rules, as published in our annual Handbook and on our website.

The trustees are responsible for the overall governance of the Association and are the ultimate decision-making authority responsible for the strategy, financial, organisation and business matters of the Association. The full Council, including trustees and ex-officio positions are responsible for matters of professional strategy and policy to inform trustee decisions and strategic priorities for the Association.

The Executive is formed of the President, Vice President, Vice President Elect, Honorary Secretary and Honorary Treasurer supported by the Chief Operating Officer and the senior management team.

The trustee body will delegate certain tasks to the Executive group with outcomes reported regularly at trustee only Council meetings, these include resolution of staffing issues, pay and remuneration, benevolent fund decisions, project oversight and investment reviews. Pay and remuneration levels of the Associations key management personnel are set by the Executive (and reported to the trustees) based on market analysis provided by the HR advisors.

A new governance code, endorsed by the Charity Commission and other industry bodies, was launched during 2017. As part of the strategic review which took place during the year the activities of the Association were mapped against this framework and achievements and opportunities for improvement identified. These include a sharper focus on risk management and reporting, Council and Trustee induction and fundraising strategies.



# Council

The Council is the governing body of the Association and the elected members of the Council are its trustees. Council consists of a maximum of 12 elected surgical fellows; 6 elected officers and up to 12 ex-officio members representing specific interests. Trustees have voting rights; holders of ex-officio posts do not.

In 2019 the full Council consisted of 29 members (with some serving in a dual capacity i.e. both elected and ex-officio). These Council members constituted: 6 officers at any one time (listed on page 5), 11 other trustees at any one time (including Elected Members of Council and 'Additional Trustee' roles, listed on page 5) and 12 in purely ex-officio roles. In 2019 the BOA appointed Professor Deborah Eastwood and Mr Bertie Leigh as additional trustees for one year under article 32 of the Memorandum and Articles of Association. Professor Eastwood's appointment is to support development of corporate memory and Mr Leigh was appointed as a lay trustee as part of piloting revisions to the governance structures to make the Association stronger and more accountable from a governance perspective. Mr Leigh is an Ex Senior partner at Hempsons Solicitors with extensive experience in clinical negligence, commonly acting for doctors and hospitals. He is the former Chair of NCEPOD and was a Non-Executive Director of the Royal National Orthopaedic Hospital. He still defends doctors, but now spends more time writing and lecturing on patient safety.

Elected trustees are elected by a ballot each serving for three years. Four of the elected trustees shall retire each year and thereafter shall be eligible for re-election after one year's retirement. Each year Fellows of the Association are invited to nominate candidates for Council, each nomination must be proposed and seconded by a Fellow of the Association and endorsed with the candidate's written consent to stand.

In the event of an equality of votes, the Council will determine the candidate(s) for election by a majority vote.

All new Trustees are issued with the Charity Commission booklet on their duties and responsibilities. They also receive a pack of briefing papers as recommended by the Charity Commission; are asked to sign the Trustees' Conflict of Interest form; and to provide information for the Register of Interests. They are also given a comprehensive induction process, including a presentation covering our full range of business and desk-side briefings by the BOA staff.

A staff of 17 supports strategy and policy development; communications and media engagement; education and research programmes; financial planning, budgeting and management; fundraising and public engagement; information systems; event management; membership issues and benefits; and specialist societies.





# Specialist Societies

We could not fulfil our objectives without the collaboration of our 22 affiliated Specialist Societies. These are of huge importance to us as key contributors to our Annual Congress, clinical guidelines, commissioning guidance, trauma advisory sheets, overall policy development and delivery of change within the profession.

The Specialist Societies comprise:

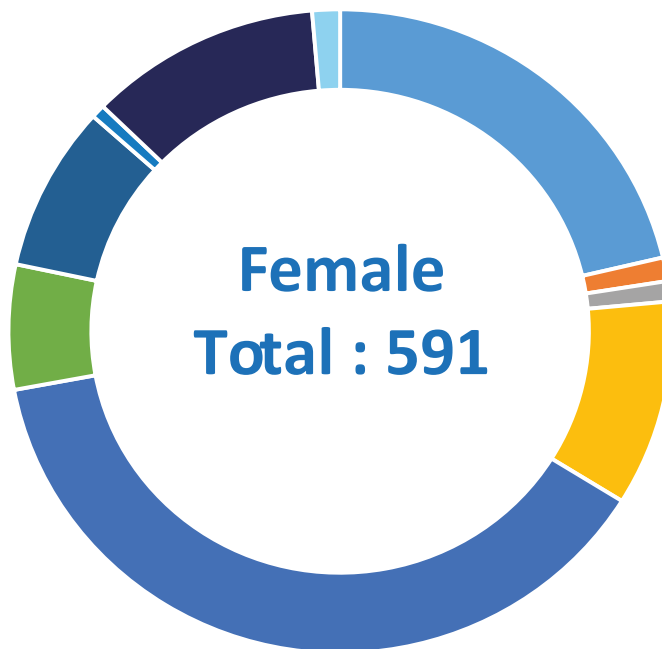
- British Association for Surgery of the Knee (BASK)
- British Association of Spinal Surgeons (BASS)
- British Elbow and Shoulder Society (BESS)
- British Hip Society (BHS)
- British Indian Orthopaedic Society (BIOS)
- British Limb Reconstruction Society (BLRS)
- British Orthopaedic Foot and Ankle Society (BOFAS)
- British Orthopaedic Oncology Society (BOOS)
- British Orthopaedic Specialists Association (BOSA)
- British Orthopaedic Sports Trauma and Arthroscopy Association (BOSTAA)
- British Orthopaedic Trainees Association (BOTA)
- British Society for Children's Orthopaedic Surgery (BSCOS)
- British Scoliosis Society (BSS)
- British Society for Surgery of the Hand (BSSH)
- British Trauma Society (BTS)
- Computer Assisted Orthopaedic Surgery Society (CAOS)
- Combined Services Orthopaedic Society (CSOS)
- Orthopaedic Trauma Society (OTS)
- Rheumatoid Arthritis Surgical Society (RASS)
- Society for Back Pain Research (SBPR)
- United Kingdom Spine Societies Board (UKSSB)
- World Orthopaedic Concern (WOC)



# BOA Membership Statistics

These are monitoring statistics for 2019 and we will be working on a broader range of monitoring during 2020 in line with our Diversity and Inclusion Strategy.

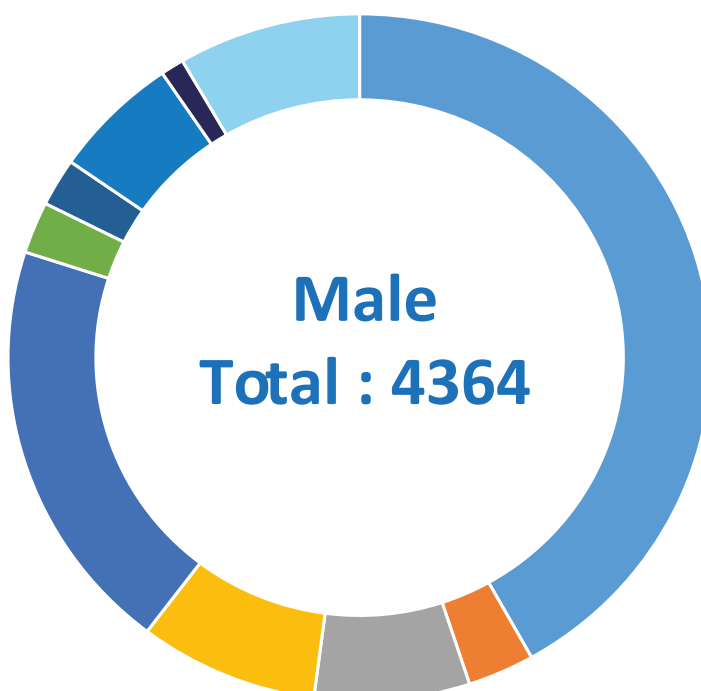
## BOA Membership Female



### Breakdown of Females by Membership Category

- Consultant (Incl Hon fellows) (21%)
- Locum Consultant (1%)
- SAS (1%)
- Post CCT (10%)
- Trainee (38%)
- Foundation Doctor (6%)
- Medical Student (8%)
- Overseas (1%)
- Allied Professionals (11%)
- Retired (1%)

## BOA Membership Male



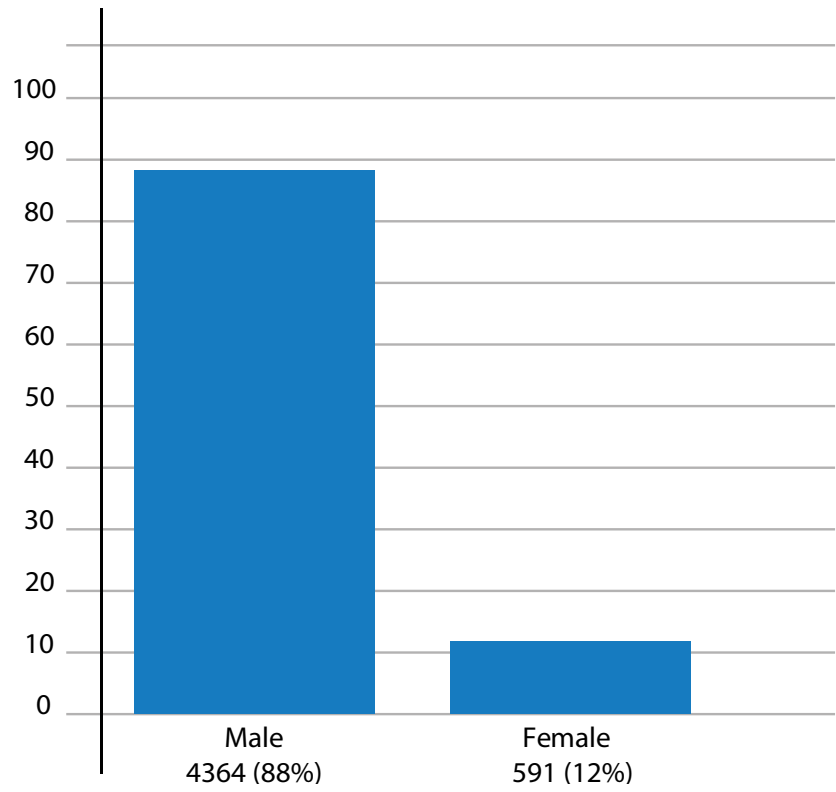
### Breakdown of Males by Membership Category

- Consultant (Incl Hon fellows) (42%)
- Locum Consultant (3%)
- SAS (7%)
- Post CCT (8%)
- Trainee (20%)
- Foundation Doctor (2%)
- Medical Student (2%)
- Overseas (6%)
- Allied Professionals (1%)
- Retired (8%)

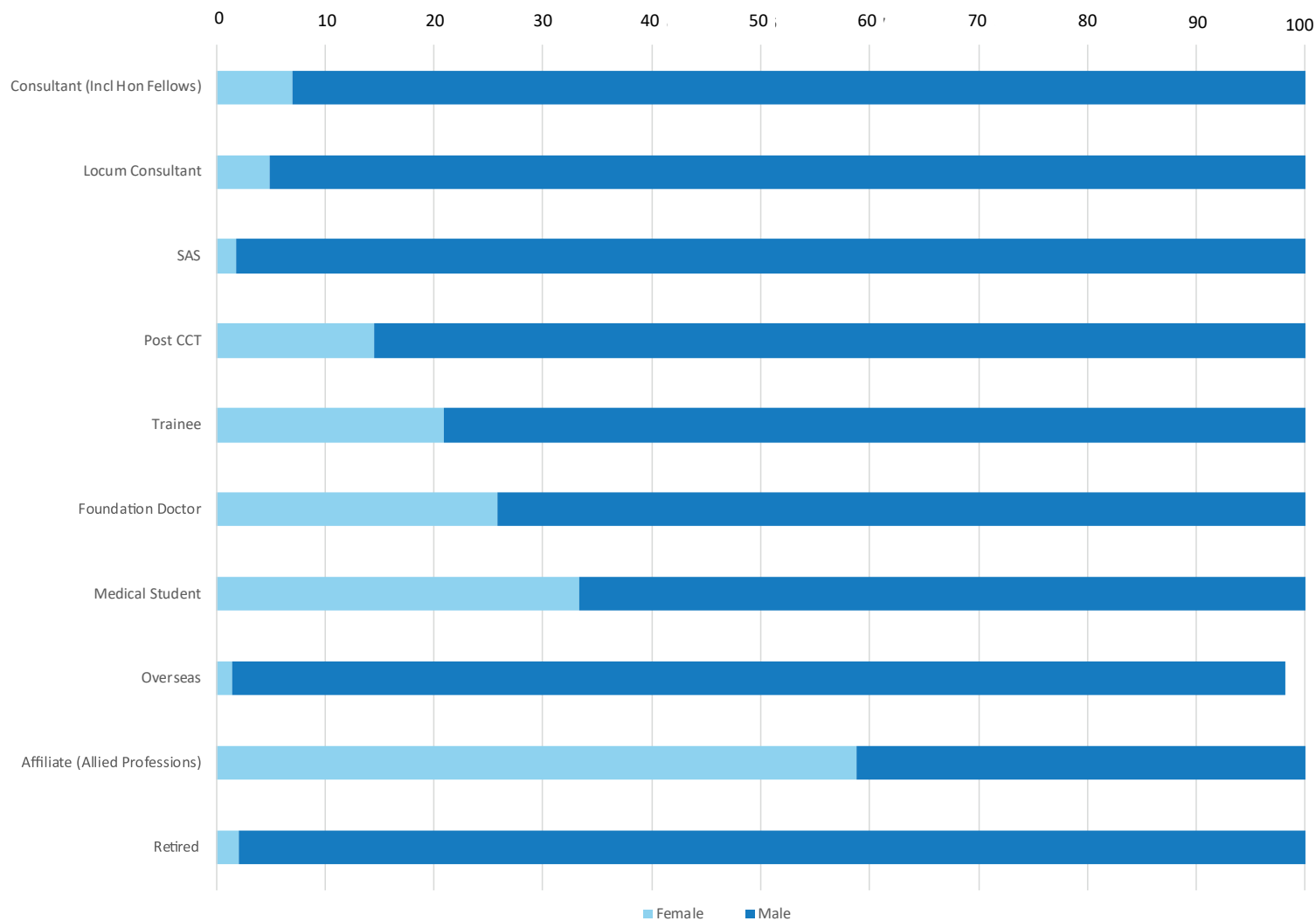
Notes : Percentages equal 99% due to rounding



# BOA Total Members

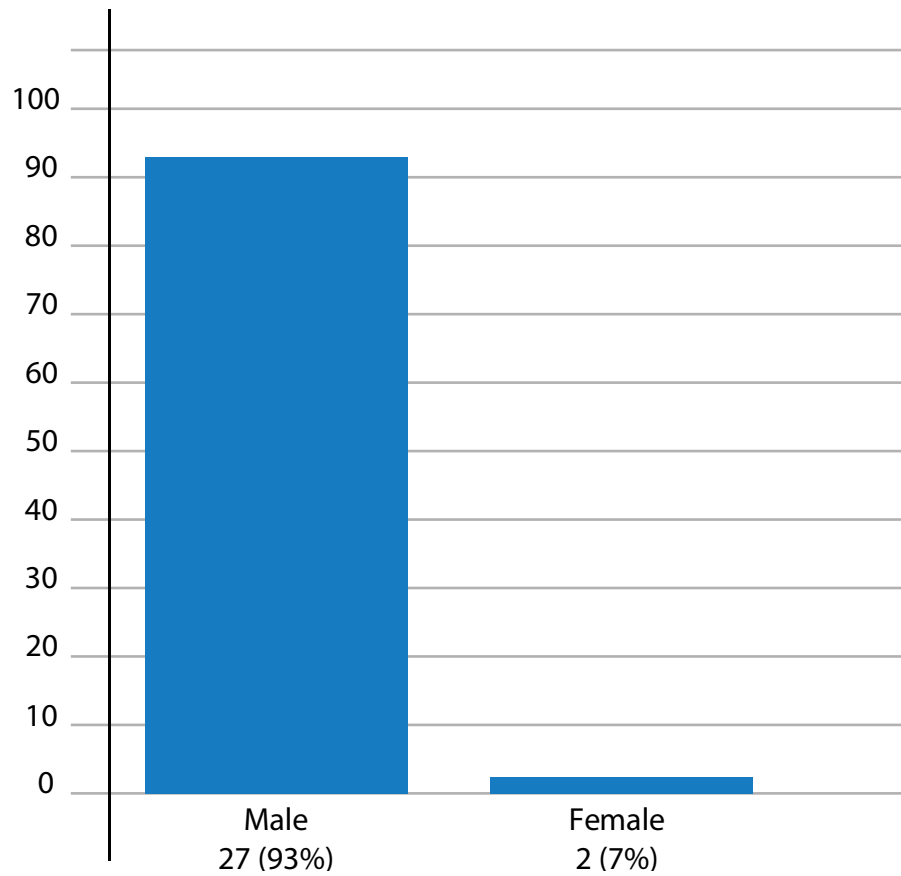


## % of overall membership at each grade



Notes : Percentages equal 99% due to rounding

# BOA Council



Notes : Percentages equal 99% due to rounding

## Financial Review

Overall we made a surplus of £534.1k this was in part due to legacy income of £315.7k received during the year.

### Incoming Resources

There was a total increase in income in 2019 of £245.6k, this is an increase in unrestricted income of £203.5k and an increase in total restricted income of £42.1k compared to the 2018 figures.

Restricted legacy income increased from £5.4k in 2018 to £120.1k in the year, an increase of £114.7k. Unrestricted legacy income of £195.7k was received in 2019 (2018: £1.9k).

Legacy income is variable but our policy is to promote legacy income by direct advertisements to the profession at large through the Journal of Trauma and Orthopaedics and through appeals to our public supporter base. We have a contract with Smee and Ford to monitor other possible sources of legacies.

Income derived from fundraising activities decreased by £65.8k to £49.2k (2018: £115k). Investment income from bank interest deposits and dividends received increased by £1.9k from £134.2k in 2018 to £136.3k in 2019. Dividend income increased by £1.9k.

Our two principal income streams are membership subscriptions and our Annual Congress:

- Membership income increased in 2018 as our membership grew.
- The Annual Congress income increased by £27k due an increase in attendance and sponsorship income at our meeting in Liverpool.

### Resources expended

There was a small decrease in fundraising expenses in the year of £12k from £92k to £80k.

There was a total decrease in expenditure in 2019 of £4k, this is a decrease in unrestricted expenditure of £126.4k and a increase in restricted expenditure of £122.4k compared to 2018. This is attributable principally to:

- Lower venue hire costs for our Annual Congress held in Liverpool compared to Birmingham
- Hosting for the ABC and ASG fellowships in the UK

### Summary

In conclusion, the result for the year before net investment gains was a surplus of £54.8k in contrast to a loss in 2018 of £194.8k.

### Reserves Policy

The primary aim of our reserves policy is to hold sufficient funds to maintain our long-term sustainability and manage short-term volatility in income or liquidity. This is to ensure that we can:

- Continue to meet our financial commitments;
- Balance sound investment with good liquidity management; and
- Avoid short-term decisions to the detriment of our longer-term vision.

Accordingly we aim to:

- accumulate and sustain unrestricted reserves equivalent to six months running costs between £1.2 - £1.5 million; and
- maintain funds to cover future strategic developments.

Having aimed for an unrestricted reserve total of £2.6 million at the end of 2019 our actual reserve was £2.85 million (2018: £2.5 million). This includes free reserves of £1.9 million. Having reviewed the position, our Trustees are satisfied that this level of reserves is appropriate, given the economic outlook.

The BOA also has restricted reserves of £1.9 million and endowment reserves of £1.2 million. More detail is provided on page 34

## **Investments**

Our Trust Deed states that monies for investment shall be invested in the name of the Company by the Trustees in any investments permitted by law for the investment of Trust Funds. The Trustees may at any time and from time to time vary such investments for others of like nature.

Investments held for our Strategic Fund and its designated funds could, if necessary, be realised within a short space of time to meet unforeseen commitments incurred by the Association, such as legal, other consultancy or professional expenses. Investments held for our Benevolent Fund are maintained to support possible future claims.

## **Investment Policy**

In general our policy is for the funds to be managed to obtain best returns from both bank interest and dividend income. We discuss portfolio construction and asset allocation regularly with our investment advisers, and interest rates are compared with others available in the market place to ensure they are competitive.

Our investment policy objectives are met by investing prudently in a broad range of fixed interest securities and equities which are quoted on a recognised Investment Exchange, unit trusts, and OEICs (open ended investment companies) which are authorised under the Financial Services and Markets Act 2000.

All our funds have ethical restrictions on investments in any company whose principal business is the manufacture or supply of, or trading in, armaments and tobacco products. No initial investment should exceed 10% of the total value of the funds under management. No 'pooled' investment should represent more than 15% of the overall portfolio when purchased.

The funds should not be invested in high risk investments including warrants, futures, contracts for difference, options and other type of derivatives unless such investments are used to moderate risk.

## **Investment Performance**

The ARC Steady Growth Index which represents average charity performance had a growth of 15.7% (net of fees) for 2019. The total of all the BOA funds had a growth of 15.7% for 2019.

Our primary focus during these turbulent times was to ensure that the charity's short-term liabilities were being met, and secondly that the portfolios remained well positioned to provide good growth prospects in the longer term. For each of the non-cash funds we have adopted a cautious, balanced approach and will continue to do so throughout 2019 with a focus on longer term returns.

## Unrestricted investment income

Our aim is to maximise this source of funding to subsidise expenditure on fellowships, awards and prizes, representational and governance costs for which we do not have specific income streams.

Total unrestricted investment income earned in the year was £70k (2018: £67.6k).

## Restricted investment income

Restricted investment income of £70k (2018: £66.5k) earned in the year is split between three funds, the Benevolent Fund, the Soli Lam Scholarship Fund, the Ram Kumar Chatterjee Fund:

- Benevolent Fund income for the year was £14.5k (2018: £13.6k)
- Investment income from the Soli Lam Endowment Fund was £40.3k (2018: £38.3k)
- Investment income from the Ram Kumar Chatterjee Fund was £15.2k (2018: £14.6k)

## Risk Management

The trustees have overall responsibility for managing the risks of the charity, ensuring that the risk appetite of the association is fully understood and reflected in our practices and processes.

The risk register has been reviewed and updated in light of the developments from the COVID pandemic.

The major risks are considered to be:

Area	Risk	Mitigation
<b>Business Continuity</b>	Ineffective Business Continuity planning in event of significant disruption (e.g. pandemic or fire within local vicinity) compromises the ability of the BOA to function effectively.	General agreed processes in place <ul style="list-style-type: none"><li>• IT system based on laptops and effectively supports remote working</li><li>• Use of Zoom, Skype etc to facilitate regular communications with staff, Council and others.</li><li>• Contact details held for all key RCS and Building Personnel</li><li>• Centralised staff database (cloud hosted) to support contact with all staff</li><li>• Cloud based CRM system supports management of all membership functions</li><li>• Staff and Exec What's App groups allow prompt communication and quick updates</li><li>• HR support company providing regular guidance on how to manage all aspects of the staffing situation and absences from the office</li></ul>
	Responding to workplace risks in a pandemic (including further waves)	<ul style="list-style-type: none"><li>• Social distancing measures in place for when return to office</li><li>• Handwashing facilities in place and extra hand sanitiser in place</li><li>• Deep clean facilitated when potential risk of exposure understood</li><li>• Good ICT infrastructure in place to facilitate remote working.</li></ul>



<b>Membership</b>	<p>Loss of Membership Subscription Income - economic pressures and general perceptions of reduced BOA relevance, effectiveness and member focus result in significantly reduced subscription income</p>	<ul style="list-style-type: none"> <li>• Review of member support during COVID-19. Increase in communications and diversification of offer</li> <li>• Providing dedicated and relevant support to members through targeted communications and guidance</li> <li>• Ensuring BOA 'products' meet the needs of members and reflect changing circumstances (developments in guidance, support and congress format)</li> <li>• Sustained external and internal communications focus through the Journal of Trauma and Orthopaedics (JTO), monthly newsmails and Presidential mails.</li> <li>• Increased social media presence and use of new/emerging platforms</li> <li>• Dedicated membership drives on targeted grades.</li> <li>• Continued to focus on and enhance SAS offering</li> <li>• Enhanced relationship with members through CRM</li> <li>• Engagement at Specialist Society meetings through the BOA exhibition stand and Executive member presence</li> </ul>
<b>Financial</b>	<p>A reduction in the value of investment assets is sufficient to undermine the charity's strategic objectives</p> <p>Expenditure on project exceeds budget undermining financial stability.</p>	<ul style="list-style-type: none"> <li>• Use of investment company to monitor investment assets and adjust according trustee approach to risk and the current financial need of the BOA.</li> <li>• Regular review by trustees of value of investments and advice sought on the potential for market recovery following COVID-19.</li> <li>• Adjusted activity to reflect impact of COVID-19 and potential for projects funded through investments to be postponed until investment income recovers.</li> <li>• Trustee approval required for new or expansion of major projects</li> <li>• Monthly finance reports against agreed priorities enable effective management of income and expenditure</li> </ul>
<b>Operational</b>	<p>Processing failures, fraud, or major incidents, impede the charity's ability to function effectively, and thus to deliver its charitable objectives.</p>	<ul style="list-style-type: none"> <li>• Fraud awareness in all staff</li> <li>• Development of core process documentation to support all areas</li> <li>• Robust IT approach through outsourced providers including, infrastructure, new website and new CRM</li> <li>• Appropriate insurance arrangements in place</li> </ul>
<b>Compliance</b>	<p>A failure to comply with charity law, the general law, requirements of GDPR and the founding Trust Deed, compromises the charity's status and its future.</p>	<ul style="list-style-type: none"> <li>• Robust HR policies and procedures and support via external providers</li> <li>• GDPR training undertaken by all staff and policies in place</li> <li>• Data retention schedule developed</li> </ul>

		<ul style="list-style-type: none"> <li>• Process for dealing with data subject access requests in place and accessible by staff in online system</li> </ul>
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Ensuring that these, and other risks, are managed appropriately is central to the Trustees' governance, which is the subject of continuing attention. Systems and procedures for risk management are reviewed at Trustees' meetings, a risk register is updated regularly, and the performance of the professional managers employed to manage the charity's substantial investment assets is monitored closely.

### **Grant Policy**

As described in last year's report, our grant policy changed in 2014 when we shifted from a focus on small pump priming grants for basic science research to a single consolidated grant of circa £60k per annum over a three year period to fund the BOA Orthopaedic Surgery Research Centre (BOSRC) at the York Trials Unit. The aim of the BOSRC is to increase substantially the profile of T&O research

### **Going Concern**

The BOA has cash reserves and has no requirement for external funding. The Trustees have a reasonable expectation that the BOA has adequate resources to continue in operational existence for the foreseeable future. They continue to consider the going concern basis of accounting is appropriate in preparing the annual financial statements.

## Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming/outgoing resources for that period. In preparing these financial statements, the trustees are required to:


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

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

So far as each trustee is aware, there is no relevant audit information of which the company's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a company director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Auditors

This report was approved by the trustees of the Charity on 9 October 2020, in their capacity as company directors, and signed on its behalf by the Honorary Treasurer, John Skinner and Vice President Elect, Deborah Eastwood.



**John Skinner MBBS, FRCS, FRCS (Orth)**  
**BOA Honorary Treasurer**  
**Date of approval: 9 October 2020**

## **Independent Auditor's Report to the Members of The British Orthopaedic Association**

### **Opinion**

We have audited the financial statements of The British Orthopaedic Association for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material



inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 22, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Andrew Thomas', with a long horizontal line extending to the right.

Andrew Thomas  
Senior Statutory Auditor

For and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

**London**

23 October 2020

## Statement of Financial Activities

### British Orthopaedic Association: Statement of Financial Activities (including income and expenditure account) for the year ended at 31 December 2019

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2019	Total funds 2018
		£'000	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>						
<b>Voluntary income:</b>						
Donations and legacies		196.3	169.2	-	365.5	122.5
<b>Charitable activities:</b>						
Membership		1,368.6	24.5	-	1,393.1	1,352.8
Education		1,033.5	353.2	-	1,386.7	1,347.9
Professional Practice		77.2	20.0	-	97.2	129.6
Representation		1.6	-	-	1.6	44.3
<b>Other Trading Activities</b>		6.1	1.2	-	7.3	10.7
<b>Investment Income</b>	<b>2</b>	66.2	70.0	-	136.2	134.2
<b>Total income and endowments</b>		<b>2,749.5</b>	<b>638.1</b>	<b>-</b>	<b>3,387.6</b>	<b>3,142.0</b>
<b>Expenditure on</b>						
Raising funds		24.3	90.6	24.7	139.6	146.8
<b>Charitable activities:</b>						
Membership		501.1	10.1	-	511.2	460.7
Education		1,507.8	430.6	-	1,938.4	1,916.1
Professional Practice		320.9	7.8	-	328.7	389.1
Representation		113.8	-	-	113.8	142.0
Research		18.3	-	-	18.3	18.9
Grants		-	112.2	-	112.2	110.0
Other Trading Activities		170.4	0.3	-	170.7	153.2
Other Costs		-	-	-	-	-
<b>Total expenditure</b>	<b>3</b>	<b>2,656.6</b>	<b>651.6</b>	<b>24.7</b>	<b>3,332.9</b>	<b>3,336.8</b>
Net Gains/(losses) on investment		271.8	51.4	156.2	479.4	(282.7)
Transfer between funds		(13.2)	13.2	-	-	-
<b>Net movement in funds</b>	<b>5</b>	<b>351.5</b>	<b>51.1</b>	<b>131.5</b>	<b>534.1</b>	<b>(477.5)</b>
Total funds brought forward		2,500.9	2,092.5	1,071.8	5,665.2	6,142.8
Total funds carried forward	<b>12</b>	<b>2,852.4</b>	<b>2,143.6</b>	<b>1,203.3</b>	<b>6,199.3</b>	<b>5,665.2</b>

All of the above results derive from continuing activities. The Association has no other recognised gains and losses other than those stated above. The accompanying notes numbered 1 to 17 form part of these financial statements.

## Balance Sheet

(Company Registration No. 3482958)

### British Orthopaedic Association Balance Sheet as of 31 December 2019

	Note	BOA 2019 £'000	BOA 2018 £'000
<b>Fixed assets</b>			
Tangible assets	6	5.8	-
Intangible assets	7	191.1	224.3
Investments	8	4,144.0	3,624.9
		<u>4,340.9</u>	<u>3,849.2</u>
<b>Current assets</b>			
Stocks		9.7	10.4
Debtors	9	490.7	528.8
Cash at bank and in hand		<u>1,987.2</u>	<u>1,953.2</u>
		<u>2,487.6</u>	<u>2,492.4</u>
<b>Creditors: Amounts falling due within one year</b>	10	<u>( 629.2)</u>	<u>( 676.4)</u>
<b>Net current assets</b>		<u>1,858.4</u>	<u>1,816.0</u>
<b>Creditors: Amounts falling due after more than one year</b>		-	-
Net assets or liabilities excluding pension asset or liability		<u>1,858.4</u>	<u>1,816.0</u>
Total net assets or liabilities		<u>6,199.3</u>	<u>5,665.2</u>
<b>Represented by:</b>			
Unrestricted funds		2,852.4	2,500.9
Restricted funds		2,143.6	2,092.5
Endowment Funds		<u>1,203.3</u>	<u>1,071.8</u>
Total Funds	12	<u>6,199.3</u>	<u>5,665.2</u>

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard (FRS102) (effective 01 January 2015)

Approved by the Trustees on 09 October 2020 and signed on its behalf by:



Trustee

John Skinner MBBS, FRCS, FRCS (Orth)



Trustee

Deborah Eastwood MB, FRCS

The accompanying notes numbered 1 to 17 form part of these financial statements



## Cash Flow Statement

### British Orthopaedic Association Statement of Cash Flows For the year ended 31 December 2019

	<b>2019</b> <b>£'000</b>	<b>2018</b> <b>£'000</b>
<b>Cash flows from operating activities:</b>		
Net cash used in operating activities (Note 1)	17.9	(157.2)
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	136.2	134.2
Proceeds from the sale of tangible fixed assets	-	-
Purchase of intangible fixed assets	(80.3)	(224.7)
Proceeds from sale of investments	264.5	1,598.7
Purchase of investments	(304.3)	(939.5)
<b>Net cash provided by (used in) investing activities</b>	<b>16.1</b>	<b>568.7</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>34.0</b>	<b>411.5</b>
Cash and cash equivalents at 1 January (Note 2)	1,953.2	1,541.7
<b>Cash and cash equivalents at 31 December (Note 2)</b>	<b>1,987.2</b>	<b>1,953.2</b>
<b>Note 1 to the cash flow statement</b>	<b>2019</b> <b>£'000</b>	<b>2018</b> <b>£'000</b>
<b>Reconciliation of changes in resources to net cash inflow/(outflow) from operating activities</b>		
Net income / (expenditure) for the year per the SOFA	534.1	(477.5)
<b>Adjustments for:</b>		
Depreciation charges	106.9	39.3
Losses/(gains) on investments	(479.4)	282.7
Dividends and interest from investments	(136.2)	(134.2)
Loss/(profit) on the sale of fixed assets	0.7	-
Decease/(increase) in stocks	0.7	2.8
Decrease/(increase) in debtors	38.1	246.0
(Decrease)/increase in creditors	(47.0)	(116.3)
<b>Net cash used in operating activities</b>	<b>17.9</b>	<b>(157.2)</b>
<b>Note 2 to the consolidated cash flow statement</b>	<b>2019</b> <b>£'000</b>	<b>2018</b> <b>£'000</b>
<b>Analysis of Cash and Cash equivalents</b>		
Cash at bank and in hand	1,987.2	1,953.2
<b>Total Cash and Cash equivalents</b>	<b>1,987.2</b>	<b>1,953.2</b>

The accompanying notes numbered 1 to 17 form part of these financial statements

## Notes to the Financial Statements

### Note 1: Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

#### *a) Company information:*

The Charity is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 12 December 1997 (company number: 3482958) and registered as a charity on 19 December 1997 (charity number: 1066994).

#### *b) Basis of preparation*

The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015.

The functional currency of the Charity is considered to be GBP because that is the currency of the primary economic environment in which the Charity operates.

After reviewing the Charity's forecasts and projections, the trustees have a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

#### *c) Critical accounting judgements and key sources of estimation uncertainty*

In the application of the charity's accounting policies, which are described in this note, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the presentation of the financial statements are as follows:

#### *d) Company status*

The Charity is a company limited by guarantee. The Trustees are Directors of the Company and in the event of the Charity being wound up; the liability in respect of the guarantee is limited to £1 per member of the Charity.

#### *e) Membership subscriptions*

Subscriptions are accounted for in the year in which they become due in full when received except when subscriptions received are for multiple years, in which case those additional years are deferred until the commencement of the appropriate accounting period. Outstanding amounts at the year-end that are considered to be recoverable are shown on the balance sheet.

#### *f) Fund accounting*

Unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the Trustees in furtherance of the general objectives of the Association and that have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside at the discretion of the Trustees for specific purposes. The purpose and use of the designated funds is set out in the notes to the financial statements.

Restricted funds are funds subject to restrictions imposed by donors or the nature of the appeal. The funds are not therefore available for work performed by British Orthopaedic Association other than that specified by the donor.

Endowment funds are comprised of bequests to the BOA which have been invested on the request of the donor to provide on-going fellowships and awards. The income from the endowment funds, Soli Lam Fund and Chatterjee Funds is regarded as restricted. See page 34 for further details.

*g) Donations and legacies*

Donations and legacies are included in full in the Statement of Financial Activities when the Charity is legally entitled to the income, when receipt is probable and when the amount can be quantified with sufficient reliability.

*h) Expenditure*

Charitable expenditure comprises expenditure related to the direct furtherance of the Association's charitable objectives. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with use of the resources.

Representation costs cover attendances by the President in his formal capacity at meetings of sister associations and travel and accommodation expenses of nominated British Orthopaedic Association representatives on relevant external organisations.

Staff costs are allocated on the percentage of time spent by staff on each project or aspect of the Association's charitable objectives.

Support costs comprise the operational costs of rent, overheads, IT, telephone, mailing, printing and stationery etc. that have not been directly allocated to projects or charitable activities. They contain some staff costs and are allocated on the same basis as staff costs on time spent by personnel on projects or charitable activities with the aim of ensuring that those costs remaining within governance relate to the strategic as opposed to day to day management of the charity's activities.

Governance costs include those incurred in the governance of its assets and are primarily associated with constitutional and statutory requirements. They are included within the statement of financial activities as a separate component of support costs.

Grants are charged to the statement of financial activities when a legal or constructive obligation exists notwithstanding that they may be paid in future accounting periods.

*i) Stocks*

Stocks are stated at the lower of cost and net realisable value. They consist of medals, cups, ties and publications.

Publications are only included in stocks if they have a quantifiable lifespan beyond the year in which they are produced.

*j) Tangible fixed assets*

Tangible fixed assets costing more than £1,000 have been capitalised. They are stated at cost and amortised over their estimated useful lives on a straight line basis as follows:

Computer equipment - 33% per annum

Office equipment - 10% per annum

Office refurbishment - 20% per annum

*k) Intangible fixed assets*

Intangible fixed assets costing more than £1,000 have been capitalised. Intangible fixed assets represent software costs capitalised in accordance with FRS102. These are stated at historical cost and amortised on a straight line basis over the period which revenue is expected to be generated (3 years).

Amortisation is recognised in the statement of financial activities as part of expenditure and is allocated across the expenditure headings on the same basis as Support & Governance costs.

*l) Operating leases*

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

*m) Pensions*

The British Orthopaedic Association is a Participating Employer in SAUL. The actuarial valuation applies to SAUL as a whole; the market value of SAUL's assets was £3,205 million representing 102% of the liabilities for benefits accrued up to 31 March 2017. It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. The British Orthopaedic Association accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts) in accordance with paragraphs 28.11 of FRS 102. The Trustee and Employers have agreed that the Technical Provisions deficit as the 31 March 2014 valuation will be addressed by the employer contributions of 3% of Salaries between 1 April 2016 and 31 March 2020 (inclusive). The defined benefit liability to be recognised by The British Orthopaedic Association in respect of the deficit contributions due to SAUL (i.e. the present value of the deficit contributions) is £7,276 as at 31 December 2019. This liability is based on a projection of Salaries over the period to 31 March 2020.

*n) Taxation*

The British Orthopaedic Association is a registered charity. As such its sources of income and gains, received under Section 466 to 493 Corporation Tax Act 2010, are potentially exempt from taxation to the extent that they are applied exclusively to its charitable objectives. No tax charge has arisen in the year.

*o) Financial instruments*

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

Additionally, all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost except for investments which are subsequently measured at fair value with gains and losses recognised in the Statement of Financial Activities.



## Note 2: Investment income

Investment income for the year was derived from the following sources:

	2019 Unrestricted Funds £'000	2019 Restricted Funds £'000	2019 Total Funds £'000	2018 Total Funds £'000
Government Bonds	2.0	2.0	4.0	3.6
Bonds	9.5	13.5	23.0	14.6
Equities	54.7	54.5	109.2	116.0
Total dividends receivable	66.2	70.0	136.2	134.2

## Note 3: Expenditure

	Direct Costs £'000	Grants £'000	Staff Costs (Note 16) £'000	Support Costs (Note 4) £'000	Total Costs 2019 £'000	Total Costs 2018 £'000
<b>Expenditure on:</b>						
Fundraising	47.7	-	27.6	64.3	139.6	146.8
<b>Charitable activities:</b>						
Membership	364.7	-	41.2	105.3	511.2	460.7
Education	1,127.3	-	240.2	570.9	1,938.4	1,916.1
Professional Practice	61.9	-	79.7	187.1	328.7	389.1
Representation	88.2	-	7.7	17.9	113.8	142.0
Research	1.1	-	5.2	12.0	18.3	18.9
Grants	-	105.5	2.0	4.7	112.2	110.0
Investments *	-	-	-	-	-	-
Other Trading Activities	32.3	-	52.7	85.7	170.7	153.2
Other Costs	-	-	-	-	-	-
<b>Total expenditure</b>	<b>1,723.2</b>	<b>105.5</b>	<b>456.3</b>	<b>1,047.9</b>	<b>3,332.9</b>	<b>3,336.8</b>
Expenditure in support of activities	648.7	-	399.2	(1,047.9)	-	-
	<b>2,371.9</b>	<b>105.5</b>	<b>855.5</b>	<b>-</b>	<b>3,332.9</b>	<b>3,336.8</b>

\*Investment costs moved to raising funds line in 2018

## Note 4: Support costs

	Premises	Office	IT &	Finance	Sundry	Governance	BHS Support	2019	2018
	£'000	Man £'000	Comms £'000	£'000	£'000	£'000	Costs £'000	Total £'000	Total £'000
Expenditure on:									
Raising funds	6.1	11.5	11.2	14.3	1.7	19.5	-	64.3	73.3
Charitable activities:									
Membership	9.2	17.2	16.7	21.3	2.5	29.1	9.3	105.3	83.1
Education	53.8	100.1	97.4	124.6	14.7	169.9	10.4	570.9	654.8
Professional Practice	17.9	33.2	32.3	41.3	4.9	56.4	1.0	187.0	249.8
Representation	1.7	3.2	3.1	4.0	0.5	5.4	-	17.9	15.0
Research	1.2	2.2	2.1	2.7	0.3	3.6	-	12.1	13.1
Grants	0.5	0.8	0.8	1.1	0.1	1.4	-	4.7	5.8
Investments	-	-	-	-	-	-	-	-	-
Other	11.8	22.0	21.4	27.3	3.2	-	-	85.7	71.5
Total Expenditure	102.2	190.2	185.0	236.6	27.9	285.3	20.7	1,047.9	1,166.4

Governance Costs	2019 £'000	2018 £'000
Professional Fees	14.9	15.8
Travel and subsistence	51.6	56.3
Staff Costs	83.5	89.3
Support Costs	135.6	175.4
	285.6	336.8

### Grants Awarded

The Trustees are permitted to award grants to further the aims of the Association as described in the Report of the Trustees.

	2019 £'000	2018 £'000
Outstanding liabilities at the start of the year	97.0	79.3
Awarded during the year	67.8	74.1
Benevolence grants awarded during the year	37.6	27.9
	202.4	181.3
Paid during the year	(103.9)	(72.4)
Cancelled grants	-	(12.0)
	98.5	96.9
Grants falling due within one year	98.5	96.9
Grants falling due after more than one year	-	-
	98.5	96.9

During the year we awarded two research grants totalling £67,855 and four benevolent grants totalling £37,563. The research grants were: one to BOSRC (£63,855) and one for James Lind Alliance Priority Setting Partnerships of £4000 and

discussed in the Annual Report section on Research on page 13-14. The BOSRC grant is awarded to University of York as part of a 3 year grant (2017-2020) a no cost extension has been agreed for 2020.

#### Note 5: Net incoming resources

	2019	2018
	£'000	£'000
Net incoming resources are stated after charging:		
Audit fees	31.8	32.3
Depreciation / Amortisation	107.0	39.3
Operating lease rentals: plant & machinery	3.4	7.1
Operating lease rentals: other	77.4	77.4
	219.6	156.1

#### Note 6: Tangible fixed assets

	Office equipment £'000	Office refurbishment £'000	Computer equipment £'000	Total £'000
<b>Cost</b>				
At 1 January 2019	9.0	138.0	10.4	157.4
Additions	-	7.0	-	7.0
Disposals	-	-	-	-
At 31 December 2019	9.0	145.0	10.4	164.4
<b>Depreciation</b>				
At 1 January 2019	9.0	138.0	10.4	157.4
Charges for the year	-	1.2	-	1.2
Disposals	-	-	-	-
At 31 December 2019	9.0	139.2	10.4	158.6
<b>Net book value</b>				
At 31 December 2019	-	5.8	-	5.8
At 31 December 2018	-	-	-	-

## Note 7: Intangible fixed assets

	Website £'000	Database £'000	Total £'000
<b>Cost</b>			
At 1 January 2019	71.6	260.2	331.4
Additions	34.7	38.6	73.3
Disposals	(1.6)	(67.9)	(69.5)
At 31 December 2019	104.7	230.9	335.2
<b>Depreciation</b>			
At 1 January 2019	17.7	89.4	107.1
Charge for year	30.9	74.9	105.8
Disposals	(0.5)	(67.9)	(68.4)
At 31 December 2019	48.1	96.4	144.5
<b>Net Book value</b>			
At 31 December 2019	56.6	134.5	191.1
At 31 December 2018	53.5	170.8	224.3

## Note 8: Investments

	2019 £'000	2018 £'000
Market Value at 1 January 2019	3,624.9	4,566.8
Additions at cost excl. S/Brokers cash	304.4	939.5
Disposals at market proceeds	(264.5)	(1,598.7)
Net investment (loss)/gain	479.3	(282.7)
<b>Market value at 31 December 2019</b>	<b>4,144.1</b>	<b>3,624.9</b>
<b>Historical Cost at 31 December 2019</b>	<b>2,960.4</b>	<b>2,931.1</b>

### Investments held with Investec Wealth & Investment

	2019		2018	
	£'000	%	£'000	%
Fixed Interest	688.3	17%	676.8	19%
UK Equities	1,752.4	42%	1,510.8	42%
Overseas Equities	1,058.7	26%	848.0	23%
Property	293.1	7%	306.4	8%
Alternative Assets	351.6	8%	282.9	8%
<b>Market value at 31 December 2019</b>	<b>4,144.1</b>		<b>3,624.9</b>	



## Note 9: Debtors

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Trade Debtors	108.0	246.1
Other debtors	2.1	6.8
Prepayments	265.6	157.1
Accrued Income	55.3	74.6
Value added tax	15.7	-
Gift Aid recoverable	44.0	42.3
Members' subscriptions in arrears	-	1.9
	<b>490.7</b>	<b>528.8</b>

Debtors include a Bad debt provision of £51.2k (2018: £56k)

Bad debts written off in 2019 £3.8k (2018: £0k)

## Note 10: Creditors; amounts falling due within one year

	<b>2019</b>	<b>2018</b>
	<b>£'000</b>	<b>£'000</b>
Trade Creditors	121.0	152.4
Social Security	27.0	35.5
Sundry Creditors	33.5	90.3
Accruals	235.1	213.7
Deferred Income	139.5	106.6
JA Research grants	73.0	77.4
Value Added Tax	-	0.5
	<b>629.1</b>	<b>676.4</b>

### Movement on deferred income

	<b>Total</b>
	<b>2019</b>
	<b>£'000</b>
1 January 2019	106.6
Released in the year	(106.6)
Deferred in the year	139.5
31 December 2019	139.5

In 2019, the deferred income of £35.8k related to course registrations for courses due to take place in the first quarter of 2019, £30k related to elective care reviews, £60.5k relates to BHS annual meeting registrations and Exhibition and £13.1k related to membership subscription income.

## Note 11: Net assets by funds

	<b>Tangible fixed assets</b>	<b>Intangible fixed assets</b>	<b>Fixed assets investments</b>	<b>Other net assets</b>	<b>Total 2019</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Unrestricted funds	5.8	191.1	2,193.1	462.4	2,852.4
Restricted funds	-	-	431.6	1,712.0	2,143.6
Endowment funds	-	-	1,519.3	(316.0)	1,203.3
	5.8	191.1	4,144.0	1,858.4	6,199.3

## Comparative net assets by fund

	<b>Intangible fixed assets</b>	<b>Fixed assets investments</b>	<b>Other net assets</b>	<b>Total 2018</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Unrestricted funds	224.3	1,896.5	380.1	2,500.9
Restricted funds	-	423.7	1668.8	2,092.5
Endowment funds	-	1,304.7	(232.9)	1,071.8
	224.3	3,624.9	1,816.0	5,665.2

## Note 12: Total funds

	1-Jan-2019	Income	Expenditure	Transfers between funds	Net investment gain/(loss)	31-Dec-2019
	£'000	£'000	£'000	£'000	£'000	£'000
<b>General Funds</b>	2,500.9	2,749.5	(2,656.6)	(13.2)	271.8	2,852.4
<b>Restricted Funds</b>						
Benevolent Fund	481.4	14.8	(49.5)	-	51.4	498.1
Research Fund	1,178.0	169.0	(153.3)	-	-	1,193.7
Casting Co-ordinator	11.0	1.7	(7.1)	-	-	5.6
Howard Steel Foundation	37.8	-	(4.3)	4.3	-	37.8
Naughton Dunn Memorial Lecture Fund	7.2	-	(0.8)	0.8	-	7.2
Grants	11.6	-	-	-	-	11.6
British Hip Society	133.9	251.1	(244.8)	-	-	140.2
Soli Lam Spinal Fellowship	56.5	14.9	(13.7)	-	-	57.7
Soli Lam Orthopaedic Fellowship	103.1	25.4	(15.9)	-	-	112.6
Chatterjee Fellowship	58.3	15.2	(11.2)	-	-	62.3
Zimmer Fellowship	13.7	115.6	(112.5)	-	-	16.8
Singhal Fellowship	-	1.4	(1.4)	-	-	-
Andrew Sprowson Fellowship	-	1.5	(1.5)	-	-	-
ABC Fellowship	-	25.0	(33.1)	8.1	-	-
Post-Graduate Orthopaedics Travelling Fellowship	-	2.5	(2.5)	-	-	-
	2,092.5	638.1	(651.6)	13.2	51.4	2,143.6
<b>Endowment Fund</b>						
Chatterjee Fund	289.7	-	(9.4)	-	40.1	320.4
Soli Lam Spinal Fellowship Fund	238.3	-	(5.7)	-	42.9	275.5
Soli Lam Orthopaedic Fellowship Fund	543.8	-	(9.6)	-	73.2	607.4
	1,071.8	-	(24.7)	-	156.2	1,203.3
	5665.2	3,387.6	(3,332.9)	-	479.4	6,199.3

## Comparative total funds

	1-Jan-2018	Income	Expenditure	Transfers between funds	Net investment gain/(loss)	31-Dec-2018
	£'000	£'000	£'000	£'000	£'000	£'000
<b>General Funds</b>	2,896.6	2,546.0	(2,782.9)	(5.0)	(153.8)	2,500.9
<b>Restricted Funds</b>						
Benevolent Fund	540.0	13.7	(39.8)	-	(32.5)	481.4
Research Fund	1,230.0	120.4	(172.4)	-	-	1,178.0
Casting Co-ordinator	8.1	6.6	(3.7)	-	-	11.0
Howard Steel Foundation	37.8	-	(3.9)	3.9	-	37.8
Naughton Dunn Memorial Lecture Fund	7.2	-	(0.4)	0.4	-	7.2
Grants	11.6	-	-	-	-	11.6
British Hip Society	45.5	294.2	(205.8)	-	-	133.9
Soli Lam Spinal Fellowship	-	14.2	(1.8)	44.1	-	56.5
Soli Lam Orthopaedic Fellowship	-	24.2	(3.7)	82.6	-	103.1
Chatterjee Fellowship	-	14.6	(1.7)	45.4	-	58.3
Zimmer Fellowship	2.5	101.6	(90.4)	-	-	13.7
Andrew Sprowson Fellowship	-	1.5	(1.5)	-	-	-
ABC Fellowship	-	5.0	(5.7)	0.7	-	-
	1,882.7	596.0	(530.8)	177.1	(32.5)	2,092.5
<b>Endowment Fund</b>						
Chatterjee Fund	370.4	-	(8.9)	(45.4)	(26.4)	289.7
Soli Lam Spinal Fellowship Fund	313.5	-	(5.2)	(44.1)	(25.9)	238.3
Soli Lam Orthopaedic Fellowship Fund	679.5	-	(9.0)	(82.6)	(44.1)	543.8
	1,363.4	-	(23.1)	(172.1)	(96.4)	1,071.8
	6,142.7	3,142.0	(3,336.8)	-	(282.7)	5,665.2

## **Note 12: Total funds (cont.)**

### **Benevolent Fund**

The fund exists to meet any successful claims for relief from poverty or distress that might arise from eligible members of the British Orthopaedic Association.

### **Joint Action (JA) Research Fund**

Joint Action was established to raise funds for orthopaedic research and to award grants to successful applicants.

### **E-Learning Fund**

This fund was originally received to fund the development of the electronic logbook for trainees. The remaining funds have been used to fund the development of the e-learning platform.

### **Casting Co-ordinator Fund**

This fund existed to pay the salary of the Casting Co-ordinator. Funds will still be received for this purpose but will now form part of the 'other restricted funds' received by BOA.

### **Howard Steel Foundation**

Funds were received over a period of years from Dr Howard Steel that were restricted to pay an honorarium to a speaker whose speech content at the Annual Congress was of a non-orthopaedic nature. The first lecture took place at the Association's 1998 Annual Congress in Dublin.

### **Naughton Dunn Memorial Lecture Fund**

The fund was established from a donation received from Mrs Ethel Dunn to sponsor an annual memorial lecture in memory of her husband, a former President of the Association.

### **Grants (ex Wishbone)**

Donations received for orthopaedic research and for the awarding of research grants.

### **British Hip Society**

The British Hip Society has come under the BOA umbrella as an autonomous Trust with their investments and other funds being accounted for as a restricted item within the BOA accounts.

### **Other restricted funds**

From time to time we receive funds for specific purposes. In this year they include the, the ABC, Zimmer, Singhal and Andrew Sprowson travelling fellowships and Quality Outcomes.

### **Endowment Fund**

An endowment of £300.0k was received in 2006 from Mr Soli Lam, a BOA member, the income from which was to support an annual fellowship in spinal surgery. The terms allow for a Spinal fellowship dependent on the returns from the capital. An endowment legacy of £529.1k was received from the estate of Mr Soli Lam in 2013; the income from this endowment is to support an annual traveling orthopaedic fellowship.

### **Transfers**

The restricted fund for the ABC fellowship exceeded the funding held as a result the BOA General funds covered the extra costs. The restricted funds for Howard Steel and Naughton Dunn did not incur any income to cover the costs as a result the BOA General fund covered the costs.



### Note 13: Operating lease commitments

At 31 December 2019 the Association had annual commitments under non-cancellable operating leases as follows:

	2019		2018	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Payment date:				
Within one year	77.4	6.4	77.4	6.4
Between two and five years	32.2	-	109.6	-
Over five years	-	-	-	-
	109.6	6.4	187.0	6.4

During 2019 we paid rent and services charges to the Royal College of Surgeons and a photocopying lease to Konica.

### Note 14: Financial instruments

	2019 £'000	2018 £'000
<b>Assets at amortised costs</b>		
Cash	1,987.2	1,953.3
Trade debtors	107.9	246.1
Other debtors	2.1	6.8
Accrued income	55.3	74.6
Member subscription debtors	-	1.8
	<b>2,152.5</b>	<b>2,282.6</b>
<b>Liabilities at amortised costs</b>		
Trade creditors	121.0	152.4
Accruals	235.1	213.6
Other Creditors	273.0	166.7
	<b>629.1</b>	<b>532.7</b>
<b>Assets at fair value</b>		
Investments	<b>4,144.1</b>	<b>3,624.9</b>

## Note 15: Staff Costs

	2019 £'000	2018 £'000
Wages and salaries	669.4	736.4
Social Security costs	62.9	65.1
Pension costs	84.8	78.1
Other staff costs	38.4	101.2
	855.5	980.8

In 2019, there were no redundancy and termination payments (2018: £67.3k). Termination payment totals now include National Insurance payments.

The number of employees whose emoluments as defined for tax purposes amounted to over £60,000 in the year was as follows:

	2019 Number	2018 Number
£60,000 - £70,000	2	1
£70,000 - £80,000	-	1
£80,000 - £90,000	1	1
£90,000 - £100,000	-	-
£100,000 - £110,000	-	-
£110,000 - £120,000	-	1
	3	4

The total remuneration to key management for the year was £395.4k (2018: £306.4k)

The average number of persons employed by the charity (excluding council members), during the year was as follows:

	2019 Number	2018 Number
Office and Administration	17.0	17.5

No Trustee received remuneration during the year (2018: Nil). Out of pocket expenses for travel, subsistence and accommodation paid to 18 Trustees (2018: 17) were £56.9k (2018: £25.3k). Trustee expenses invoiced directly to the British Orthopaedic Association for travel, subsistence and accommodation were £43.8k (2018: £101.2k) This includes outstanding amounts at the year-end of £4.9k (2018: £4.6k)

### Pension Scheme

The British Orthopaedic Association participates in the Superannuation Arrangements of the University of London ("SAUL"), which is a centralised defined benefit scheme within the United Kingdom and is contracted-out of the Second State Pension (prior to April 2016).

SAUL is an independently-managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on either a Final Salary basis or a Career Average Revalued Earnings ("CARE") basis.

The British Orthopaedic Association is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency event of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

### **Funding Policy**

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions did not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2017. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed by the Trustee and employers in June 2018 and are due to be reviewed at SAUL's next formal valuation in 2020.

At the 31 March 2017 valuation SAUL was fully funded on its Technical Provisions basis so no deficit contributions were required. The Trustee and the Employers have agreed that the ongoing Employers' contributions will continue at a rate of 16% of CARE Salaries.

### **Accounting Policy**

The British Orthopaedic Association is a Participating Employer in SAUL. The actuarial valuation applies to SAUL as a whole; the market value of SAUL's assets was £3,205 million representing 102% of the liabilities for benefits accrued up to 31 March 2017.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. The British Orthopaedic Association accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts) in accordance with paragraphs 28.11 of FRS 102.

As there was a Technical Provisions surplus at 31 March 2017 there is no defined benefit liability (i.e. the present value of any deficit contributions due to SAUL) to be recognised by the British Orthopaedic Association.

SAUL is subject to triennial valuations by professionally qualified and independent actuaries. The last available valuation was carried out as at 31 March 2017 using the projected unit credit method in which the actuarial liability makes allowance for projected earnings. The main assumptions used to assess the technical provisions were:

<b>Latest actuarial valuation</b>	<b>31.03.2017</b>	<b>31.03.2014</b>
Investment return per annum	1.96%	3.86%
Salary scale increases per annum	3.49%	3.72%
Pension increases per annum	2.49%	2.72%
Market value of assets	£3,205 Million	£1,927 Million
Liabilities at date of last valuation	£3,149 Million	£1,986 Million
(Deficit)/surplus in scheme	£56 million	(£59 million)
Proportion of accrued benefits covered by the actuarial value	102%	97%

The total pension cost for the Association was:

	Year ended 31-Dec-19 £'000	Year ended 31-Dec-18 £'000
Contributions to SAUL	101.7	101.8
Other Pension Costs	-	1.5
Pension Deficit Provision	(16.9)	(25.2)
<b>Total Pension cost</b>	<b>84.8</b>	<b>78.1</b>

The employers contribute 13% of salaries plus an additional 3% toward to the pension deficit, staff members' contribute 6.0% of salaries.

It is not possible to identify the Association's share of the underlying assets and liabilities of the scheme. Therefore contributions are accounted for as if SAUL were a defined contribution scheme and pension costs are equal to the contribution payable for the year in accordance with FRS102.

#### Note 16: Related Parties

There have been no related party transactions in the reporting period that require disclosure.

## Note 17: Comparative Statement of Financial Activity

### British Orthopaedic Association: Statement of Financial Activities (including income and expenditure account) for the year ended at 31 December 2018

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2018
		£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>					
<b>Voluntary income:</b>					
Donations and legacies		2.0	120.5	-	122.5
<b>Charitable activities:</b>					
Membership		1,313.0	39.8	-	1,352.8
Education		1,000.1	347.8	-	1,347.9
Professional Practice		109.6	20.0	-	129.6
Representation		44.3	-	-	44.3
Grant		-	-	-	-
<b>Other Trading Activities</b>		9.4	1.3	-	10.7
<b>Investment Income</b>	<b>2</b>	67.6	66.6	-	134.2
<b>Total income and endowments</b>		2,546.0	596.0	-	3,142.0
<b>Expenditure on</b>					
Raising funds		21.5	102.2	23.1	146.8
<b>Charitable activities:</b>					
Membership		457.0	3.7	-	460.7
Education		1,609.2	306.9	-	1,916.1
Professional Practice		382.0	7.1	-	389.1
Representation		142.0	-	-	143.0
Research		18.9	-	-	18.9
Grants		-	110.0	-	110.0
<b>Other</b>		152.3	0.9	-	153.2
<b>Total expenditure</b>	<b>3</b>	2,782.9	530.8	23.1	3,336.8
Net Gains/(losses) on investment		(153.8)	(32.5)	(96.4)	(282.7)
<b>Net movement in funds</b>		(390.7)	32.7	(119.5)	(477.5)
Transfer between funds		(5.0)	177.1	(172.1)	-
Total funds brought forward		2,896.6	1,882.7	1,363.4	6,142.7
Total funds carried forward	<b>12</b>	2,500.9	2,092.6	1,071.8	5,665.2

## Reference and Administrative Detail

### Trustees and Senior Staff

#### Officers of Council

P G Turner	President to 12/09/19, then Past President
D J McBride	Vice President to 12/09/19, then President
R C Handley	Vice President elect to 12/09/19, then Vice President
J Skinner	Vice President elect from 12/09/19 and Honorary Treasurer from 01/01/18
D Eastwood	Honorary Secretary from 01/01/17
I G Winson	Appointed trustee from 28/09/18 to 12/09/19

#### Elected Members of Council

2017 – 2019	2018 – 2020	2019 – 2021	2020-2022
M Bowditch L Breakwell S Hodgkinson R Parkinson	P Giannoudis R Morgan-Jones H Simpson D Tennent	G Giddins R Gregory F Monsell A Stephen	C Esler A Hui A Manktelow I McNab

#### Honorary Posts

Archivist	I B M Stephen
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#### Key Management

Chief Operating Officer	J Clarke
Director of Finance	E Fry
Director of Policy and Programmes	J Trusler
Director of Communications and Operations	E Storey
Interim Director of Communications	A Heninger

#### Registered Address

British Orthopaedic Association  
At the Royal College of Surgeons  
35-43 Lincoln's Inn Fields  
London WC2A 3PE

#### Charity Registration Number

1066994

#### Company Registration Number

3482958

#### Bankers

National Westminster Bank PLC  
Marylebone and Harley Street Branch  
P O Box 2021  
10 Marylebone High Street  
London W1A 1FH

#### Auditor

Crowe U.K. LLP  
55 Ludgate Hill  
London  
EC4M 7JW



**Solicitors**

Bircham Dyson Bell LLP  
50 Broadway  
London SW1 0BL

**Investment Advisors**

Investec Wealth Management  
2 Gresham Street  
London EC2 7QN

**Employment Advisors**

Ellis Whittam Ltd  
Woodhouse  
Aldford  
Cheshire  
CH3 6JD

HR Inspire  
64-68 Akeman Street,  
Tring,  
Hertfordshire  
HP23 6AF



## British Orthopaedic Association

British Orthopaedic Association, 35-43 Lincoln's Inn  
Fields, London, WC2A 3PE  
Tel: 020 7405 6507

Registered Charity No.1066994

Company Limited by Guarantee

Company Registration No.3482958