

**THE BRITISH ASSOCIATION OF DERMATOLOGISTS**

**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

Charity number: 258474

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

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# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Trustees</b>	President in the Chair (7/20-7/22) Immediate Past President (7/20-7/21) President Elect (7/21-7/22) Academic Vice President (7/21-7/23) Clinical Vice President (7/20-7/22) Honorary Treasurer (7/19-7/22) Honorary Treasurer Elect (7/21-7/22) Honorary Secretary (7/21-7/23) Asst Honorary Secretary (7/21-7/23) Editor BJD (7/19-7/24)	Dr Tanya Bleiker Dr Ruth Murphy Dr Mabs Chowdhury Professor Richard Warren Dr Piu Banerjee Professor Anthony Bewley Professor Nick Levell Dr Bryan McDonald Dr Thomas Lucke Dr John Ingram
	North East Representative (7/20-7/23) Yorkshire & the Humber Representative (10/21-7/23) North West Representative (7/21-7/24) East Midlands Representative (7/19-7/22)	Dr Maneesha Vatve Dr Rachel Montgomery Dr John Newsham Dr Rangarajan Rabindranathnambi
	West Midlands Representative (7/19-7/22) East of England Representative (7/19-7/22) Thames Valley and Wessex Representative (7/19-7/22) North London Representative (7/19-7/22) South London Representative (7/20-7/23) South East Coast Representative (7/20-7/23) South West Representative (7/19-7/22) N Ireland / Republic of Ireland Representative (7/21-7/24) Scotland Representative (7/21-7/23) Wales Representative (7/21-7/24) Trainee Representative (7/21-7/23)	Dr Paul Gazzani Dr Julia Gass Dr Rubeta Matin Dr Gabriela Petrof Dr Shamali Hoque Dr Pallavi Gupta Dr Jane Sansom Dr Keith Armstrong Dr Gina Kavanagh Dr Natalie Stone Dr Iqra Ashraf
<b>Senior Leadership Team</b>	Simon Morrison – Chief Executive Officer Nina Goad – Deputy Chief Executive Officer Catherine Hanaway – Director of Finance Tania Von Hospenthal – Director of Clinical Services M Firouz Mohd Mustapa – Director of Clinical Standards Christopher Garrett – Director of Conference and Events Shehnaz Ahmed – Director of Research and Publishing Matt Gass – Director of Communications Barbara Mason – Deputy Director of Education (appointed January 2022)	
<b>Principal Office</b>	Willan House 4 Fitzroy Square London W1T 5HQ	
<b>Bankers</b>	Lloyds TSB Bank plc Eastern Branch 35 Whitechapel High Street London E1 7PH	<b>Investment Advisors</b> Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ
<b>Solicitor</b>	<b><u>Mills &amp; Reeve LLP</u></b> Botanic House 100 Hills Road Cambridge <b>CB2 1PH</b>	
<b>Independent Auditor</b>	<b><u>RSM UK Audit LLP, Statutory Auditor</u></b> Chartered Accountants Davidson House Forbury Square Reading Berkshire, RG1 3EU	

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## REPORT OF THE TRUSTEES

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The trustees of the British Association of Dermatologists (BAD) present their report and audited financial statements for the year ended 31 December 2021.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) “*Accounting and Reporting by Charities*” (FRS 102) in preparing the annual report and financial statements of the charity.

### Objectives and Activities for the Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the charity’s aims and objectives and in planning future activities.

The association’s objectives are to promote for the public benefit the knowledge, practice, and teaching of dermatology. This vital work is achieved by our various departments below:

- Our Clinical Services department is producing service standards and engaging with national stakeholders to improve the provision of dermatology patient care.
- The BAD Communications team contributes to the overall public understanding of skin disease and champions dermatology for the public good through media work, public affairs, websites, and social media channels. The team is also responsible for the BAD’s campaigns and press releases, such as Sun Awareness Week (2021) which highlighted the importance of early detection and prevention in battling rising skin cancer rates.
- The Conference and Events team delivered an educational programme of nearly 40 events in 2021, and provided CPD updates and education to over 7,000 Consultant Dermatologists, Trainees and other HCPs to enable them to deliver better medical care to the public.
- The Clinical Standards department is developing and continuing 3-yearly updating of Patient Information Leaflets (PILs), along with the development and updating of clinical guidelines.
- The training and education provided by the British College of Dermatology (BCD) aims to develop the skills and knowledge of dermatologists and allied healthcare professionals to drive forward standards of patient care. Some key activities for the public benefit include:
  - The patient engagement workstream has provided key resources for our patient hub website and supported the Special Interest Groups with access to funding for their activities.
  - The production of online information on teledermatology experiences which informed the development of services during the Covid-19 pandemic, and subsequent survey on patient experience of teledermatology, which has been submitted as a paper to the British Journal of Dermatology.
  - The development of the journey of a biopsy case example on our patient hub website.
- The British Journal of Dermatology continues to publish high-impact research along with plain language summaries, videos and podcasts. Similarly, the Clinical & Experimental Dermatology journal (CED) is the BAD’s education journal for practicing clinicians and dermatological researchers. It aims to advance the understanding, management and treatment of skin disease and improve patient outcomes. The Skin Health and Disease journal (SHD) is a multidisciplinary journal covering all aspects of dermatology including basic science, translational and clinical research. Again, the overarching aim of the journal is to improve patient outcomes.
- The Research Sub-committee has created a training grid to aid would-be researchers, makes recommendations on research funding requests to BAD Officers and carries out audits of patient representation across the Association.
- The British Association of Dermatologists Biologic and Immunomodulators Register (BADBIR) is an independent register that collects safety data for psoriasis on almost all drugs approved by NICE. Over 20,000 patients are registered on BADBIR.
- The UK-Irish Atopic Eczema Systemic Therapy Register (ASTAR) is an early-stage independent register that collects safety efficacy data for atopic dermatitis. Over 200 patients are registered with ASTAR.

### Grant-making Policy

The Association is not a grant-making body.

The BAD has a number of fellowships to enable members to spend a period of time in study and/or research or to attend international meetings. Fellowships are advertised in the BAD Newsletter, Handbook and website. The Association also awards a number of undergraduate fellowships which are advertised in medical schools. The Fellowship Committee meets twice a year to judge applications and make the awards.

Upon application the Association makes donations to assist the work of other bodies working for patients or to support research in dermatology. These donations are decided by the Executive.

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## REPORT OF THE TRUSTEES

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### ACHIEVEMENT AND PERFORMANCE

During 2021 the Clinical Services department started the development of the service and clinical audit registry with NHS Digital and NHSE, for the collection of dermatology hospital data for phototherapy and cutaneous allergy. The team also revised the phototherapy service standards with the Phototherapy Working Party Group for republication in line with the NICE accreditation processes. The organisation worked on a number of NHSE Outpatient transformation projects and guidelines to inform on processes and content for COVID and restarting services. In addition, the team worked with a number of hospital trusts to support their uptake of Advice and Guidance services and triaging processes.

The Communications team, combining online coverage with print and broadcast, achieved 2,601 pieces of coverage for the British Association of Dermatologists in 2021. During this time, the British Journal of Dermatology also received 387 media mentions. Additionally, the BAD's social channels were used to reach a broad range of patients and healthcare professionals with information on a wide range of dermatological topics, including, psychodermatology, non-surgical cosmetic interventions, acne, and skin cancer.

The Conference and Events team produced a record-breaking number of events delivered (39), record attendee numbers of over 7,000 and largest annual income generated for the BAD to enable it to continue in activities (approx. £750K).

The Clinical Standards team submitted and published a record number of clinical guidelines to the British Journal of Dermatology (BJD). We also achieved NICE Accreditation renewal for a further five years, for the process employed in developing clinical guidelines.

The Education department delivered several unique virtual training events for diverse audiences, such as foundation year doctors and doctors wanting to learn how to peer review research. The team increased attendance at events such as the *Certificate of Eligibility for Specialist Registration* accreditation and our Care Quality Commission assessors' workshops.

The BCD co-badged over 17 dermatology events and delivered five BAD-designed training events. The department ensured that reference material and dermatology lexicon are inclusive with diverse imagery. 3,979 of these dermatology books were delivered to junior doctors and other allied professionals.

In 2021 the BAD released the updated dermatology curriculum and syllabus guidance with a focus on preparing the dermatologist for a holistic multi-disciplined career. The unit supports those working in specialist roles, accrediting GPs with an extended role in dermatology, and has expanded the post-Certificate of Completion of Training fellowships for dermatologists, aiming to work at tertiary level. The Education team had also collaborated with stakeholders to produce dermatology nursing role descriptors and sample pharmacist job descriptions and business cases. Dermatology content was added to the 2024 medical licencing assessment to align with the undergraduate curriculum.

Total income from the BAD journals increased in 2021, including a surplus of £14,191 for the SHD within 16 months of its launch. The BJD has an impact factor (IF) of 9.3 and was ranked as one of the top three dermatology journals in the world. CED has an IF of 3.4 and ranked 25<sup>th</sup> in the list of top dermatology journals. The contract to publish the BJD and CED went out to tender in 2021 and the bid process was completed in August, it was awarded to Oxford University Press (OUP). The BAD/OUP contract negotiation was completed in January 2022. In 2021 the Publishing team also completed the BAD/Wiley book, *Dermatology Training - The Essentials*. To date over 600 copies have already been sold.

### Financial Review

The consolidated financial statements include the results of the British Association of Dermatologists Biologics Register (BADBIR), details of which can be found in note 12. For the year ended 31 December 2021, the Association has achieved total consolidated income of £5,376,641 (2020: £4,161,211). Total consolidated expenditure has totalled £5,108,406 (2020: £3,925,134) resulting in an overall consolidated surplus of income over expenditure after gains on investments of £666,738 (2020: £393,333).

### British Skin Foundation (BSF)

The British Skin Foundation is the only UK charity that raises money to fund research into all types of skin diseases, including skin cancer. Founded in 1996, the British Skin Foundation has supported 400 research projects and awarded £17,000,000 in funding across all skin diseases.

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## REPORT OF THE TRUSTEES

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A number of donations were made to the BSF during 2021 (2020: £200,000). Further to this the BAD has supported the BSF with fully equipped office accommodation and all overheads without charge. Since the founding of the BSF in 1996 the BAD has given the BSF over £7 million in donations to distribute funds for dermatology research.

### Reserves Policy

The Association's reserves policy is that we have reserves that would allow us to keep functioning for –six to nine months if we did not receive any income, this would require a sum of approximately £1.6m. Trustees have also agreed to build up funds for the development of the CollegeProject (BCD).

In addition, the Association has set aside funds for specific projects, these are the 'designated funds' (see note 19).

The current level of general reserves (unrestricted reserves less fixed assets reserves less designated funds) is £4.7m (2020: £3.6m). The current level of restricted reserves is £213k (2020: £230k).

The Association's reserves are held in bank accounts, a Fixed interest account and in a portfolio of fixed interest securities and UK equities, in a pooled portfolio from many charitable organisations managed by our investment advisors at Rathbones. Bi-annual meetings are held between our fund managers and the finance committee to review the performance of the portfolio, which are managed on a growth/medium risk basis.

### Plans for the Future

The BAD recently developed and implemented a new five-year strategy which covers the period from 2021 to 2026, much of our future work will be guided by this strategy. The key objectives for this strategy can be found [here](#). In addition to these, individual departments have targets and objectives which complement and contribute to the overall strategy. Key areas of future work have been outlined for each department below.

The Clinical Services department will be reviewing all BAD service standards to update their content in line with changes made to the phototherapy update. New service standards will be produced for skin cancer and teledermatology. The team will also support trusts requiring service improvement reviews and/or harm reviews where serious patient incidents have been identified. Further workstreams on AI are planned, including collaboration and scoping exercises with the American Academy of Dermatology and an e-delphi exercise. Work will continue with individual trusts to increase uptake of advice and guidance. The team will also undertake a review of wider Hospital Episode Statistics (HES) data to obtain better statistics for dermatology service activity. This data will be published regularly on the BAD website.

The Communications team will continue to support the digital transformation of the BAD, including the development of the new members' website, as well as new digital platforms that support the BAD's strategic goals. Plans are in place to increase marketing communications related to the BAD's educational offerings and events.

The Conference and Events team will continue to deliver the BAD programme of events and develop the educational events as part of the British College of Dermatology) strategy. The team will work on a hybrid events model and a move towards a return to in-person events. Where required, the team will continue to host virtual courses.

The Clinical Standards team plans to continue the process of updating BAD patient information leaflets (PILs) and clinical guidelines, and to continue producing new PILs. The national clinical audit programme run by the Clinical Standards team will be resumed.

The Education team, responsible for the activities of the BCD, develop and deliver online learning and events themed on important topics for dermatologists and the wider audiences of GPs, pharmacists, and allied healthcare professionals. This will include the completion of the update of over 150 dermatology e-learning sessions freely available to all health professionals. The team will also establish an education faculty to provide assessment, accreditation, and training services.

The priority for the Publishing team will be to oversee the transition of two of the BAD's academic journals, BJD and CED, to a new publisher, OUP. The remaining BAD journal, SHD, will remain with Wiley.

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## REPORT OF THE TRUSTEES

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The Research team has a wide range of goals relating to their research groups and registries. Central to this is the development of an overall BAD research strategy. Plans for specific research groups and registries include:

- *BADBIR*: future financial modelling and long-term strategy planning for BADBIR.
- *ASTAR*: start tissue collection for ASTAR Bio and secure additional funding for ASTAR.
- *UKKCC*: Secure ethics approval and complete set up
- *BAD-NDRS*: Support the Get Data Out (GDO) skin cancer data release. Other work includes a presentation at the BAD conference and the commencement of the next project on cSCC survival (2004-2019) and skin cancer in young persons.
- *UKTREND*: Develop a new strategy for the group.
- *BADGEM*: Continue the rare disease registry work and proposal.

In addition to this, the team will be mapping all research centres in the UK and developing a clear career pathway for academic and non-academic researchers.

### Structure, Governance and Management

#### Constitution

##### Title and Objects

The Association shall be called the British Association of Dermatologists.

Its objects shall be to promote for the public benefit the knowledge, practice and teaching of dermatology and in furtherance of the above object but not otherwise:

- a) To stimulate and promote appropriate medical and scientific research and to publish the results of such research.
- b) To collect, collate and publish information and to hold conferences, meetings and seminars for the purpose of promoting such object.
- c) To publish and disseminate Journals called the British Journal of Dermatology and Clinical and Experimental Dermatology for the purpose of promoting such object.
- d) To relieve distress by promoting improvements in dermatological care.
- e) To advise Government, political parties, commissioners, healthcare providers, professional bodies, patients and the public on dermatology.
- f) To do any and all acts and things which may be necessary, useful, suitable and proper for the furtherance, accomplishment or attainment of the object hereof.

The Association has adopted the slogan 'Healthy Skin for All' and will carry out the following activities in furtherance of the above objects:

(These statements each have the same value and will not be numbered or lettered to indicate any priority.)

- Promote high quality care for patients with skin disease by setting and monitoring standards of service delivery.
- Promote the best training and education of all personnel involved in delivery of dermatological care.
- Promote all aspects of dermatology research to improve the understanding, diagnosis and management of skin disease.
- Support members and represent the views of the membership to local, national and international bodies.
- Raise awareness of all facets of skin health and disease to the public, influential bodies and the Government.

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## REPORT OF THE TRUSTEES

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### Trustees

The trustees in office at the date of approval of this report are set out on the Reference and Administrative Details page of these accounts.

The following trustees completed their terms of office on 2<sup>nd</sup> July 2021:

Dr Ruth Murphy  
Dr Victoria Goulden  
Dr Olivia Dolan  
Professor Colin Fleming  
Dr Colin Long

The following Members became trustees on 2<sup>nd</sup> July 2021:

Dr Mabs Chowdury  
Professor Richard Warren  
Dr Thomas Lucke  
Dr Rachel Montgomery  
Dr Keith Armstrong  
Dr Gina Kavanagh  
Dr Natalie Stone  
Dr Ruchika Kumari

The trustees are the elected Officers, appointment of new trustees is governed by the constitution of the charity.

The trustees (as members of the Executive) are responsible for the policies of the Association. The periods of office, dictated by the Constitution, ensure there is a constant turnover of trustees with wide geographical and dermatological backgrounds.

All trustees are unpaid and carry out this work in addition to their normal clinical or academic roles. The only trustee who receives remuneration is the editor of our official journal, the British Journal of Dermatology (BJD).

The Charity Commission has agreed that the BAD may reimburse the employers of the President, Vice Presidents, Honorary Secretary and BJD Editor in relation to the amount of time and services provided to the Charity, which is considered to exceed that of a normal trustee.

The trustees are all Consultant Dermatologists practicing within the NHS and therefore have detailed knowledge of all aspects of the specialty of dermatology including training, research and the delivery of patient care. They are elected to office by the membership. They are long-standing Ordinary members of the Association and so are familiar with its objects and activities. They are provided with an induction pack giving details of the duties and responsibilities of a trustee, the Association's financial governance and the names and roles of its advisers. The senior Officers serve a term in an elect or assistant capacity so that they gain an understanding of the role. The regional and trainee representatives undertake a period of shadowing their predecessor before taking office.

### Structure

The charity is based in the UK with its headquarters in London.

The makeup of the Executive and Sub-committees is governed by rules laid down in the Association's Constitution. The trustees are the elected and voting members of the Executive Committee and they represent the incorporated body of 'trustees' of the Association.

The business of the Association is coordinated by the Officers (President, President-Elect, Clinical Vice President, Academic Vice President, Honorary Secretary, Assistant Honorary Secretary leading to Honorary Secretary, Honorary Treasurer) who meet monthly. Further/final discussion of policy and ratification of decisions are made by the Executive whose membership is the elected trustees who are the Officers, Regional Representatives and Trainee Representative of the Association, a lay member and a number of co-opted and ex-officio members to provide expert advice on other aspects of dermatology.

The Association continually reviews its Constitution and the structure of the trustee body, having set the Presidential term of office at two years and designed the supportive roles of the Academic Vice President and Clinical Vice President to enable continuity, strength for change and interaction with outside bodies.

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## REPORT OF THE TRUSTEES

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Various sub-committees are appointed to oversee specific aspects of the Association's activities (for instance, Education, Research, Skin Cancer, Therapeutics, Guidelines and Patient Information, Health Informatics, and website development). The Association has created units to support the work of the committees and the further development of activities under the guidance of the Officers. These departments deliver the objects of the charity in the areas of Clinical Standards, Clinical Services, Communications, Research, Education, Conferences and Events.

### Key Management Personnel

The trustees consider the board of trustees, the Chief Executive Officer and the senior management team, as identified on page 1, as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in the accounts.

Trustees are required to disclose all relevant interests and register them with the BAD Declaration of Interest Online Register and in accordance with the Association's policy to withdraw from decisions where a conflict of interest arises. Neither the Association nor any of the trustees have interests with the pharmaceutical industry but any such interests would be disclosed.

The pay of the charity's key management is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, its economy of operations, and the extensive use of professional advisers to the trust board, the trustees consider market-rate salaries are appropriate for these roles. The remuneration is also bench-marked with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

### Risk Management

The trustees and officers regularly review the major risks faced by the charity. The key risks identified include:

- Strategic and Governance
- Finance & Resources
- External Environment
- Information & Technology
- Internal & External Relationships
- People

These are minimised as outlined below:

- 1) All policy decisions of the Association must be ratified by the Executive (which meets four times yearly) before implementation.
- 2) The financial affairs of the Association are reviewed at the quarterly meetings of the Finance Committee.
- 3) The BAD Annual Meeting and other meetings are a regular source of income for the Association. The BAD Meeting Sub-committee reviews all decisions to ensure the consistency and probity of this part of the Association's activities.
- 4) The Association's auditors (RSM UK Audit LLP) advise the Finance Committee on appropriate matters. The Association also seeks legal advice where necessary from its solicitors (Mills & Reeve LLP) and receives advice where appropriate on human resources issues from Croner.
- 5) The Association maintains insurance policies to cover general risks to public liability, its building, assets, and staff and took out professional indemnity insurance from 2002. Currently, these policies are managed by Hiscox.
- 6) The Association maintains a risk register which is regularly reviewed by the senior management team and the Finance Committee.

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## REPORT OF THE TRUSTEES

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### Trustees' responsibilities statement

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

### Auditors

RSM UK Audit LLP has been appointed as auditor and has indicated its willingness to continue in office.

Signed on behalf of the trustees:

*Nick Levell*

.....  
**Professor N Levell**  
**Honorary Treasurer**

Date: 24/10/22

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BRITISH ASSOCIATION OF DERMATOLOGISTS

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## Opinion

We have audited the financial statements of The British Association of Dermatologists (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Group Statement of Financial Activities, the Group and parent charity Balance Sheets, the Group/Group and Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 31 December 2021 and of their incoming resources and application of resources 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 Charities Act 2011.

## Basis for opinion

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity 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

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

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

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

## Other information

The other information comprises the information included in the Report of the Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BRITISH ASSOCIATION OF DERMATOLOGISTS

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Report of the Trustees; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 8 the trustees 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 group's and parent charity'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 group or parent charity 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.

## **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks, that the group and parent charity operate in and how the group and parent charity is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BRITISH ASSOCIATION OF DERMATOLOGISTS

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As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, the parent charity's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the General Data Protection Regulation. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

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

### **Use of this report**

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*RSM UK Audit LLP*

RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Davidson House  
Forbury Square  
Reading, RG1 3EU

Date: 27 October 2022

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**THE BRITISH ASSOCIATION OF DERMATOLOGISTS**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	General Funds	Designated Funds	Restricted Funds	Total 2021	Total 2020
		£	£	£	£	£
<b>Income from:</b>						
<b>Investments:</b>						
Investment income	2	81,776	-	-	81,776	83,106
<b>Charitable activities:</b>						
Membership	3	433,346	-	-	433,346	425,133
Journals	3	2,141,243	-	-	2,141,243	1,916,597
Conferences	3	795,813	-	-	795,813	490,309
Education	3	-	-	-	-	10,750
Biologics and Eczema Register	3	1,543,934	-	-	1,543,934	937,839
Other trading activities	4	380,529	-	-	380,529	297,477
<b>Total income</b>		<b>5,376,641</b>	<b>-</b>	<b>-</b>	<b>5,376,641</b>	<b>4,161,211</b>
<b>Expenditure on:</b>						
<b>Raising funds:</b>						
		6,755	-	-	6,755	4,184
<b>Charitable activities:</b>						
Setting standards of service delivery	5	644,722	64,165	-	708,887	651,891
Promoting training and education	5	644,722	72,050	-	716,772	601,765
Promoting dermatology research	5	644,722	120,134	-	764,856	659,573
Support and representation	5	572,026	133,602	-	705,628	525,046
Raise awareness of skin health	5	610,266	73,101	17,520	700,887	626,454
Biologics and Eczema Register	5	1,504,621	-	-	1,504,621	856,221
<b>Total expenditure</b>		<b>4,627,834</b>	<b>463,052</b>	<b>17,520</b>	<b>5,108,406</b>	<b>3,925,134</b>
Net gains on investments		398,503	-	-	398,503	157,256
<b>Net income/(expenditure)</b>		<b>1,147,310</b>	<b>(463,052)</b>	<b>(17,520)</b>	<b>666,738</b>	<b>393,333</b>
Transfers		-	-	-	-	-
<b>Net movement in funds</b>		<b>1,147,310</b>	<b>(463,052)</b>	<b>(17,520)</b>	<b>666,738</b>	<b>393,333</b>
<b>Fund balances brought forward 1 January</b>		<b>6,818,390</b>	<b>4,629,602</b>	<b>230,121</b>	<b>11,678,113</b>	<b>11,284,780</b>
<b>Fund balances carried forward 31 December</b>		<b>7,965,700</b>	<b>4,166,550</b>	<b>212,601</b>	<b>12,344,851</b>	<b>11,678,113</b>

**THE BRITISH ASSOCIATION OF DERMATOLOGISTS**  
**CONSOLIDATED AND CHARITY BALANCE SHEETS**  
**AS AT 31 DECEMBER 2021**

	Notes	Group 2021	2020	Charity 2021	2020
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	10	126,530	86,547	126,530	86,547
Tangible assets	11	3,092,311	3,072,311	3,092,311	3,072,311
Investments	12	3,646,082	3,184,538	3,646,082	3,184,538
		<u>6,864,923</u>	<u>6,343,396</u>	<u>6,864,923</u>	<u>6,343,396</u>
<b>Current assets</b>					
Debtors	13	2,586,397	3,521,732	3,220,794	1,787,369
Cash at bank and in hand		11,896,032	10,056,061	3,110,327	2,627,882
Current asset investments	14	2,013,929	3,013,929	1,000,000	2,000,000
		<u>16,496,358</u>	<u>16,591,722</u>	<u>7,331,121</u>	<u>6,415,251</u>
<b>Creditors:</b> amounts falling due within one year	15	<u>(3,054,504)</u>	<u>(3,928,227)</u>	<u>(1,872,791)</u>	<u>(1,142,824)</u>
<b>Net current assets</b>		13,441,854	12,663,495	5,458,330	5,272,427
<b>Creditors:</b> amounts falling due after more than one year	16	<u>(7,961,926)</u>	<u>(7,328,778)</u>	-	-
<b>Net assets</b>		<u><b>12,344,851</b></u>	<u><b>11,678,113</b></u>	<u><b>12,323,253</b></u>	<u><b>11,615,823</b></u>
<b>Funds</b>					
Fixed asset reserve	20	3,218,841	3,158,858	3,218,841	3,158,858
General reserves	20	4,683,161	3,597,242	4,725,261	3,597,242
Restricted funds	20	212,601	230,121	212,601	230,121
Designated funds	20	4,166,550	4,629,602	4,166,550	4,629,602
Non-charity funds	20	63,698	62,290	-	-
		<u><b>12,344,851</b></u>	<u><b>11,678,113</b></u>	<u><b>12,323,253</b></u>	<u><b>11,615,823</b></u>

The financial statements were approved and signed on behalf of the Board by:

*Nick Levell*

.....  
**Professor N Levell**

Date: 24/10/22

The notes on pages 15 to 32 form part of these financial statements.

**THE BRITISH ASSOCIATION OF DERMATOLOGISTS**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>	21	1,022,452	3,127,852
Interest received		81,776	77,938
Corporation tax paid		(2,706)	-
<b>Net cash flow generated from operating activities</b>		1,101,522	3,205,790
<b>Cash flow from investing activities</b>			
Purchase of intangible fixed assets		(75,796)	(71,962)
Purchase of tangible fixed assets		(122,715)	(21,596)
Sale of current asset investments		1,000,000	-
Purchase of fixed asset investments		(63,040)	(58,098)
Proceeds on disposal of fixed asset investments		-	1,228
<b>Net cash flow used in investing activities</b>		738,449	(150,428)
<b>Net increase in cash and cash equivalents</b>		1,839,971	3,055,362
Cash and cash equivalents at 1 January		10,056,061	7,000,699
<b>Cash and cash equivalents at 31 December</b>		<b>11,896,032</b>	<b>10,056,061</b>
<b>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT</b>			
Increase in cash in the period / change in net debt		1,839,971	3,055,362
Net debt at 1 January		10,056,061	7,000,699
<b>Net debt at 31 December</b>		<b>11,896,032</b>	<b>10,056,061</b>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		<b>11,896,032</b>	<b>10,056,061</b>

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1. Accounting policies

##### **Basis of preparation**

The British Association of Dermatologists is registered charity in the United Kingdom. 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. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are detailed on page 2. The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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) issued in October 2019, the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### **Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. Their assessment is based on a review of the budget until December 2022 as well as the performance of the charity and group since the onset of the Covid-19 pandemic. Given the levels of cash and investments held as well as the income streams of the charity and group being relatively unaffected by Covid-19. The Trustees consider that the charity and group will be able to meet their liabilities as they fall due for at least 12 months from the date of signing these financial statements.

##### **Reduced disclosures**

The charity is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepare a publicly available consolidated financial statements, including this charity, which are intended to give a true and fair view of the assets, liabilities, financial position and surplus or deficit of the group. The charity has therefore taken advantage from the following exemptions in its individual financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures; and
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral; loan defaults or breaches; details of hedges' hedging fair value changes recognised in profit or loss and in other comprehensive income; and

##### **Consolidation**

These financial statements consolidate the results of the charity, and its wholly owned subsidiary, British Association of Dermatologists Biologics Register Limited on a line by line basis. The charity has taken advantage of the exemption available from publishing its own statement of financial activities. The charity has three dormant subsidiaries who are not included in the consolidation and further details can be found in the investments note 12.

##### **Income recognition**

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1. Accounting policies (continued)

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest. Where it is not practical to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

#### **Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

- Charitable expenditure includes the direct costs of the activities and depreciation on related assets. Where such costs relate to more than one category, they have been apportioned on a percentage basis.
- Grants are accounted for when they are committed to be paid. Approved and unpaid grants are included as commitments.

#### **Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. All premises overheads have been allocated on a per-capita basis of staff basis.

The analysis of these costs is included in note 7.

#### **Website development costs**

Where a website is expected to provide economic benefit through the provision of educational information to beneficiaries of the charity, expenditure on the functionality of the website is capitalised and treated as an intangible fixed asset.

#### **Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### **Taxation**

The charity is a registered charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### **Intangible fixed assets other than goodwill**

Intangible assets comprise of website development costs. Such assets are defined as having finite useful lives and the costs are amortised on a reducing balance basis of 33.33%. Intangible assets are stated at cost less amortisation and are reviewed for impairment whenever there is an indication that the carrying value may be impaired.

#### **Tangible fixed assets**

Fixed assets are stated at cost or estimated market value at the date of receipt where assets have been donated to the charity.

Depreciation is provided to write off the cost (or market value at the date of receipt) less estimated residual values of all fixed assets over their expected useful lives at the following rates. Freehold land is not depreciated.

Freehold buildings	- 2% per annum straight line
Office equipment and fittings	- 25% per annum reducing balance
Computer equipment	- 33.33% per annum reducing balance

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1. Accounting policies (continued)

##### **Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

##### **Funds accounting**

Restricted funds – these are funds that can only be used for specific restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

##### **Pension**

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

##### **Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

Financial assets and financial liabilities are recognised when the charitable company becomes a party to the contractual provisions of the instrument, and are offset only when the charitable company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

##### **Financial assets**

Fee debtors, amounts owed by subsidiary undertakings and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

##### **Financial liabilities**

Basic financial liabilities, including trade and other payables and amounts owed to subsidiary undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1. Accounting policies (continued)

##### Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property plant and equipment, and the corresponding accounting policy for the useful economic lives for each class of assets.

##### Bad debts

Trade debtors are regularly reviewed for recoverability. Any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

##### Treatment of Surpluses in British Association of Dermatologists Biologics Register Limited

A judgement is made as to the treatment of surpluses made on the contracts with pharmaceutical companies. It is the intention of BADBRL and the pharmaceutical companies that these contracts do not run at a profit and therefore that any surpluses on the contract should be returned to the individual pharmaceutical companies at the end of the term of the contract. Therefore, the Directors believe that these surpluses should be included within long-term creditors as amounts due to the Pharmaceutical companies to be repaid upon termination of the contracts in place.

2. Investment income	2021 £	2020 £
Interest receivable	81,776	83,106
	<u>81,776</u>	<u>83,106</u>

3. Charitable activities	General Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Membership	433,346	-	433,346	425,133
Journals	2,141,243	-	2,141,243	1,916,597
Conferences	795,813	-	795,813	490,309
Education	-	-	-	10,750
Biologics and Eczema Register	1,543,934	-	1,332,561	937,839
	<u>4,914,336</u>	<u>-</u>	<u>4,702,963</u>	<u>3,780,628</u>

Of the total charitable income received for the year to 31 December 2020 £10,000 was attributable to restricted funds and £3,770,628 to unrestricted funds.

THE BRITISH ASSOCIATION OF DERMATOLOGISTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4. Other trading activities	Unrestricted	
	Total 2021 £	Total 2020 £
Recharged expenses	167,820	125,413
Recharged salaries	146,728	136,200
Room hire	8,986	15,170
Advertising – BAD newsletter	18,583	20,523
Communications Campaigns	-	39
Specialty Certificate Examination	22,846	-
Skin Health and Disease Journal	14,191	-
Membership Support Income	1,375	-
Other income	-	132
	<b>380,529</b>	<b>297,477</b>

5. Expenditure	Indirect Staff costs £	Direct Costs £	Support costs (note 7) £	Total	Total
				2021 £	2020 £
<b>Charitable activities:</b>					
Setting standards of service delivery	354,020	209,556	145,311	708,887	651,891
Promoting training and education	354,020	217,441	145,311	716,772	601,765
Promoting dermatology research	354,020	265,525	145,311	764,856	659,573
Support and representation	354,020	206,297	145,311	705,628	525,046
Raise awareness of skin health	354,020	163,316	183,551	700,887	626,454
Biologics and Eczema Register		1,489,780	14,841	1,504,621	856,221
	<b>1,770,100</b>	<b>2,551,915</b>	<b>779,636</b>	<b>5,101,651</b>	<b>3,920,950</b>

Of the total expenditure for the year to 31 December 2020 £39,942 was attributable to restricted funds, £149,662 to unrestricted designated funds and £3,731,346 to unrestricted funds.

6. Grants and donations	2021 £	2020 £
Included within direct costs above are the following grant payments:		
Institutions	158,554	274,086
Individuals	120,956	114,898
	<b>279,510</b>	<b>388,984</b>

THE BRITISH ASSOCIATION OF DERMATOLOGISTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6. Grants and donations (continued)

	2021	2020
	£	£
Grants of over £1,000 were paid to institutions are as follows:		
British Skin Foundation	-	200,000
Caring matters	7,000	-
IFD	23,400	-
UKDCTN	78,613	-
British Skin Foundation small grants	39,867	-
Kings College	9,674	-
The All Party Parliamentary Group on Skin	-	30,000
The International Foundation for Dermatology	-	24,779
Vitiligo Society	-	2,500
EuroGuiDerm	-	10,000
National Eczema Society	-	4,202
Ichthyosis Support Group	-	1,005
British Association of Skin Camouflage	-	1,600
	<b>158,554</b>	<b>274,086</b>
	<b>2021</b>	<b>2020</b>
	£	£
Grants of over £1,000 were paid to individuals as follows:		
Intercalated Degree Grant	6,000	6,000
Dermatology Education Bursary	5,000	-
Global Dermatology Bursary	5,000	-
BAD/BSF/MRC Fellowship	-	33,548
Geoffrey Dowling Fellowship	25,000	25,000
Consultant Sabbatical Fellowship	20,000	20,000
AAD & BAD Registration Scholarship	-	3,000
DC Overseas trip	-	1,000
Study Fellowship	-	3,750
Roger Harmen African Travel Fellowship	-	9,650
DC Overseas Travel	-	2,000
Chuin Ying Ung	4,837	-
Elise Kleyn	8,255	-
Fellowships	31,781	-
Travel Bursary	2,683	-
Grants < £1,000	8,650	10,950
	<b>120,956</b>	<b>114,898</b>

THE BRITISH ASSOCIATION OF DERMATOLOGISTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7. Support Costs	2021 £	2020 £
Printing, postage & stationery	8,339	18,521
Committee support	9,262	24,937
Travel costs (non-executive)	1,607	9,663
Bad debts	74	31
Depreciation and amortisation	138,528	116,539
Communication Strategy expenses	36,790	25,578
Telephone/computer expenses	103,879	133,140
Property costs	139,360	77,147
Legal & professional fees	51,428	27,904
Other management & administration costs	254,119	173,591
Governance costs	36,250	28,457
	<b>779,636</b>	<b>635,508</b>

Support costs provide the organisational infrastructure that enables the charitable activities. They have been allocated on a per-capita basis of staff employed. Staff work across several activities therefore the costs have been allocated in proportion to the percentage of the time spent on each activity.

8. Governance Costs	2021 £	2020 £
Auditor's remuneration - for audit (BAD)	14,500	14,800
- for audit (BADBRL)	5,000	3,950
- for audit (BADERL)	2,250	-
Auditor's non-audit services for the group		
- Other services	7,200	4,300
- Taxation compliance	950	850
- VAT planning and advice	6,350	4,557
	<b>36,250</b>	<b>28,457</b>

9. Staff Costs	2021 £	2020 £
Salaries and wages	1,530,933	1,460,120
Social security costs	155,745	150,516
Other pension costs	83,420	84,452
	<b>1,770,098</b>	<b>1,695,088</b>

The average monthly number of employees during the year was 41 (2020: 39). This included 1 member of staff in the British Association of Dermatologists Biologics Register (2020: 1).

3 employees earned emoluments between £60,001 and £70,000 during the year (2020: 5), 3 employee between £70,001 and £80,000 (2020: 1) and 1 employees between £80,001 and £90,000 (2020: 0).

THE BRITISH ASSOCIATION OF DERMATOLOGISTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9. Staff Costs (continued)

The group considers the board of trustees, the chief executive and the senior management team as their key management personnel. The total amount of employee remuneration received by key management personnel is £631,026 (2020: £514,049).

None of the Trustees received any remuneration during the year (2020: £nil) for services as a trustee. During the year 7 (2020: 6) trustees received £194,738 (2020: £138,499) remuneration for their services to the charity. The payments were paid directly to the Trustees employer as compensation for their time given to the charity.

Travelling and accommodation expenses of £3,843 (2020: £15,518) were reimbursed to 8 (2020: 43) Trustees and committee members.

10. Intangible fixed assets

Group and charity	Website development costs £
<b>Cost</b>	
As at 1 January 2021	254,483
Additions	75,796
	<hr/>
As at 31 December 2021	330,279
<b>Amortisation</b>	
As at 1 January 2021	167,936
Charge for year	35,813
	<hr/>
As at 31 December 2021	203,749
<b>Net Book Value</b>	
<b>At 31 December 2021</b>	126,530
At 31 December 2020	86,547
	<hr/> <hr/>

Amortisation is charged in the statement of financial activities through support costs.

11. Tangible fixed assets

Group and charity	Freehold property £	Computer equipment £	Office equipment and furniture £	Total £
<b>Cost</b>				
As at 1 January 2021	4,451,127	339,256	233,231	5,023,614
Additions	120,656	-	2,059	122,715
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2021	4,571,783	339,256	235,290	5,146,329
<b>Depreciation</b>				
As at 1 January 2021	1,420,889	309,923	220,491	1,951,303
Charge for year	90,908	8,546	3,261	102,715
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2021	1,511,797	318,469	223,752	2,054,018
<b>Net Book Value</b>				
<b>At 31 December 2021</b>	<b>3,059,986</b>	<b>20,787</b>	<b>11,538</b>	<b>3,092,311</b>
At 31 December 2020	3,030,238	29,333	12,740	3,072,311
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The freehold property is used for direct charitable purposes.

THE BRITISH ASSOCIATION OF DERMATOLOGISTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12. Fixed asset investments	2021 £	2020 £
<b>Group and charity</b>		
Market Value at 1 January	3,184,538	2,970,412
Additions	63,040	58,098
Disposals	-	(1,228)
Change in market value	<u>398,504</u>	<u>157,256</u>
<b>Market value at 31 December</b>	<b><u>3,646,082</u></b>	<b><u>3,184,538</u></b>
<b>Cost at 31 December</b>	<b><u>2,544,223</u></b>	<b><u>2,481,183</u></b>

All investments are carried at their fair value. Investments in equities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

**Investment in subsidiary undertakings:**

The subsidiary undertaking, a company limited by guarantee, is the British Association of Dermatologists Eczema Register, the principal activity of which is the running of the British Association of Dermatologists Eczema Register. The registered office is 4 Fitzroy Square, London, W1T 5HQ, and company number 11491107.

A summary of the results is shown below. Audited accounts will be filed with the Registrar of Companies.

Income and expenditure account	Year to 31 Dec 2021 £	Year to 31 Dec 2020 £
Income	39,285	-
Direct costs	<u>(248,731)</u>	-
Gross surplus	<u>(209,446)</u>	-
Administrative expenses	(6,150)	-
Other operating income	173,496	-
Profit/(Loss) before tax	<u>(42,100)</u>	-
<b>Balance Sheet</b>	<b>2021 £</b>	<b>2020 £</b>
Debtors	443,839	-
Creditors: Amounts falling due within one year	<u>(485,939)</u>	-
Net current assets/(liabilities)	<u>(42,100)</u>	-
Net assets/(liabilities)	<u>(42,100)</u>	-

**THE BRITISH ASSOCIATION OF DERMATOLOGISTS**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**12. Fixed asset investments (continued)**

The subsidiary undertaking, a company limited by guarantee, is the British Association of Dermatologists Biologics Register, the principal activity of which is the running of the British Association of Dermatologists Biologics Register. The registered office is 4 Fitzroy Square, London, W1T 5HQ, and company number 06434034.

A summary of the results is shown below. Audited accounts will be filed with the Registrar of Companies.

<b>Income and expenditure account</b>	<b>Year to 31 Dec 2021 £</b>	<b>Year to 31 Dec 2020 £</b>
Income	1,331,153	932,631
Direct costs	<u>(1,241,049)</u>	<u>(845,034)</u>
Gross surplus	90,104	87,597
Administrative expenses	(90,104)	(87,597)
Bank interest received	1,408	5,208
Other interest paid	<u>-</u>	<u>(24)</u>
Surplus before tax	1,408	5,184
Taxation	<u>-</u>	<u>(990)</u>
Retained surplus	1,408	4,194
	<hr/> <hr/>	<hr/> <hr/>
<b>Balance Sheet</b>	<b>2021 £</b>	<b>2020 £</b>
Debtors	392,992	1,849,548
Investments	1,013,929	1,013,929
Cash at bank and in hand	<u>8,785,705</u>	<u>7,428,179</u>
	10,192,626	10,291,656
Creditors: Amounts falling due within one year	(2,167,002)	(2,900,588)
Net current assets	<u>8,025,624</u>	<u>7,391,068</u>
Creditors: Amounts falling due after one year	<u>(7,971,926)</u>	<u>(7,328,778)</u>
Net assets	<u>63,698</u>	<u>62,290</u>

At 31 December 2021 the charity had a further 2 subsidiaries. These are:

The British College of Dermatology, company number 11704655  
Fitzroy Dermatology Limited, company number 11409485

The registered offices are 4 Fitzroy Square, London, United Kingdom, W1T 5HQ.

These entities were dormant during the year ended 31 December 2021 and therefore are exempt from audit by virtue of Section 476A of the Companies Act 2006.

THE BRITISH ASSOCIATION OF DERMATOLOGISTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13. Debtors	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	850,048	1,736,083	386,253	223,369
Other debtors	1,545,408	1,169,186	1,366,211	1,159,246
Prepayments and accrued income	190,941	616,463	190,941	289,569
Amounts owed by group companies	-	-	1,277,389	115,185
	<b>2,586,397</b>	<b>3,521,732</b>	<b>3,220,794</b>	<b>1,787,369</b>

14. Current asset investments	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
<b>Under 1 year to maturity</b>				
Investments held	2,013,929	3,013,929	1,000,000	2,000,000
	<b>2,013,929</b>	<b>3,013,929</b>	<b>1,000,000</b>	<b>2,000,000</b>

All investments are carried at their fair value and represent cash held in deposit accounts.

15. Creditors: amounts falling due within one year	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	402,339	1,440,924	312,905	156,959
Other creditors	1,063,015	246,235	1,063,013	175,629
Other taxation and social security	11,940	211,135	8,249	38,419
Accruals and deferred income	1,577,210	2,029,933	294,785	771,817
Amounts owed to group companies	-	-	193,839	-
	<b>3,054,504</b>	<b>3,928,227</b>	<b>1,872,791</b>	<b>1,142,824</b>
<b>Deferred income:</b>				
Deferred income at 1 January	1,791,882	1,995,259	533,764	515,256
Release from previous years	(1,791,882)	(1,995,259)	(533,764)	(515,256)
Amounts deferred in the year	1,045,962	1,791,882	250,783	533,764
<b>Deferred income at 31 December</b>	<b>1,045,962</b>	<b>1,791,882</b>	<b>250,783</b>	<b>533,764</b>

Deferred income comprises contract fee income which relates to services that will be provided in future periods.

THE BRITISH ASSOCIATION OF DERMATOLOGISTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16. Creditors: amounts falling due after one year	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Other creditors	7,961,926	7,328,778	-	-
17. Retirement benefit schemes	Group		Charity	
Defined contribution schemes	2021 £	2020 £	2021 £	2020 £
Charge to statement of financial activities in respect of defined contribution schemes	83,420	82,956	83,420	82,956

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

18. Restricted funds	1 January 2021	Income	Expenditure	Transfers	31 December 2021
Group and charity	£	£	£	£	£
Betty Parkes Fund	20,890	-	-	-	20,890
eLFH-Dermatology	168,634	-	(17,450)	-	151,184
THESIS Fund	35,809	-	(70)	-	35,739
Teledermatology	4,788	-	-	-	4,788
	<b>230,121</b>	<b>-</b>	<b>(17,520)</b>	<b>-</b>	<b>212,601</b>
Restricted funds - prior year	1 January 2020	Income	Expenditure	Transfers	31 December 2020
Group and charity	£	£	£	£	£
Betty Parkes Fund	20,890	-	-	-	20,890
eLFH-Dermatology	197,756	10,000	(39,122)	-	168,634
THESIS Fund	36,629	-	(820)	-	35,809
Teledermatology	4,788	-	-	-	4,788
	<b>260,063</b>	<b>10,000</b>	<b>(39,942)</b>	<b>-</b>	<b>230,121</b>

**Betty Parkes Fund**

In 1995 a bequest of NZ\$50,000 was made by Mrs Parkes to contribute to the costs of visits by appropriate UK consultants as guest speakers at conferences of the New Zealand Dermatological Society (NZDS). From time to time the NZDS draw down funds for this purpose and accumulated interest is added to the fund by the BAD.

**eLFH-Dermatology**

In 2008 the Department of Health and the BAD agreed to work together to provide the dermatology curriculum through e-learning as part of a blended training solution to dermatology trainees. The DH covered all the management and technical costs including the platform and provided a grant to the BAD to pay for the production of the content and the BAD received an initial fund of £50,000 in 2008, £77,000 in 2009, £77,000 in 2010, £45,000 in 2011, £108,000 in 2012, £140,000 in 2019 and a further £10,000 in 2020. The project is ongoing, work continues around promoting use of the resource and continual updating of sessions. The transfer of £10,000 in the prior year represents BAD's contribution to this project from unrestricted funds.

**THE BRITISH ASSOCIATION OF DERMATOLOGISTS**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**18. Restricted funds (continued)**

**THESIS Fund**

In 2012, the Association set up the restricted THESIS Fund with a donation of £5,000 from Dr Clive Archer, this was matched with a donation from the BAD Education Fund. Each year a THESIS/BAD/BSID Research Course is held at the BAD, any surplus funds after expenses of the meeting are added to the THESIS Fund. Annually, as part of the BAD fellowship awards committee, the Clive Archer THESIS Fellowship of £500 is awarded from this fund. The THESIS fund also covers the costs of binding any completed theses given to the BAD by members.

**BADGEM Sub Award – Clinical fellowships**

In August 2016, the University of Dundee awarded a fund of £80,000 to the British Association of Dermatologists to fund clinical fellowships specifically for data importation to support the development of a national clinical network for skin diseases. The transfer in the prior year represents a transfer from unrestricted funds for the final expenses on these clinical fellowships.

**Teledermatology**

In 2018 the British Teledermatology Society was wound up. All remaining funds, £8,788, were passed to the BAD to hold as a restricted fund. The purpose of the fund is to offer an annual fellowship to registrars interested in Teledermatology to attend an appropriate meeting.

**19. Designated funds**

<b>Group and charity</b>	<b>1 January 2021 £</b>	<b>New Designations £</b>	<b>Expenditure in the year £</b>	<b>31 December 2021 £</b>
Education fund	183,716		(6,450)	177,266
Research fund	5,942		(2,550)	3,392
Short term strategic projects	6,991			6,991
Quality assurance fund	20,353		(5,876)	14,477
BAD/BSF/MRC fellowships	164,664		(46,291)	118,373
Organisation review	50,000			50,000
Eczema Registry Year 1	50,858		(45,901)	4,957
Photo Net type database	70,000		(27,200)	42,800
UKDCTN – Development Manager, further 2 years	135,067		(78,613)	56,454
BAD guideline Development	50,000			50,000
Patient engagement hub website	711		(600)	111
College Project	1,500,000		(2,850)	1,497,150
BAD UK Keratinocyte Cancer Collaborative (UKKCC)	330,000			330,000
A*Star Eczema Registry	350,000			350,000
BAD Service Standards and Clinical Registries Fund	400,000			400,000
Willan House refurbishment	550,000		(4,835)	545,165
Publishing development	50,000			50,000
Skin Cancer and Public Health England Fund	106,300		(38,971)	67,329
PSORT	130,000		(65,000)	65,000
BAD Digital Transformation	100,000		(11,998)	88,002
Topol Fellowships	275,000		(125,917)	149,083
Outpatient Transformation	100,000			100,000
	<b>4,629,602</b>		<b>(463,052)</b>	<b>4,166,550</b>

THE BRITISH ASSOCIATION OF DERMATOLOGISTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19. Designated funds – prior year  
(continued)

Group and charity	1 January 2020 £	New Designations £	Expenditure in the year £	31 December 2020 £
Education fund	187,255	-	(3,539)	183,716
Research fund	8,876	-	(2,934)	5,942
Short term strategic projects	6,991	-	-	6,991
Quality assurance fund	20,353	-	-	20,353
BAD/BSF/MRC fellowships	153,616	65,000	(53,952)	164,664
Organisation review	50,000	-	-	50,000
Eczema Registry Year 1	81,108	-	(30,250)	50,858
Photo Net type database	70,000	-	-	70,000
UKDCTN – Development Manager, further 2 years	56,455	78,612	-	135,067
BAD guideline Development	50,000	-	-	50,000
Patient engagement hub website	998	-	(287)	711
College Project	1,500,000	-	-	1,500,000
BAD UK Keratinocyte Cancer Collaborative (UKKCC)	350,000	-	(20,000)	330,000
A*Star Eczema Registry	350,000	-	-	350,000
BAD Service Standards and Clinical Registries Fund	400,000	-	-	400,000
Willan House refurbishment	550,000	-	-	550,000
Publishing development	50,000	-	-	50,000
Skin Cancer and Public Health England Fund	100,000	45,000	(38,700)	106,300
PSORT	-	130,000	-	130,000
BAD Digital Transformation	100,000	-	-	100,000
Topol Fellowships	150,000	125,000	-	275,000
Outpatient Transformation	100,000	-	-	100,000
	<b>4,335,652</b>	<b>443,612</b>	<b>(149,662)</b>	<b>4,629,602</b>

The Education Fund established in 2005 continues to support DermSchool, the Trainee activities and to support and underwrite educational meetings that, by their nature or design, are unlikely to make a large profit. Members can apply for BAD Education Funding for such meetings. The balance at the end of December 2021 was £177,266 (2020: £183,716) and this will be used to develop new educational resources as part of the College project.

**Research fund**

The research fund was set up to support research as a development activity. Entirely separate to the donation given to the BSF for skin disease research, the fund utilised by the Research Sub-committee to identify ways of promoting research into skin health and disease. UKTREND was established in 2012 as a separate company within the BAD Research Unit with a clear set of objectives and an agreement for the BAD to pay the costs of meetings that will identify the research projects and give some administrative support to enable the groups to seek external funding from industry and the major funding bodies.

**Short term strategic fund**

In March 2013 the BAD tasked the King's Fund to look into the challenges facing dermatology services and identify opportunities for the future. The findings of the report were published in April 2015. The project has totalled £92,261 to date with the remaining funds available for publicity and dissemination.

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 19. Designated funds (continued)

##### **Quality assurance fund**

In 2011 with the introduction of the Health & Social Care Bill there was uncertainty about the future shape of healthcare in the UK the Association designated £150,000 in a Quality Assurance Fund. There have been continual changes to healthcare commissioning since that time so the need for the fund still exists. At 31 December 2021, the balance of the funds stands at £20,353.

##### **BAD/BSF/MRC fellowships**

In the spring of 2009 the BAD, BSF and MRC agreed to jointly fund four Clinical Training Fellowships. These were made over a three year period with no more than one fellowship awarded in each round.

In October 2014 the BAD, BSF and MRC agreed to further fund one joint fellowship capped at £55,000 and will reconsider on an annual basis whether to fund more fellowships. In 2017 a further £60,000 was added to the fund for another BAD/BSF/MRC joint fellowship.

##### **Organisation review**

In view of possible changes to objects of the Association in becoming a College, the Officers agree it to be pragmatic to ring fence £50,000 for an external review of structure and strategy of the organisation for future development.

##### **UK Biologics Eczema Register Year 1**

BADBIR has been a great success for British Dermatology putting the UK at the front of psoriasis clinical and translational research. Its aim is to investigate the long-term safety for patients treated with biologic agents, compared with conventional systemic therapy. The register now has over 13,000 patients contributed by 153 dermatology centres and is yielding significant data and publications.

Translational research in atopic eczema has been identified as a key priority by an e-Delphi study carried out by the BAD's UKTREND initiative. As a result, the BAD have agreed to fund the pilot phase of an Eczema Biologics Register and will provide a grant of circa £200,000 (£70k per annum for three years), with the intention that future funding is sought from industry or major funding bodies. UK academic centres have been invited to bid for the project via the BSF Grants Advisory Committee which will award in July. The Data will be wholly owned by the BAD who will make it available to Academic centres for the purposes of research and teaching. The study will be multicentred at the outset with the potential of expanding to all dermatology departments who wish to contribute. The BAD will utilise its experience at managing industry contracts for the benefit of research projects will be available to register.

In 2017, £140,000 has been designated for the next two years of the project as originally agreed in 2016.

##### **Photo Net type database**

Phototherapy is an established low cost outpatient treatment for psoriasis and other inflammatory skin diseases. Predominantly hospital based, it is commonly used prior to considering systemic therapy in those patients for whom topical treatment has proved unsatisfactory. The BAD Officers have agreed to designate £70,000 to build a networked database for the UK based on the Scottish model of Photonet.

##### **UKDCTN – Development Manager, further 2 years**

The BAD have already donated £57k to UKDCTN to support a Clinical Trials Manager. In 2017 additional funding was designated to extend the post for another two years. The clinical trials are a collaboration with patients and methodologists across the UK. During the 2-year time period the plan is to focus efforts on three key deliverables: i) working with UK DCTN SpR Trainee groups to develop their study ideas into fundable research proposals; ii) progressing ideas that are submitted via UK DCTN Themed Calls; and iii) developing studies identified as key research uncertainties by clinicians and patients through Priority Setting Partnerships. These projects will deliver tangible outputs that meet the BAD objectives of *“stimulating and promoting appropriate medical and scientific research and to publish the results of such research.”*

# THE BRITISH ASSOCIATION OF DERMATOLOGISTS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 19. Designated funds (continued)

##### **BAD guideline Development**

BAD Clinical Guidelines, using GRADE methodology are recognised as world leading and £50k has been set aside to ensure that we continue to develop our guideline capacity.

##### **Patient engagement hub website**

This project will improve public access to research, patient information, and service information through a newly formed Public Education workstream for which £30k has been set aside. This will include expansion of our online presence, beyond acne and psychodermatology, to a web hub for all our public-facing materials, from patient information leaflets to news of NHS changes affecting dermatology.

##### **College Project**

The Executive Committee have agreed to designate £1,500,000 for future educational activity, capital projects, legal fees etc in support of developing the British College of Dermatology over the next 5 years.

##### **BAD UK Keratinocyte Cancer Collaborative (UKKCC)**

The Executive Committee further agreed to designate a £350,000 to a project that will bring together epidemiologists, clinicians and dermato-pathologists working in the field of keratinocyte cancer to create a collaborative network for clinical epidemiology, tissue banking and molecular pathology initiatives to improve the Keratinocyte Cancer patient outcomes. All proposals for expenditure within this fund will be put through the BAD Research Sub Committee (BADRSC) and subsequently officers for a final decision.

##### **A\*Star Eczema Registry – BSF**

An eczema register is one of the outcomes of BAD UK TREND. The Executive Committee approved to allocate £350,000 into a designated fund over a 5-year period, for future development of an eczema bio-bank. The data from the Registry would be owned by the BAD and that authors utilising the data would be expected to submit papers to the BJD where appropriate.

##### **BAD Service Standards and Clinical Registries Fund**

£400,000 has been ringfenced for the provision of registry platforms for the Service Standards developed by the Clinical Services Department. A procurement process has identified NHS Digital as the trusted provider and contracts are in place.

##### **Willan House refurbishment**

Following the purchase of Willan House in 2004, a major refurbishment was undertaken from 2005 to 2008. The Executive concluded that a fund of £50,000 should be set aside for the update of the fabric of the building. A further £500,000 was added to the fund in 2020.

##### **Publishing development**

Given the uncertainty around open access and publishing the Executive agreed it would be prudent to set aside a fund of £50,000 for future publishing developments.

##### **Skin Cancer and Public Health England Fund**

In May 2019, the Executive approved an allocation of £50,000 for the employment of an analyst appointed and embedded within Public Health England (PHE) to collect and analyse non-melanoma skin cancer data. A steering group made up of Officers, PHE staff and some skin cancer experts also reports into the BADRSC and then to the Officer group.

##### **PSORT**

The BAD is a partner in PSORT (Psoriasis Stratification to Optimise Relevant Therapy) which is a prestigious 4 year, £7m MRC and industry funded stratified medicine consortium (one of 13 across all of medicine) involving the key psoriasis researchers in the UK. Its aim is to use clinical, genetic and immune biomarkers to predict and reproducibly stratify response of psoriasis to current and future biologic therapies in a manner that is minimally-dosed, scalable and cost-effective. In 2020 the Executive Committee agreed £130k to fund a further year of the study.

THE BRITISH ASSOCIATION OF DERMATOLOGISTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19. Designated funds (continued)

**BAD Digital Transformation**

Investment in development of technologies, people and processes that drive the BAD values. This includes funding for initiatives that support the digital enterprise, including cloud, cybersecurity and members experience via the CRM.

**Topol Fellowships**

The Topol Programme for Digital Fellowships in Healthcare is a HEE initiative which aims to support organisations to invest in clinical staff to develop specialist digital skills and to learn about leading digital transformations. The BAD has ring fenced £150,000 for Topol fellowships in dermatology.

**Outpatient Transformation**

The NHS Outpatients Restoration and Transformation in Dermatology 2020-21 programme has been put in place to address the need for change in delivery of dermatology outpatient services. The impact of Covid-19 has amplified the need for dermatology outpatient services to take advantage of available technologies and the move to integrated care systems to minimise face to face attendances, increase capacity and improve productivity.

NHS funding of £7.8m will support technology solutions across primary care and the secondary care interface. The BAD fund will enable members the time and resources, outside of their clinical commitments, to ensure that the proposed solutions are fit for purpose and will deliver the required improvements.

20. Allocation of net assets – At 31 December 2021

Group	Fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted funds	-	212,601	-	212,601
Unrestricted funds	6,864,923	5,203,629	-	12,068,552
Non-charity funds	-	8,025,624	(7,961,926)	63,698
	<b>6,864,923</b>	<b>13,441,854</b>	<b>(7,961,926)</b>	<b>12,344,851</b>
Charity	Fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted funds	-	212,601	-	212,601
Unrestricted funds	6,864,923	5,245,729	-	12,110,652
	<b>6,864,923</b>	<b>5,458,330</b>	<b>-</b>	<b>12,323,253</b>

THE BRITISH ASSOCIATION OF DERMATOLOGISTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20. Allocation of net assets prior year – At 31 December 2020 (continued)

Group	Fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted funds	-	230,121	-	230,121
Unrestricted funds	6,343,396	5,042,306	-	11,385,702
Non-charity funds	-	7,391,068	(7,328,778)	62,290
	<b>6,343,396</b>	<b>12,663,495</b>	<b>(7,328,778)</b>	<b>11,678,113</b>

  

Charity	Fixed assets £	Net current assets £	Long term liabilities £	Total £
Restricted funds	-	230,121	-	230,121
Unrestricted funds	6,343,396	5,042,306	-	11,385,702
	<b>6,343,396</b>	<b>5,272,427</b>	<b>-</b>	<b>11,615,823</b>

21. Cash generated from net income of group operations

	Group	
	2021 £	2020 £
Net income	666,738	393,333
Taxation charged	-	990
Depreciation and amortisation	138,528	116,540
Gains on investments	(398,504)	(157,256)
Investment income	(81,776)	(83,106)
Decrease in debtors	935,335	118,830
(Decrease)/Increase in creditors	(237,869)	2,738,521
Net cash flows from operating activities	<b>1,022,452</b>	<b>3,127,852</b>

22. Related party transactions

During the year the charity charged British Association of Dermatologists Biologics Register Limited, £81,413 (2020: £77,424) in relation to costs incurred on their behalf during the year. At the balance sheet date £1,277,389 (2020: £115,185) was owed to the charity.

During the year the charity collected income on behalf of Association of Dermatologists Biologics Eczema Limited totalling £195,639 (2020: nil). At the balance sheet date £193,839 (2020: nil) was owed by the charity.

All of the above balances and transactions have been eliminated on consolidation.

There were no further related party transactions in the current or prior year.