

THE BRITISH GERIATRICS SOCIETY
(A Company Limited by Guarantee)
REPORT OF THE UK MANAGEMENT COMMITTEE
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

Company No: 1189776
(England and Wales)

Charity Number 268762

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****CONTENTS**

	<u>Page</u>
UK MANAGEMENT COMMITTEE AND OFFICERS	2
REPORT OF THE UK MANAGEMENT COMMITTEE	3-10
INDEPENDENT AUDITORS' REPORT	11-12
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	13
STATEMENT OF OTHER RECOGNISED GAINS	14
CONSOLIDATED BALANCE SHEET	15
BALANCE SHEET	16
NOTES TO THE FINANCIAL STATEMENTS	17-27

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****UK MANAGEMENT COMMITTEE AND OFFICERS****UK MANAGEMENT COMMITTEE**

President	Prof P Crome
President Elect	Prof G Mulley (appointed 8 October 2006)
Honorary Secretary	Dr D Beaumont
Deputy Honorary Secretary	Dr D Oliver
Meetings Secretary	Dr M Vassallo
Honorary Treasurer	Dr T Smith
Honorary Deputy Treasurer	Dr D Cohen (appointed 18 May 2006)

Dr D M Edwards
 Dr D Forsyth
 Prof J Gladman (appointed 8 November 2006)
 Dr J Morris
 Dr R Morse (appointed 31 May 2006)
 Dr P K Myint
 Prof J Potter
 Dr I M Rea
 Dr D A Stewart
 Dr D Walshe (appointed 8 November 2006)
 Prof J Young (appointed 1 May 2007)

**CHIEF EXECUTIVE AND
COMPANY SECRETARY**

A G R Mair

AUDITORS

Sargent & Co
 Chartered Accountants
 and Registered Auditors
 194B Addington Road
 Selsdon
 South Croydon
 Surrey CR2 8LD

BANKERS

Royal Bank of Scotland
 Threadneedle Street
 London EC2R 8LA

REGISTERED OFFICE

31 St John's Square
 London EC1M 4DN

COMPANY NUMBER

1189776 (England & Wales)

CHARITY NUMBER

268762

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2007**

The UK Management Committee and Directors present their annual report under the Companies Act 1985 and the Charities Act 1993, together with the audited financial statements for that year and confirm that the latter comply with the requirements of the Acts and the Charities SORP 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

The British Geriatrics Society ("Society") is a registered charity (No 268762) and is constituted as a company (No 1189776) limited by guarantee. The directors, professional advisers and registered office are set out on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT**Governing Document**

The Society is governed by its Memorandum and Articles of Association adopted on 7 November 1974 and last amended on 11 April 2003.

Governing Body

The governing body of the Society is the United Kingdom Management Committee which meets bi-monthly. Its members constitute the Directors and Trustees of the Society and include the Officers, the chairmen of designated Standing Committees, the chairman of the Trainees' group, the chairmen of each of the National Councils for Northern Ireland, Scotland and Wales and 3 members of the National Council for England. The National Councils were set up to provide a forum for debating national issues and to interface with the devolved legislative structure and NHS organisation.

The designated Standing Committees include Policy, Education & Training, Academic & Research and Finance. They meet quarterly and report directly to the UK Management Committee through their respective chairs.

The current UK Management Committee and Officers are shown on page 2 of these financial statements. In addition, the following served as directors during the year ended 31 March 2007:-

Directors who resigned on 20 October 2006:-

Prof M A Gosney

Dr J A Pascual

Dr J Playfer

Dr J Rowe (resigned 28 February 2007)

Prof J Barrett (resigned 31 May 2007)

Trustee recruitment and appointment

The members of the UK Management Committee are nominated and elected by the membership. Officers require the support of 5 members and serve a 2 year term with the exception of the Treasurer and the Deputy Treasurer who serve for 3 years in order to ensure management continuity. Other members of the UK Management Committee serve a 2 year term.

New trustees receive a comprehensive induction pack to acquaint them with the Society's policy and practice, its aims and activities, management and governance, and also what is expected of them under charity law, with particular reference to Charity Commission guidance publications.

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2007****Management**

The day to day running of the Society is delegated to the Chief Executive and staff. They all attend the UK Management Committee meetings and the Chief Executive also attends all the Standing Committee Meetings.

A register of directors' interests is maintained and updated annually. Any director with a potential conflict of interest with a particular topic within a meeting declares it and takes no further part in the discussion or vote on that topic.

Group Structure

The Society has a wholly owned non-charitable trading subsidiary, BGS (Trading) Limited, a company incorporated in England and Wales (No 2013195). BGS (Trading) Limited accounts for the income and expenditure from scientific conferences and exhibitions. The subsidiary covenants its taxable profit at each year end to the Society. Further details of BGS (Trading) Limited's financial results for the year ended 31 March 2007 can be found in note 14.

Risk management

The task of managing the risks faced by the Society is delegated to the Finance Committee. A risk register has been established in which both internal and external risks are identified and assessed. Internal control risks are mitigated by systems of authorisation, planning, budgeting, qualified staff and organisational structure. External risks are addressed in the Society's Strategic Review. The risk register is reviewed and updated as necessary by the Finance Committee and then ratified by the UK Management Committee. The directors are satisfied that the major risks identified have been adequately mitigated where necessary and that the Society has systems and procedures in place that are appropriate to the Society's size and nature of operations.

OBJECTS, OBJECTIVES AND PRINCIPAL ACTIVITIES OF THE SOCIETY**Charitable Objects**

The Society's objects, as set out in the Memorandum of Association, are 'the relief of suffering and distress amongst the aged and infirm by the improvement of standards of care for such persons'.

Charitable objectives and activities

To this end, the Society aims to:-

- Put the case for a well-funded and well-organised hospital and community care service for older people;
- Promote the rehabilitation of patients to their maximum ability and maximum independence;
- Promote education, training and standards in geriatric medicine and in the care of older people to medical, paramedical and lay staff respectively;
- Promote research into age-related distress and into the management of illness in old age;
- Publicise and disseminate educational literature on caring for older people: and
- Be an authoritative voice on health care and ageing with both the public and politicians

The Society fulfils its charitable aims by:-

- the holding of scientific meetings,
- the publication of approved papers and
- the active promotion of research, education and training in all aspects of geriatric medicine.

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2007****Scientific meetings**

Twice each year the Society holds a scientific meeting, which provides members with the opportunity to present their research in both poster and platform format. Included in these meetings are a series of guest lectures and sessions presented by the Society's Special Interest Groups/Sections. The primary objective of these meetings is to provide a forum for Continuing Professional Development, which follows a five year cycle to ensure that all pertinent medical topics within the speciality of Geriatric Medicine are regularly examined. All submitted abstracts are subject to rigorous peer review prior to acceptance as either platform presentations or posters.

Publications

Age and Ageing, the official journal of the Society, has a world-wide reputation for publishing refereed original articles and commissioned reviews on geriatric medicine and gerontology.

The Society maintains reviews and continues to develop a web-based compendium consisting of best practice statements and guidelines. The Compendium is widely used as a source of authoritative guidance for professionals and lay people alike. It also, on request, provides comment, responses and information to a variety of agencies including Government, the Department of Health in each of the four countries of the United Kingdom, and other professional bodies.

Promotion of research, education and training

An important part of this is the Society's funding of grants and fellowships in the field of elderly medicine. The grants available include Specialist Registrar start-up grants, medical student elective and vacation grants, travel grants, nurses study grants and therapists study grants. In addition, the Society currently funds, jointly with Research into Ageing, the Dhole Fellowship and the Marjory Warren Fellowship. The Amulree Prize is awarded annually for the best essay by a medical student on a geriatric theme.

The Society's standing committees – Academic and Research, Policy and Education and Training, all perform an important role in this activity as do the SIGs and Sections. They actively participate in academic fora with external bodies and other specialist societies.

ACHIEVEMENTS AND PERFORMANCE**Scientific Meetings**

The Society's Spring Meeting was held in Gateshead and was well attended by 487 delegates. The content of the meeting covered a wide range of clinical and scientific interests. There were 4 guest lecturers: Prof R Westendorp, Prof L Lipsitz, Prof M Walker and Prof O James. The parallel sessions included clinical updates on cancer, caring for frail older people, the ageing brain, GI and nutrition, and vascular and musculoskeletal issues. The SIG and Sections sessions featured Falls and Bone Health, Cerebral Ageing and Mental Health, Bladder & Bowel and Health Services Research. There were 21 platform presentations, 65 research posters and 35 clinical effectiveness posters.

420 delegates attended the Autumn Meeting which was held in Harrogate for the third year running. Prof C Powell gave the Marjory Warren lecture on 'Whither geriatrics? Do we need another Marjory Warren?' and the Trevor Howell lecture for visiting speakers was given by Dr C Twomey on geriatric medicine in Ireland. The conference also included a clinical effectiveness evaluation symposium. The parallel sessions included topics as varied as valvular heart disease, cataracts, diagnosing depression in the elderly, lung cancer, myelopathy, faecal incontinence, venous thromboembolism and geriatric medicine education & training. The SIGs and Sections provided parallel sessions on Medical Ethics and Drugs and Prescribing. A total of 27 research posters were on display, together with 33 on clinical practice evaluation. There were 21 platform presentations.

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2007**

The Falls and Bone Health Section held its 7th International Conference on Falls and Postural Stability in September 2006 at the University of Warwick. It attracted 316 delegates from a wide range of disciplines and backgrounds.

The Cardiology Section held its Annual Meeting in June 2006 in Leeds and a National SpR Meeting in London in March 2007.

Publications

In addition to the 2,300 Society members who currently receive Age & Ageing, there were 923 full-rate subscribers and an increasing number of people gaining access to the journal via consortia agreements and corporate site licences worldwide. A further 2,014 not-for-profit institutions in 57 developing countries had free access to the journal as well as 64 middle-income countries that have greatly discounted rates.

A programme of rolling review of the Compendium documents was begun in April 2005. Those revised during the financial year included Capacity and Testamentary Capacity, Nutritional Advice in Common Clinical Situations, Discharge or Transfer of Frail Older People for Community Health and Social Support, Palliative Care, Parkinson's disease and Geriatric (Medical) Day Care Hospitals for older people. In addition, a new compendium paper – Hospital Discharge of Older People with Cognitive Impairment to Care Homes - was produced in the year.

Delirium Guidelines were published in January 2006. Work has continued on the Pain Guidelines which are expected to be published in Autumn 2007. Work on a new guideline on Advance Directives which started in January 2007 is expected to be published in 2 years time.

The Society has continued to produce its bi-monthly newsletter which is sent to all members and is an important way of keeping the membership informed. The Society's 2006 Handbook which was issued in May 2006 is currently being revised and the next new Handbook will be issued in December 2007. Information on the Society's areas of involvement, structure and publications are published on the Society's website (www.bgs.org.uk) which is a valuable source of information for members and non-members alike.

Promotion of research, education and training

The Society has continued to promote research by providing relevant bursaries and fellowships. The Dhole Fellowship, co-funded with Research into Ageing, which was awarded in 2004 for 3 years for a research project relating to falls in older people has now been completed. A second Dhole Fellowship is currently being advertised. A new fellowship for research into ageing, the Marjory Warren Fellowship, was awarded in February 2007. It is also co-funded with Research into Ageing for 3 years.

During the financial year, the Society designated £382,656 for research, bringing designated research funds up to £500,000 as at 31 March 2007. The closing date for fellowship applications is mid July 2007.

The Society has continued to support SpRs who are contemplating research. To this end, it raised the level of SpR Start-Up grant available to £10,000. During the year, 5 grants were awarded at the old rate and 3 at the new increased level. Seven Medical Students Elective and Vacation Projects grants were also awarded totalling over £5,000. In addition, 24 (2006 15) Nurses Study grants and 16 (2006 23) Therapists Study grants were awarded to enable these health professionals to attend conferences relating to ageing and geriatric medicine. The Young Doctors Educational Grant, for junior doctors' attendance at the Society's scientific meetings in the UK or at scientific meetings abroad where they are presenting a paper, had its level increased to £500 in 2005/6. 18 such grants were awarded in the year (2006 10).

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2007**

The Society received funding from the Dunhill Medical Trust to provide research fellowships for nurses and allied health professionals. Applications are currently being reviewed and fellowships will be awarded in 2007.

The Society continues to place great emphasis on collaboration with the Royal Colleges, other specialist societies engaged in clinical research and charities which have a focus on the well-being of the older person. A major piece of work undertaken this year has been the project entitled "Behind Closed Doors", designed to promote dignity for patients when using the toilet. The campaign has involved representatives from Age Concern England; Cardiff University; Carers UK; Continence Foundation; Help the Aged; Incontact; Research into Ageing and the Royal College of Nursing.

During the year, England Council undertook a Rehabilitation Bed Survey.

As part of its policy of being an authoritative voice on health care and ageing, the Society re-launched The British Council for Ageing (BCA), in conjunction with the British Society of Gerontology and the British Society for Research on Ageing, in October 2006 at the House of Lords. The aims of BCA are to speak at a national level, to provide informed opinion and to influence policy-making with respect to older people and research in to the ageing process.

The Society has also provided responses to the National Institute for Clinical Excellence on Osteoarthritis: The Care and Management of Osteoarthritis in Adults and on Alteplase for the Treatment of Acute Ischaemic Stroke. The Society has responded and submitted evidence where appropriate to:

- The Department of Constitutional Affairs on *Lasting Powers of Attorney* and the *Mental Capacity Act Code of Practice*
- The European Commission on *Improving the Mental Health of the Population: Towards a strategy on Mental Health for the European Union*
- The Department of Health on:
 - *Mental Capacity Act 2005: Consultation on Draft Research Regulations*
 - *National Strategy for End of Life Care*
 - *National framework for NHS continuing healthcare and NHS funded nursing care in England*
 - *"Good Doctors, safer patients": proposals to strengthen the system to assure and improve the performance of doctors and to protect the safety of patients*
 - *Direction of Travel for Urgent Care*
- The House of Lords call for evidence on *The European Commission: Improving the Mental Health of the Population*
- The Healthcare Commission review on *Quality of care provided by wave 1 independent sector treatment centres for NHS patients*
- The Royal College of Psychiatrists consultation on *Scope for a National Audit of Dementia Services*
- The UK Parliamentary Joint Committee on Human Rights call for evidence on *The human rights of older persons in healthcare*

The Society continues to provide the secretariat functions for the European Union Geriatric Medicine Society.

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2007****FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The Financial Statements comprise the consolidated accounts of the Society and its subsidiary, BGS (Trading) Limited. The Statement of Financial Activities (SOFA), set out on page 13, shows that gross income increased by 10% to £1.7m and expenditure on charitable activities increased by 4% to £966k. Total resources expended of £1.1m resulted in a net inflow for the year of £556k (2006 £463k). After taking into account unrealised investment gains, total fund balances increased by £568k (2006 £482k) to £2.7m (2006 £2.1m).

The Society continues to receive the bulk of its total incoming resources from its charitable activities. Income from the Society's scientific meetings and publications accounts for 71% of total income for the financial year (2006 71%). The freezing of subscription rates for 2006 has meant that subscription income has decreased by 2% and makes up 16% of incoming resources (2006 17%). Voluntary income includes £53k (2006 £66k) legacy income. Investment income has increased by 36% in line with the Society's investment strategy and is becoming an increasingly important income stream for the Society.

Charitable expenditure accounts for 84% of total expenditure (2005 85%). Expenditure on publications increased by 12% (2006 9%) reflecting increased levels of activity in this area and by 40% for the promotion of research, education and training (2006 53%). Expenditure on scientific meetings decreased by 3% as a result of lower venue costs for the financial year.

A transfer of £175k (2006 £80k) was made from unrestricted funds into the 'donations and grants fund', bringing its balance at 31 March 2007 to £501,077 (2006 £213,774) which represents 19% of total funds. As a result of the Society's designating £382,656 (2006 £117,344) unrestricted funds for research, research funds at 31 March 2007 totalled £500,000 (2006 £117,344) and accounted for 18% of total funds.

Investment Policy

The Memorandum of Association gives the UK Management Committee the power to invest any surplus funds not immediately required by the Society in such investments, securities or property as it thinks fit. The UK Management Committee's policy has been to balance the requirement for capital growth of the endowment investments, with maximising income for the Society.

When the Society purchased its own premises in 2000, the Society's financial priority was the repayment of the mortgage. This was finally repaid in March 2004, considerably earlier than had been originally budgeted. A review of investment opportunities was carried out in 2005/6 with the intention of investing spare funds for the medium term in order to achieve a higher rate of return and to replace the investments that were realised in order to purchase the Society's premises. The Society continues to review its investments regularly and an additional £100,000 was placed in a COIF Deposit Fund during the year.

The unrealised loss of £9,079 on the endowed funds relates to COIF Fixed Interest Fund Income Units. As a result, alternative investments are being considered in order to produce the same level of income but also to provide capital growth.

The M&G Charifund units in which the Society invested in 2006 have performed well, producing an unrealised gain of £20,844 in addition to income of £10,752.

The average rate of return on investments has varied from 4.3% to 5.6% (2006 3.9% to 5.8%).

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2007****Reserves Policy**

The trustees have continued to review the reserves of the Society. The review involves an assessment of the income and expenditure streams, the Society's plans for the future and the uncertainties it faces and the level of reserves.

When the mortgage on the freehold property was fully repaid, the trustees decided to designate a fund equal to the value of fixed assets; thereby reflecting the fact that a large part of unrestricted funds is not freely available. The value of this fund at 31 March 2007 was £723,925 some 42% of unrestricted funds (2006 50%).

The reserves policy of the Society is two fold – to build up sufficient funds to maintain and extend its research programme and to continue to build up unrestricted reserves (excluding designated funds), by means of annual operating surpluses and judicious management of investment assets, to a level representing one year's expenditure in order to ensure that it has an adequate buffer to protect against future uncertainties.

The trustees have also decided to designate £132,656 to bring the MA Kuck Research Fund up to £250,000 as at 31 March 2007. An additional £250,000 was also designated as funding for research during the year ended 31 March 2007. Research Fellowships are currently being advertised and it is hoped to make an award in 2007/8.

During the year ended 31 March 2007, the unrestricted funds (excluding designated funds) decreased as a result of ensuring that the research programme going forward is adequately funded. The level of unrestricted reserves at 31 March 2007 represented only 21 weeks (2006 30 weeks) of the Society's activity at current levels. It is the trustees' intention in the year ended 31 March 2008 to continue to replace unrestricted reserves and to continue to review the reserves policy on a regular basis.

Volunteers

The Society is reliant on a considerable number of its members to achieve its objectives and is grateful and indebted to the volunteers who serve in many capacities (for example on committees and working parties and as regional advisors) and who provide many hours of work for the charitable objectives of the Society without remuneration.

FUTURE PLANS

The Society's Strategic Plan, updated in 2005, sets out the following objectives:-

- to be recognised as the representative body for the specialist professional practice of geriatric medicine, establishing and maintaining an authoritative voice on health care and ageing with both public and politicians;
- to remain an independent charity, promoting knowledge through research, education and training and providing the necessary funding to achieve this;
- to maintain a compendium of best practice statements and guidelines, together with information on training and education;
- to promote scientific meetings and publish peer reviewed papers;
- to engage in academic debate with the Royal Colleges and similar bodies at the same time promoting a rigorous and systematic approach to CPD;
- to encourage multidisciplinary involvement in SIG's and Sections, at the same time promoting appropriate multidisciplinary membership, by fostering closer relationships with other specialist groups; and
- to adopt a policy of forward looking, flexible management structures, monitored by regular reviews, to ensure maximum effectiveness

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2007****RESPONSIBILITIES OF THE UK MANAGEMENT COMMITTEE**

The UK Management Committee is required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of its results for that period. In preparing those financial statements, the UK Management Committee has, and will continue, to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and Statement of Recommended Practice, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Society will continue in business.

The UK Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Companies Act 1985 and Charities Act 1993. The trustees are satisfied that they have and they will continue to meet their responsibilities for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and can provide assurance that:

- the Society is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the Society or for publication is reliable;
- the Society complies with its Memorandum and Articles of Association;
- the Society has actively pursued all of its objectives and policies throughout the year.

In accordance with company law, as the Society's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the Society's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Society's auditors are aware of that information.

AUDITORS

The auditors Sargent & Co will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

APPROVAL

This report was approved by the Board of Directors and UK Management Committee on 12 July 2007 and signed on its behalf.

Prof P Crome MD PhD FRCP FFPM
Director and President of UK Management Committee

THE BRITISH GERIATRICS SOCIETY**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS****OF THE BRITISH GERIATRICS SOCIETY**

We have audited the financial statements of the British Geriatrics Society for the year ended 31 March 2007 which comprise the statement of financial activities, statement of other recognised gains, consolidated balance sheet, charity balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As described in the statement of responsibilities of the UK Management Committee the Committee (who are also Trustees and Directors of the British Geriatrics Society for the purposes of company law) are responsible for the preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the UK Management Committee and Directors is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read the Report of the UK Management Committee and Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with significant evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

THE BRITISH GERIATRICS SOCIETY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

OF THE BRITISH GERIATRICS SOCIETY

OPINION

In our opinion, the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the group and Charity's affairs as at 31 March 2007 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended; and
- and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the information given in the UK Management Committee's Report is consistent with the financial statements.

Sargent & Co
Chartered Accountants
and Registered Auditors
194B Addington Road
Selsdon
South Croydon
Surrey CR2 8LD

12 July 2007

THE BRITISH GERIATRICS SOCIETY

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**FOR THE YEAR ENDED 31 MARCH 2007****SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	<u>Notes</u>	<u>Restricted Funds</u> £	<u>Unrestricted Funds</u> £	<u>Total 2007</u> £	<u>Total 2006</u> £
Incoming Resources					
Incoming resources from generated funds:					
Voluntary income	2	220,051	53,000	273,051	108,244
Activities for generating funds	3	250	278,630	278,880	280,676
Investment Income	4	<u>17,539</u>	<u>60,658</u>	<u>78,197</u>	<u>57,670</u>
Total incoming resources from generated funds		<u>237,840</u>	<u>392,288</u>	<u>630,128</u>	<u>446,590</u>
Incoming resources from charitable activities:					
Scientific Meetings		120,609	690,576	811,185	907,485
Publications		-	<u>262,107</u>	<u>262,107</u>	<u>198,189</u>
Total incoming resources from charitable activities		<u>120,609</u>	<u>952,683</u>	<u>1,073,292</u>	<u>1,105,674</u>
Total incoming resources		358,449	1,344,971	1,703,420	1,552,264
Less costs of generating funds	5	1,150	162,462	163,612	141,566
Less governance costs	5	-	<u>17,697</u>	<u>17,697</u>	<u>19,431</u>
Net incoming resources available for charitable application		<u>357,299</u>	<u>1,164,812</u>	<u>1,522,111</u>	<u>1,391,267</u>
Resources Expended on Charitable Activities					
Scientific Meetings	5	107,390	549,035	656,425	676,626
Publications	5	-	173,225	173,225	154,660
Promotion of education & research	5	<u>99,819</u>	<u>36,604</u>	<u>136,423</u>	<u>97,470</u>
Total resources expended on charitable activities		<u>207,209</u>	<u>758,864</u>	<u>966,073</u>	<u>928,756</u>
Net incoming resources before transfers	6	150,090	405,948	556,038	462,511
Transfers between funds		<u>175,000</u>	<u>(175,000)</u>	-	-
Net incoming resources before investment gains		<u>325,090</u>	<u>230,948</u>	<u>556,038</u>	<u>462,511</u>

None of the Society's activities was acquired or discontinued during the year.

The notes on pages 17 to 27 form part of these financial statements.

THE BRITISH GERIATRICS SOCIETY

(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**FOR THE YEAR ENDED 31 MARCH 2007 (Contd)****STATEMENT OF OTHER RECOGNISED GAINS**

	<u>Permanent</u> <u>Endowment</u> £	<u>Restricted</u> <u>Income</u> £	<u>Unrestricted</u> <u>Income</u> £	<u>Total</u> <u>2007</u> £	<u>Total</u> <u>2006</u> £
Net movements in funds for the year	-	325,090	230,948	556,038	462,511
Unrealised Investment Gain for year	<u>(9,079)</u>	-	<u>20,844</u>	<u>11,765</u>	<u>19,362</u>
NET MOVEMENT IN FUNDS FOR THE YEAR	(9,079)	325,090	251,792	567,803	481,873
Total Funds Brought Forward	<u>184,839</u>	<u>480,392</u>	<u>1,473,388</u>	<u>2,138,619</u>	<u>1,656,746</u>
TOTAL FUNDS CARRIED FORWARD	<u>175,760</u>	<u>805,482</u>	<u>1,725,180</u>	<u>2,706,422</u>	<u>2,138,619</u>

THE BRITISH GERIATRICS SOCIETY

(A Company Limited by Guarantee)

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2007

	<u>Notes</u>	<u>2007</u>		<u>2006</u>	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible Assets	9		723,925		730,650
Investments - Dhole Bequest	10(b)		319,341		312,052
Investments – general	10(c)		563,508		422,860
Investments – restricted	10(d)		<u>41,172</u>		<u>-</u>
			1,647,946		1,465,562
<u>CURRENT ASSETS</u>					
Debtors	11	290,415		243,768	
Cash at bank and in hand		<u>1,344,011</u>		<u>1,085,657</u>	
		1,634,426		1,329,425	
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>					
	12	<u>(575,950)</u>		<u>(656,368)</u>	
<u>NET CURRENT ASSETS</u>					
			<u>1,058,476</u>		<u>673,057</u>
<u>NET ASSETS</u>					
			<u>£2,706,422</u>		<u>£2,138,619</u>
<u>ACCUMULATED FUNDS</u>					
Unrestricted Funds:					
Other Charitable Funds			463,378		608,361
Revaluation Reserve	10(c)		37,774		16,930
Charitable Trading Fund			103		103
Designated Funds	18		<u>1,223,925</u>		<u>847,994</u>
Total Unrestricted Funds			1,725,180		1,473,388
Permanent Endowment	18		175,760		184,839
Restricted Income Funds	18		<u>805,482</u>		<u>480,392</u>
<u>MEMBERS FUNDS</u>					
	18		<u>£2,706,422</u>		<u>£2,138,619</u>

The financial statements, which have been prepared in accordance with the Special Provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the Board of Directors and UK Management Committee on 12 July 2007 and signed on its behalf.

Dr T K Smith
Director and Honorary Treasurer

The notes on pages 17 to 27 form part of these financial statements.

THE BRITISH GERIATRICS SOCIETY

(A Company Limited by Guarantee)

BALANCE SHEET AS AT 31 MARCH 2007

	<u>Notes</u>	<u>2007</u>		<u>2006</u>	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible Assets	9		723,925		730,650
Investment in subsidiary company	10(a)		100		100
Investments - Dhole Bequest	10(b)		319,341		312,052
Investments – general	10(c)		563,508		422,860
Investments – restricted	10(d)		<u>41,172</u>		<u>-</u>
			1,648,046		1,465,662
<u>CURRENT ASSETS</u>					
Debtors	11	387,265		449,378	
Cash at bank and in hand		<u>910,208</u>		<u>502,338</u>	
			1,297,473		951,716
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>					
	12	<u>(239,200)</u>		<u>(278,862)</u>	
<u>NET CURRENT ASSETS</u>					
			<u>1,058,273</u>		<u>672,854</u>
<u>NET ASSETS</u>					
			<u>£2,706,319</u>		<u>£2,138,516</u>
<u>ACCUMULATED FUNDS</u>					
Unrestricted Funds:					
Other Charitable Funds			463,378		608,361
Revaluation Reserve	10(c)		37,774		16,930
Designated Funds	18		<u>1,223,925</u>		<u>847,994</u>
Total Unrestricted Funds			1,725,077		1,473,285
Permanent Endowment	18		175,760		184,839
Restricted Income Funds	18		<u>805,482</u>		<u>480,392</u>
<u>MEMBERS FUNDS</u>					
			<u>£2,706,319</u>		<u>£2,138,516</u>

The financial statements, which have been prepared in accordance with the Special Provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the Board of Directors and UK Management Committee on 12 July 2007 and signed on its behalf.

Dr TK Smith
Director and Honorary Treasurer

The notes on pages 17 to 27 form part of these financial statements.

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007**1. ACCOUNTING POLICIESa) Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention except for investments which have been included at revalued amounts. The financial statements include the results of the Society's operations as indicated in the Report of the UK Management Committee, all of which are continuing.

The accounts have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2005)", applicable UK accounting standards and the Companies Act 1985. The charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act formats to reflect the special nature of the Society's activities.

The Society has taken advantage of the exemption in FRS1 not to prepare a cash flow statement on the grounds that it is a small group.

b) Funds

Unrestricted Funds relate to the income which is available to meet the general objectives of the Society. General Funds are unrestricted funds which are available for use at the discretion of the UK Management Committee in the furtherance of the general objectives of the Society and which have not been designated for other purposes.

Designated Funds comprise unrestricted funds that have been set aside by the UK Management Committee for particular purposes. The aim and use of the designated funds are set out in the notes to the financial statements.

Restricted Funds relate to income which is made available to the Society for specific purposes and which must be used solely for those purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment Funds are monies which have been given to the Society in trust with the restriction that they are held as capital with the income generated from them to be used for specific grants and awards. The income is held as a separate restricted fund.

Investment income and gains are allocated to the appropriate fund.

c) Incoming Resources

The incoming resources of the group is made up of subscriptions, donations, commercial sponsorships, income from conferences and income from sale of publications invoiced during the year (stated net of Value Added Tax).

Donations are accounted for as received by the Society. The excess/deficit of donations over grants given is included in the Donation and Grant Fund.

Legacies are recorded when they can be quantified and have been confirmed by a third party.

Existing member subscriptions are due on 1 January each year and income is accounted for on an accruals basis over the calendar year to which it relates.

Commercial sponsorship is treated as earned evenly over the calendar year to which it relates unless it is event-specific in which case it is treated as earned on the event date.

THE BRITISH GERIATRICS SOCIETY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 (Contd)c) Incoming Resources (Contd)

The income from conferences is shown gross with the associated costs included in the expenditure. Income is recognised on the dates the conferences take place.

No permanent endowments have been received in the period but these are dealt with through the Statement of Financial Activities when received.

Investment income plus associated tax recoverable is credited to income on a receipts basis using dates of payment for the listed investment income. Income arising from bank deposits and fixed interest shares is credited to income on an accruals basis.

d) Tangible Fixed Assets and Depreciation

Tangible Fixed Assets are stated at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost of Fixed Assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and Fittings	Over 10 years on a straight line basis
Office Equipment	Over 5 years on a straight line basis
Computer Equipment	Over 3 years on a straight line basis

No depreciation will be charged on the freehold property as it is intended that maintenance will be carried out to maintain this at a level which is at least commensurate with its original cost.

e) Investments

Investments are stated at market value. Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities.

f) Value Added Tax

Both the British Geriatrics Society and the trading subsidiary are registered for Value Added Tax and any costs are stated net of Value Added Tax.

g) Consolidation

The Financial Statements incorporate the accounts of the Society and of its subsidiary company, B G S (Trading) Limited. The results of the subsidiary are consolidated on a line by line basis.

As provided for by Section 228(7) of the Companies Act 1985 and paragraph 397 of SORP 2005, a separate Income and Expenditure Account has not been presented for the Society alone.

h) Pension Scheme

The Society operates a scheme to contribute a defined amount to individual employees pension schemes and the pension charge represents the amounts payable by the Society to the various schemes in respect of the year.

THE BRITISH GERIATRICS SOCIETY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 (Contd)i) Operating Leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are included in the Statement of Financial Activities on a straight line basis.

j) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. All overheads have been allocated on the basis of the time spent by the staff using that overhead.

Grants payable to individuals are included in the Statement of Financial Activities when approved and payable. These grants are awarded to relieve hardship for individuals attending scientific conferences or carrying out research projects in the field of geriatric medicine.

Costs of generating funds comprise the costs associated with servicing the membership of the Society, running the committee meetings and the costs incurred in order to attract voluntary income.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Society, such as preparing and auditing statutory accounts, as well as the costs of strategic planning for the future.

Charitable expenditure comprises those costs incurred by the Society in the delivery of its activities – running scientific meetings, issuing publications and promoting research, education and training. Costs relating to a specific activity are allocated directly, others are apportioned on an appropriate basis eg staff time as set out in note 5.

k) Taxation

The Society, but not its trading subsidiary, by virtue of its charitable status, is exempt from Corporation Tax on any surplus of income over expenditure.

l) Volunteers

The value of services provided by volunteers is not included in these financial statements. Further details of the contribution made by volunteers can be found in the Report of the UK Management Committee.

2. <u>VOLUNTARY INCOME</u>	<u>2007</u> £	<u>2006</u> £
Donations and Covenants from individuals and charitable trusts set up in the estates of individuals	28	78
Donations from Charitable Trusts	209,450	4,450
Donations from Commercial Organisations	10,573	37,400
Legacies	<u>53,000</u>	<u>66,316</u>
	<u>273,051</u>	<u>108,244</u>

THE BRITISH GERIATRICS SOCIETY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 (Contd)

	<u>2007</u>	<u>2006</u>
	£	£
3. <u>ACTIVITIES FOR GENERATING FUNDS</u>		
Subscriptions	264,705	271,353
Other income	<u>14,175</u>	<u>9,323</u>
	<u>278,880</u>	<u>280,676</u>
4. <u>INVESTMENT INCOME</u>		
Income from listed investments	38,350	15,862
Interest receivable on cash deposits	<u>39,847</u>	<u>41,808</u>
	<u>78,197</u>	<u>57,670</u>

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	<u>Basis of allocation</u>	<u>Cost of generating funds</u>	<u>Govern-ance</u>	<u>Scientific Meetings</u>	<u>Publicat-ions</u>	<u>Education & Research</u>	<u>Total 2007</u>	<u>Total 2006</u>
		£	£	£	£	£	£	£
<u>Costs directly allocated to activities</u>								
Staff Costs	Direct	96,123	8,510	40,887	48,558	14,536	208,614	194,367
Conferences	Direct	-	-	586,143	-	-	586,143	626,002
Journals	Direct	-	-	-	58,716	-	58,716	51,225
Information & Education	Direct	23,875	-	17,939	44,601	1,890	88,305	43,969
Grants, Awards & Prizes to individuals	Direct	-	-	-	-	101,643	101,643	67,677
Committee Expenses	Direct	15,487	-	2,504	8,419	14,873	41,283	39,774
Annual Report	Direct	3,111	-	-	-	-	3,111	5,061
Audit Fee	Direct	-	6,890	-	-	-	6,890	6,650
Bank Charges	Direct	2,634	-	-	-	-	2,634	2,074
Legal Costs	Direct	-	307	-	-	-	307	60
<u>Support costs allocated to activities</u>								
Premises	Staff Time	5,083	452	2,033	2,937	790	11,295	9,950
Depreciation	Staff Time	3,499	311	1,399	2,021	545	7,775	10,626
Office Costs	Staff Time	11,549	1,027	4,620	6,673	1,796	25,665	26,987
Other Costs	Staff Time	<u>2,251</u>	<u>200</u>	<u>900</u>	<u>1,300</u>	<u>350</u>	<u>5,001</u>	<u>5,331</u>
		<u>163,612</u>	<u>17,697</u>	<u>656,425</u>	<u>173,225</u>	<u>136,423</u>	<u>1,147,382</u>	<u>1,089,753</u>

THE BRITISH GERIATRICS SOCIETY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 (Contd)

6. <u>NET INCOMING RESOURCES</u>	<u>2007</u> £	<u>2006</u> £
The net incoming resources is stated after charging:		
Depreciation of Tangible Fixed Assets owned by the company	7,775	10,627
Loss on disposal of tangible fixed assets	-	815
Operating Lease rentals - hire of equipment	2,938	4,505
Audit Fees	<u>6,890</u>	<u>6,650</u>

7. FINANCIAL ACTIVITIES OF THE SOCIETY

The financial activities shown in the consolidated statement includes those of the Society's wholly owned subsidiary, BGS (Trading) Limited.

A summary of the financial activities undertaken by the Society is set out below:

	<u>2007</u> £	<u>2006</u> £
Gross incoming resources	1,130,012	971,957
Total expenditure on charitable activities	395,888	348,449
Cost of generating funds	162,729	141,566
Governance costs	15,357	19,431
Investment gain	<u>11,765</u>	<u>19,362</u>
Net incoming resources	567,803	481,873
Total funds brought forward	<u>2,138,516</u>	<u>1,656,643</u>
Total funds carried forward	<u>2,706,319</u>	<u>2,138,516</u>
Represented by:		
Restricted income funds	805,482	480,392
Permanent endowed funds	175,760	184,839
Unrestricted funds	<u>1,725,077</u>	<u>1,473,285</u>
	<u>2,706,319</u>	<u>2,138,516</u>

8. STAFF COSTS

No remuneration was paid to the directors and members of the UK Management Committee in the year. The staff costs were:-

	<u>2007</u> £	<u>2006</u> £
Wages and Salaries - General	166,446	155,908
- Age & Ageing and honoraria	37,711	32,825
Pension Costs	18,613	16,784
Social Security Costs	<u>22,088</u>	<u>20,340</u>
	<u>244,858</u>	<u>225,857</u>

THE BRITISH GERIATRICS SOCIETY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 (Contd)8. STAFF COSTS (Contd)

The average number of staff employed by the Society (excluding the person who works on Age & Ageing and honoraria) during the year included in General Wages and Salaries was equivalent to five (2006- five).

No employee's total emoluments exceeded £60,000 during the year (2006- none).

The Members of the UK Management Committee neither received nor waived any emoluments during this or the previous year.

During the year £11,551 (2006 - £13,585) was reimbursed to past and present Members of the UK Management Committee for travel, subsistence and overnight accommodation, solely necessary for attendance at meetings, in accordance with the Memorandum and Articles of Association. Expenses were reimbursed to 22 Members of the UK Management Committee during the year (2006 - 18).

Indemnity Insurance at a cost of £1,060 (2006 - £1,061) was taken up during the year to protect the Society from loss arising from neglect or default of the members of the UK Management Committee and to indemnify members of the UK Management Committee against the consequences of any neglect or default on their part.

9. TANGIBLE FIXED ASSETS

<u>Group and Society</u>	<u>Total</u>	<u>Freehold</u>	<u>Computer</u>	<u>Fixtures, Fittings</u>
	<u>£</u>	<u>Land & Buildings</u>	<u>Equipment</u>	<u>and Equipment</u>
<u>Cost</u>		<u>£</u>	<u>£</u>	<u>£</u>
At 1 April 2006	775,655	700,000	20,725	54,930
Additions	<u>1,050</u>	<u>-</u>	<u>1,050</u>	<u>-</u>
At 31 March 2007	<u>776,705</u>	<u>700,000</u>	<u>21,775</u>	<u>54,930</u>
<u>Depreciation</u>				
At 1 April 2006	45,005	-	19,045	25,960
Provided in year	<u>7,775</u>	<u>-</u>	<u>1,583</u>	<u>6,192</u>
At 31 March 2007	<u>52,780</u>	<u>-</u>	<u>20,628</u>	<u>32,152</u>
<u>Net Book Value</u>				
At 31 March 2007	<u>£723,925</u>	<u>£700,000</u>	<u>£1,147</u>	<u>£22,778</u>
At 31 March 2006	<u>£730,650</u>	<u>£700,000</u>	<u>£1,680</u>	<u>£28,970</u>

THE BRITISH GERIATRICS SOCIETY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007(Contd)9. TANGIBLE FIXED ASSETS (Contd)

All the tangible fixed assets are used by the employees of the Society to fulfil both the charitable objectives and in the management and administration of the Society.

The UK Management Committee is of the opinion that the freehold land and buildings has a current value in excess of the book cost. A formal valuation has not been obtained because, in the opinion of the UK Management Committee, the cost of professionally valuing the freehold land and buildings would outweigh the benefit to the users of the accounts and a valid comparison with other properties cannot be made.

10. FIXED ASSET INVESTMENTS

	<u>2007</u>	<u>Society</u>	<u>2006</u>
	£		£
(a) <u>Subsidiary Company</u>			
Shares at Cost as at 1 April 2006 and 31 March 2007	<u>100</u>		<u>100</u>

The Society owns 100% of the ordinary share capital of BGS (Trading) Limited which is registered in England and Wales.

The accounts of BGS (Trading) Limited have been consolidated with the Society for the purposes of the financial statements (see Note 14).

(b) <u>MK Dhole Bequest</u>	<u>2007</u>	<u>2006</u>
Listed Investments - UK	£	£
Market value at beginning of year	184,839	182,407
Unrealised investment (loss)/gain	<u>(9,079)</u>	<u>2,432</u>
Market value at end of year	175,760	184,839
Cash Deposits	<u>143,581</u>	<u>127,213</u>
Total Market Value at end of year	<u>319,341</u>	<u>312,052</u>
The historic cost of listed investments	<u>200,017</u>	<u>200,017</u>

The listed investments relate to COIF Charity Fixed Interest Fund - Income Units

(c) <u>General investments</u>		
Listed Investments – UK		
Market value at beginning of year	219,891	-
Additions/(disposals)	9,733	202,961
Unrealised investment gain	<u>20,844</u>	<u>16,930</u>
Market value at end of year	250,468	219,891
Cash Deposits	<u>313,040</u>	<u>202,969</u>
Total market value at end of year	<u>563,508</u>	<u>422,860</u>
The historic cost of listed investments	<u>200,000</u>	<u>200,000</u>

The listed investments relate to M&G Charifund units.

THE BRITISH GERIATRICS SOCIETY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 (Contd)10. FIXED ASSET INVESTMENTS (continued)

(d) <u>Restricted Investments</u>	<u>2007</u>	<u>2006</u>
Cash deposits	41,172	—

The investments are held by the BGS Cardiology Section.

11. <u>DEBTORS</u>	<u>2007</u>		<u>2006</u>	
	<u>Group</u>	<u>Society</u>	<u>Group</u>	<u>Society</u>
Due within one year:	£	£	£	£
Trade debtors	154,886	61,012	89,696	51,616
Amount due from subsidiary	-	260,589	-	343,047
Prepayments and Accrued Income	115,185	45,320	140,065	41,305
Other debtors	<u>20,344</u>	<u>20,344</u>	<u>14,007</u>	<u>13,410</u>
	<u>290,415</u>	<u>387,265</u>	<u>243,768</u>	<u>449,378</u>

12. <u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	<u>2007</u>		<u>2006</u>	
	<u>Group</u>	<u>Society</u>	<u>Group</u>	<u>Society</u>
	£	£	£	£
Bank Balance	-	-	49,017	49,017
Trade Creditors	7,479	2,191	6,468	6,468
Accruals and Deferred Income	498,368	203,161	531,143	189,436
Other Creditors	20,739	18,399	22,772	20,522
Taxation and Social Security	<u>49,364</u>	<u>15,449</u>	<u>46,968</u>	<u>13,419</u>
	<u>575,950</u>	<u>239,200</u>	<u>656,368</u>	<u>278,862</u>

13. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS

	<u>Permanent</u>			<u>Charitable</u>	<u>Total</u>
	<u>Endowment</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Trading</u>	<u>Funds</u>
Tangible Fixed Assets	-	-	723,925	-	723,925
Investments	175,760	143,581	604,680	-	924,021
Net Current Assets	—	<u>661,901</u>	<u>396,472</u>	<u>103</u>	<u>1,058,476</u>
Total Net Assets	<u>175,760</u>	<u>805,482</u>	<u>1,725,077</u>	<u>103</u>	<u>2,706,422</u>

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 (Contd)**14. **INVESTMENT IN SUBSIDIARY COMPANY**

The British Geriatrics Society owns the whole of the issued share capital of B G S (Trading) Limited, a company incorporated in England and Wales. This subsidiary generates income from conferences and exhibitions. B G S (Trading) Limited covenants its taxable profit to the British Geriatric Society. A summary of the trading results is shown below:-

	<u>2007</u>	<u>2006</u>
	£	£
Turnover	819,967	906,136
Cost of sales and administrative expenses	(573,408)	(580,307)
Interest receivable	<u>14,030</u>	<u>16,602</u>
Net profit	260,589	342,431
Amount gifted to Society	<u>(260,589)</u>	<u>(342,431)</u>
Retained in subsidiary	_____ -	_____ -

The assets and liabilities of the subsidiary were:

Current Assets	<u>203</u>	<u>203</u>
Aggregate share capital and reserves	<u>203</u>	<u>203</u>

15. **PENSION COMMITMENTS**

The Society operates a scheme to contribute a defined amount to individual pension schemes. The assets of these schemes are held separately from those of the Society in independently administered funds. At the balance sheet date there were £36 unpaid contributions (2006 - £nil).

16. **OTHER COMMITMENTS**

As at 31 March 2007 the Society had the following annual commitments under non-cancellable operating leases for plant and machinery as follows:

	<u>2007</u>	<u>2006</u>
	£	£
Expiry Date:		
Within one year	179	179
Between one and five years	<u>1,794</u>	<u>1,794</u>

THE BRITISH GERIATRICS SOCIETY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 (Contd)17. **RELATED PARTIES**

There were no related party transactions requiring disclosure in the year ended 31 March 2007. During the previous year, Dr P K Myint, one of the Members of the UK Management Committee, received a Specialist Registrar Research Start-Up Grant of £2,500 and a Young Doctors Educational Grant of £663. These were based purely on the merit of the work to be carried out by the individual concerned and complied fully with all the Society's procedures.

18. **FUNDS MOVEMENT IN YEAR**

	Note	Balance At 1/4/06	Incoming Funds	Amounts Expended	Transfers & investment gains/(losses)	Balance at 31/3/07
		£	£	£	£	£
Permanent Endowment						
MK Dhole Bequest	a)	<u>184,839</u>	—	—	(9,079)	<u>175,760</u>
Restricted Funds						
MK Dhole Income	b)	128,056	16,368	-	-	144,424
Donations & Grants	c)	213,774	209,478	(97,175)	175,000	501,077
Special Interest Groups (SIGs):d)						
Cardiology		61,375	61,801	(44,137)	-	79,039
Bones & Falls		28,232	54,378	(55,001)	-	27,609
Parkinsons Disease		10,168	4,575	(4,540)	-	10,203
Other SIGs		29,894	-	(551)	-	29,343
Regions	e)	8,036	10,572	(6,521)	-	12,087
Other restricted funds		<u>857</u>	<u>1,277</u>	<u>(434)</u>	-	<u>1,700</u>
		<u>480,392</u>	<u>358,449</u>	<u>(208,359)</u>	<u>175,000</u>	<u>805,482</u>
Designated Funds						
Fixed Asset fund	f)	730,650	-	-	(6,725)	723,925
MA Kuck research fund	g)	117,344	-	-	132,656	250,000
Research fund	h)	-	-	-	250,000	250,000
		<u>847,994</u>	—	—	<u>375,931</u>	<u>1,223,925</u>
Unrestricted Funds						
Charitable Trading fund		103	-	-	-	103
Revaluation reserve	i)	16,930	-	-	20,844	37,774
Other unrestricted funds		<u>608,361</u>	<u>1,344,971</u>	<u>(939,023)</u>	<u>(550,931)</u>	<u>463,378</u>
		<u>625,394</u>	<u>1,344,971</u>	<u>(939,023)</u>	<u>(530,087)</u>	<u>501,255</u>
Total Funds		<u>2,138,619</u>	<u>1,703,420</u>	<u>(1,147,382)</u>	<u>11,765</u>	<u>2,706,422</u>

Notes:-

- a) The Permanent Endowment Fund relates to the MK Dhole bequest which was provided to enable any investment income arising on the bequest to be applied for the provision of a biannual award of £500 for the most deserving published work of medical research appertaining to the needs of aged people. Any remainder income is to be used for the provision, endowment and financing of scholarships, fellowships and lectureships of all kinds connected with research in the field of geriatric medicine.
- b) The M K Dhole Income Fund is a restricted fund that receives the income from the M K Dhole permanent endowment. An award of £10,000 is made every 2 years which in the past has been used to part finance the Marjory Warren Fellowship and the Dhole Research Fellowship in conjunction with Research into Ageing. It will be awarded again in 2007/8.

THE BRITISH GERIATRICS SOCIETY**(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007 (Contd)**18. **FUNDS MOVEMENT IN YEAR (Contd)**

Notes (Contd):-

- c) The Donations and Grants Fund is a restricted fund which ensures that all voluntary gifts and donations received are used to make grants in the furtherance of the Society's objectives. During the year, £175,000 was transferred from the Society's unrestricted fund in support of the funding of grants. £125,000 of this was transferred to the Dhole Research Fellowship.
- d) The Special Interest Group Funds are restricted in so far as they are only to be used for charitable purposes in the particular special interest field.
- e) The Regional Funds are restricted in so far as they are only to be used for charitable purposes in the particular region of the United Kingdom.
- f) The Fixed Asset Fund, a designated fund, was set up to assist in identifying those funds that are not free funds. It represents the net book value of tangible assets and includes Marjory Warren House, the Society's registered office.
- g) The M A Kuck Research Fund, was designated to ear-mark the monies received from the estate of the late Dr M A Kuck, a former member, for a 3 year research fellowship. £132,656 was designated from general funds to bring the Fund up to £250,000. The fellowship is currently being advertised and the Society hopes to make the award in 2007/8.
- h) The Research Fund was designated to earmark funds for future research projects.
- i) The Revaluation Reserve Fund represents the accumulated unrealised gain on the Society's listed general investments.