

**THE BRITISH GERIATRICS SOCIETY**  
**(A Company Limited by Guarantee)**  
**REPORT OF THE UK MANAGEMENT COMMITTEE**  
**AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2006**

**Company No: 1189776**  
**(England and Wales)**

**Charity Number 268762**

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

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

President	Dr J Playfer
President Elect	Prof P Crome
Honorary Secretary	Dr D Beaumont
Deputy Honorary Secretary	Dr D Oliver (appointed 7 October 2005)
Meetings Secretary	Dr J A Pascual
Deputy Meetings Secretary	Dr M Vassallo
	Dr J Rowe (appointed 7 October 2005)
Honorary Treasurer	Prof M Gosney
Honorary Deputy Treasurer	Dr T Smith (appointed 19 May 2005)
	Dr D Cohen (appointed 18 May 2006)
	Dr J A Barrett
	Dr P K Myint (appointed 7 October 2005)
	Dr R Morse (appointed 31 May 2006)
	Dr D Forsyth
	Dr I M Rea (appointed 20 September 2005)
	Prof J Potter
	Dr D A Stewart
	Dr D Walshe (appointed 23 February 2006)
	Dr M Edwards (appointed 19 September 2005)
	Dr J Morris (appointed 7 October 2005)

**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 &amp; 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 2006**

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 2006:-

Directors who resigned on 7 October 2005:-

Dr K Kelleher  
Dr S Briggs  
Dr W E Wilkins

Dr O Corrado (resigned 31 May 2006)

**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 2006****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 2006 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 2006****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, Education and Training, Policy and Trainees 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 Birmingham and was well attended by 490 delegates. The content of the meeting covered a wide range of clinical and scientific interests. There were 3 guest lectures: Prof S Ebrahim, Prof G Lewith and Prof R Howard. The parallel sessions included clinical updates on oral malignancy, neurohabilitation, artificial feeding, heart failure and asthma. The SIG sessions featured Medical Ethics and Diabetes. There were 20 platform presentations, 70 research posters and 17 clinical effectiveness posters.

410 delegates attended the Autumn Meeting which was held in Harrogate for the second year running. Prof S Jackson gave the Marjory Warren lecture on the clinical pharmacology of ageing and the Trevor Howell lecture for visiting speakers was given by Associate Prof S Lord on the history of falls prevention research. The parallel sessions included topics as varied as deafness, lung disease, epilepsy, podiatry and nuclear medicine and the SIGs and Sections provided parallel sessions on Parkinsons Disease, Gastroenterology and Clinical Nutrition and New Technology in elderly care. A total of 38 research posters were on display, together with 33 on clinical practice evaluation. There were 19 platform presentations.

**THE BRITISH GERIATRICS SOCIETY**

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**REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2006**

The Falls and Bone Health Section held its 6<sup>th</sup> International Conference on Falls and Postural Stability in September 2005 which attracted 400 delegates from a wide range of disciplines and backgrounds.

The Cardiology Section held an Annual Meeting in April 2005 and a National SpR Meeting in London in February 2006.

**Publications**

In addition to the 2,200 Society members who currently receive Age & Ageing, there were 975 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 67 developing countries had free access to the journal as well as 60 middle-income countries that have greatly discounted rates.

A programme of rolling review of the Compendium documents was begun in April 2005. In addition, six new compendium papers were produced in the year – Advanced Directives, Admitting Patients with a Psychiatric Illness, Comprehensive Assessment, Health Promotion and Preventative Care, Continuing Care and Abuse of Older People.

Guidelines for ‘Depression in acquired brain injury’ were published in conjunction with the Royal College of Physicians in November 2005 and Delirium Guidelines were published in January 2006. Work has continued on the Pain Guidelines which are expected to be published in Autumn 2006.

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 Handbook was revised during the financial year and issued in May 2006. Information on the Society’s areas of involvement, structure and publications are published on the Society’s website ([www.bgs.org.uk](http://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. The Dhole Fellowship, co-funded with Research into Ageing, was awarded in November 2004 for 3 years for a research project relating to falls in older people. A new fellowship for research into ageing, the Marjory Warren Fellowship, was established during the financial year. It is also co-funded with Research into Ageing for 3 years. It will be awarded later in 2006.

The legacy monies received in 2005 from the late Dr M A Kuck, a former member, have been designated for a research fellowship which it is hoped will be awarded in 2006/7.

The Society has continued to support SpRs who are contemplating research by providing 10 SpR Start-Up and Travel grants totalling over £13,000. Five Medical Students Elective and Vacation Projects grants were also awarded totalling over £4,000. In addition, 15 Nurses Study grants and 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 was revised in 2005/6 as none had been awarded in the previous financial year. The amount of each grant was increased from £200 to a maximum of £500 for junior doctors’ attendance at the Society’s scientific meetings in the UK or at scientific meetings abroad where they are presenting a paper.

**THE BRITISH GERIATRICS SOCIETY****(A Company Limited by Guarantee)****REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2006**

The Society continues to place great emphasis on collaboration with the Royal Colleges, other specialist societies engaged in clinical research and charities who have a focus on the well-being of the older person.

As part of the Society's aim of promoting interdisciplinary care, a new Special Interest Group was established in 2005/6 for Nurse Consultants.

During the year, the Education and Training Committee undertook an Annual SpR Training Numbers Survey and a survey on Special Interest Training in the Geriatric Medicine Curriculum.

As part of the Society's policy of being an authoritative voice on health care and ageing, it provided responses to the National Institute for Clinical Excellence on Social Value Judgements and on the Nutrition in Adults Guidelines. The Society also responded to House of Commons Select Committees on Changes to Primary Care Trusts, Independent Sector Treatment Centres, Workforce Needs and Planning for the Health Service and responded to the Department of Health on Rehabilitation in the NHS and Social Care.

The Society's ongoing strategic role to play an important part in affairs overseas received a boost when, in late 2005, it won a competitive bid to take over the secretariat functions of the European Union Geriatric Medicine Society.

**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 26% to £1.55m and expenditure on charitable activities increased by 27% to £929k. Total resources expended of £1.09m resulted in a net inflow for the year of £463k (2005 £336k). After taking into account unrealised investment gains, total fund balances increased by £482k (2005 £334k) to £2.14m (2005 £1.66m).

The financial success of the Scientific Meetings and Age & Ageing's continued strong performance meant that 71% of the Society's gross income is derived from its charitable activities (2005 67%). Subscription income increased by only 2% due to the removal of the premises grant and the freezing of subscription rates for 2006. Voluntary income includes £66k (2005 £51k) legacy income from the late Dr M A Kuck.

Charitable expenditure accounts for 85% of total expenditure (2005 82%). Expenditure increased in all of the Society's main areas of activity – by 28% on scientific meetings, by 9% on publications and by 53% on the promotion of research, education and training.

A transfer of £80k was made from unrestricted funds into the grants fund, bringing its balance at 31 March 2006 to £213,774.

**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.

**THE BRITISH GERIATRICS SOCIETY****(A Company Limited by Guarantee)****REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2006****Investment Policy (continued)**

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. To this end, the Society placed £200,000 in a COIF Deposit Fund and invested in £200,000 of M&G Charifund units.

The average rate of return on investments has varied from 3.9% to 5.8% (2005 3.8% to 6.7%).

**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 2006 was £730,650 some 50% of unrestricted funds (2005 70%).

The trustees have also decided to designate £117,344 received from the late Dr M A Kuck's estate for a research fellowship to be awarded in the next 18 months.

The reserves policy of the Society is 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 level of unrestricted reserves at 31 March 2006 represents only 30 weeks (2006 17 weeks) of the Society's activity at current levels. The reserves position and policy will continue to be reviewed 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;

**THE BRITISH GERIATRICS SOCIETY**

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**REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2006****FUTURE PLANS continued**

- 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

**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.

**THE BRITISH GERIATRICS SOCIETY**

(A Company Limited by Guarantee)

**REPORT OF THE UK MANAGEMENT COMMITTEE AND DIRECTORS**

**FOR THE YEAR ENDED 31 MARCH 2006**

**APPROVAL**

This report was approved by the Board of Directors and UK Management Committee on 6 July 2006 and signed on its behalf.

Dr J Playfer MD FRCP  
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 2006 on pages 13 to 27. These financial statements have been prepared in accordance under the historical cost convention modified by the revaluation of fixed asset investments and the accounting policies set out on pages 17 to 19.

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 on page 9 the charity's trustees who are also the directors of the British Geriatrics Society and members of the UK Management Committee for the purposes of company law are responsible for the preparation of 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 Practice applicable to Smaller Entities, of the state of the group and charitable company's affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

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

6 July 2006

**THE BRITISH GERIATRICS SOCIETY**

(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 31 MARCH 2006****SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	<u>Notes</u>	<u>Restricted Funds</u> £	<u>Unrestricted Funds</u> £	<u>Total 2006</u> £	<u>Total 2005</u> £
<b>Incoming Resources</b>					
Incoming resources from generated funds:					
Voluntary income	2	41,928	66,316	108,244	93,473
Activities for generating funds	3	1,175	279,501	280,676	271,255
Investment Income	4	<u>16,350</u>	<u>41,320</u>	<u>57,670</u>	<u>38,359</u>
<b>Total incoming resources from generated funds</b>		<b><u>59,453</u></b>	<b><u>387,137</u></b>	<b><u>446,590</u></b>	<b><u>403,087</u></b>
Incoming resources from charitable activities:					
Scientific Meetings		202,597	704,888	907,485	641,449
Publications		-	<u>198,189</u>	<u>198,189</u>	<u>190,977</u>
<b>Total incoming resources from charitable activities</b>		<b><u>202,597</u></b>	<b><u>903,077</u></b>	<b><u>1,105,674</u></b>	<b><u>832,426</u></b>
<b>Total incoming resources</b>		<b><u>262,050</u></b>	<b><u>1,290,214</u></b>	<b><u>1,552,264</u></b>	<b><u>1,235,513</u></b>
Less costs of generating funds	5	-	141,566	141,566	149,031
Less governance costs	5	-	<u>19,431</u>	<u>19,431</u>	<u>16,289</u>
<b>Net incoming resources available for charitable application</b>		<b><u>262,050</u></b>	<b><u>1,129,217</u></b>	<b><u>1,391,267</u></b>	<b><u>1,070,193</u></b>
<b>Resources Expended on Charitable Activities</b>					
Scientific Meetings	5	180,283	496,343	676,626	528,804
Publications	5	-	154,660	154,660	141,604
Promotion of education & research	5	<u>65,097</u>	<u>32,373</u>	<u>97,470</u>	<u>63,533</u>
<b>Total resources expended on charitable activities</b>		<b><u>245,380</u></b>	<b><u>683,376</u></b>	<b><u>928,756</u></b>	<b><u>733,941</u></b>
Net incoming resources before transfers	6	16,670	445,841	462,511	336,252
Transfers between funds		<u>80,000</u>	<u>(80,000)</u>	-	-
Net incoming resources before investment gains		<u>96,670</u>	<u>365,841</u>	<u>462,511</u>	<u>336,252</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 2006 (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>2006</u> £	<u>Total</u> <u>2005</u> £
Net movements in funds for the year	-	96,670	365,841	462,511	336,252
Unrealised Investment Gain for year	<u>2,432</u>	<u>-</u>	<u>16,930</u>	<u>19,362</u>	<u>(2,333)</u>
NET MOVEMENT IN FUNDS FOR THE YEAR	2,432	96,670	382,771	481,873	333,919
Total Funds Brought Forward	<u>182,407</u>	<u>383,722</u>	<u>1,090,617</u>	<u>1,656,746</u>	<u>1,322,827</u>
TOTAL FUNDS CARRIED FORWARD	<u>184,839</u>	<u>480,392</u>	<u>1,473,388</u>	<u>2,138,619</u>	<u>1,656,746</u>

**THE BRITISH GERIATRICS SOCIETY**

(A Company Limited by Guarantee)

**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2006**

	<u>Notes</u>	<u>2006</u>		<u>2005</u>	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible Assets	9		730,650		730,992
Investments - Dhole Bequest	10(b)		312,052		323,578
Investments – general	10(c)		<u>422,860</u>		-
			1,465,562		1,054,570
<u>CURRENT ASSETS</u>					
Debtors	11	243,768		509,536	
Cash at bank and in hand		<u>1,085,657</u>		<u>908,741</u>	
			1,329,425		1,418,277
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>					
	12	<u>(656,368)</u>		<u>(816,101)</u>	
<u>NET CURRENT ASSETS</u>					
			<u>673,057</u>		<u>602,176</u>
<u>NET ASSETS</u>					
			<u>£2,138,619</u>		<u>£1,656,746</u>
<u>ACCUMULATED FUNDS</u>					
Unrestricted Funds:					
Other Charitable Funds			608,361		359,522
Revaluation Reserve	10(c)		16,930		-
Charitable Trading Fund			103		103
Designated Funds	18		<u>847,994</u>		<u>730,992</u>
Total Unrestricted Funds			1,473,388		1,090,617
Permanent Endowment	18		184,839		182,407
Restricted Income Funds	18		<u>480,392</u>		<u>383,722</u>
<u>MEMBERS FUNDS</u>					
	18		<u>£2,138,619</u>		<u>£1,656,746</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 6 July 2006 and signed on its behalf.

Prof M Gosney  
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 2006**

	<u>Notes</u>	<u>2006</u>		<u>2005</u>	
		£	£	£	£
<b><u>FIXED ASSETS</u></b>					
Tangible Assets	9		730,650		730,992
Investment in subsidiary company	10(a)		100		100
Investments - Dhole Bequest	10(b)		312,052		323,578
Investments – general	10(c)		<u>422,860</u>		<u>-</u>
			1,465,662		1,054,670
<b><u>CURRENT ASSETS</u></b>					
Debtors	11	449,378		482,878	
Cash at bank and in hand		<u>502,338</u>		<u>420,340</u>	
		951,716		903,218	
<b><u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u></b>					
	12	<u>(278,862)</u>		<u>(301,245)</u>	
<b><u>NET CURRENT ASSETS</u></b>					
			<u>672,854</u>		<u>601,973</u>
<b><u>NET ASSETS</u></b>					
			<u>£2,138,516</u>		<u>£1,656,643</u>
<b><u>ACCUMULATED FUNDS</u></b>					
Unrestricted Funds:					
Other Charitable Funds			608,361		359,522
Revaluation Reserve	10(c)		16,930		-
Designated Funds	18		<u>847,994</u>		<u>730,992</u>
Total Unrestricted Funds			1,473,285		1,090,514
Permanent Endowment	18		184,839		182,407
Restricted Income Funds	18		<u>480,392</u>		<u>383,722</u>
<b><u>MEMBERS FUNDS</u></b>					
			<u>£2,138,516</u>		<u>£1,656,643</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 6 July 2006 and signed on its behalf.

Prof M Gosney  
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 2006**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 2006 (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 2006 (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>2006</u> £	<u>2005</u> £
Donations and Covenants from individuals and charitable trusts set up in the estates of individuals	78	45
Donations from Charitable Trusts	4,450	12,520
Donations from Commercial Organisations	37,400	29,880
Legacies	<u>66,316</u>	<u>51,028</u>
	<u>108,244</u>	<u>93,473</u>

**THE BRITISH GERIATRICS SOCIETY**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006 (Contd)**

		<u>2006</u>		<u>2005</u>				
		£		£				
3.	<b><u>ACTIVITIES FOR GENERATING FUNDS</u></b>							
	Subscriptions	271,353		266,216				
	Other income	<u>9,323</u>		<u>5,039</u>				
		<u>280,676</u>		<u>271,255</u>				
4.	<b><u>INVESTMENT INCOME</u></b>							
	Income from listed investments	15,862		12,367				
	Interest receivable on cash deposits	<u>41,808</u>		<u>25,922</u>				
		<u>57,670</u>		<u>38,359</u>				
5.	<b><u>ANALYSIS OF TOTAL RESOURCES EXPENDED</u></b>							
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
	<b><u>Costs directly allocated to activities</u></b>							
	Staff Costs	90,290	6,073	38,735	46,617	12,652	194,367	183,565
	Conferences	-	-	626,002	-	-	626,002	482,003
	Journals	-	-	-	51,225	-	51,225	53,239
	Information & Education	8,482	-	20	35,467	-	43,969	33,046
	Grants, Awards & Prizes to individuals	-	-	-	-	67,677	67,677	33,433
	Committee Expenses	16,389	-	2,347	7,070	13,968	39,774	37,177
	Annual Report	-	5,061	-	-	-	5,061	2,843
	Audit Fee	-	6,650	-	-	-	6,650	5,600
	Bank Charges	2,074	-	-	-	-	2,074	2,559
	Legal Costs	-	60	-	-	-	60	30
	<b><u>Support costs allocated to activities</u></b>							
	Premises	4,577	298	1,791	2,687	597	9,950	18,237
	Depreciation	4,888	319	1,913	2,869	637	10,626	10,183
	Office Costs	12,414	810	4,858	7,286	1,619	26,987	27,300
	Other Costs	<u>2,452</u>	<u>160</u>	<u>960</u>	<u>1,439</u>	<u>320</u>	<u>5,331</u>	<u>10,046</u>
		<u>141,566</u>	<u>19,431</u>	<u>676,626</u>	<u>154,660</u>	<u>97,470</u>	<u>1,089,753</u>	<u>899,261</u>

**THE BRITISH GERIATRICS SOCIETY**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006 (Contd)**

6. <u>NET INCOMING RESOURCES</u>	<u>2006</u> £	<u>2005</u> £
The net incoming resources is stated after charging:		
Depreciation of Tangible Fixed Assets owned by the company	10,627	10,183
Loss on disposal of tangible fixed assets	815	2,468
Operating Lease rentals - hire of equipment	4,505	4,497
Audit Fees	<u>6,650</u>	<u>5,600</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>2006</u> £	<u>2005</u> £
<b>Gross incoming resources</b>	<b>971,957</b>	<b>790,592</b>
Total expenditure on charitable activities	348,449	289,020
Cost of generating funds	141,566	149,031
Governance costs	19,431	16,289
Investment gain/(loss)	<u>19,362</u>	<u>(2,333)</u>
<b>Net incoming resources</b>	<b>481,873</b>	<b>333,919</b>
Total funds brought forward	<u>1,656,643</u>	<u>1,322,724</u>
<b>Total funds carried forward</b>	<b><u>2,138,516</u></b>	<b><u>1,656,643</u></b>
<b>Represented by:</b>		
Restricted income funds	480,392	383,722
Permanent endowed funds	184,839	182,407
Unrestricted funds	<u>1,473,285</u>	<u>1,090,514</u>
	<b><u>2,138,516</u></b>	<b><u>1,656,643</u></b>

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>2006</u> £	<u>2005</u> £
Wages and Salaries - General	155,908	140,035
- Age & Ageing and honoraria	32,825	34,810
Pension Costs	16,784	12,835
Social Security Costs	<u>20,340</u>	<u>18,669</u>
	<u>225,857</u>	<u>206,349</u>

**THE BRITISH GERIATRICS SOCIETY**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006 (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 (2005- four).

No employee's total emoluments exceeded £60,000 during the year (2005- none).

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

During the year £13,585 (2005 - £11,106) 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 18 Members of the UK Management Committee during the year (2005 - 19).

Indemnity Insurance at a cost of £1,061 (2005 - £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 &amp; Buildings</u>	<u>Equipment</u>	<u>and Equipment</u>
<u>Cost</u>		<u>£</u>	<u>£</u>	<u>£</u>
At 1 April 2005	779,539	700,000	19,385	60,154
Additions	11,100	-	1,340	9,760
Disposals	(14,984)	-	-	(14,984)
At 31 March 2006	<u>775,655</u>	<u>700,000</u>	<u>20,725</u>	<u>54,930</u>
<u>Depreciation</u>				
At 1 April 2005	48,547	-	14,612	33,935
Provided in year	10,627	-	4,433	6,194
Written back on disposals	(14,169)	-	-	(14,169)
At 31 March 2006	<u>45,005</u>	<u>-</u>	<u>19,045</u>	<u>25,960</u>
<u>Net Book Value</u>				
At 31 March 2006	<u>£730,650</u>	<u>£700,000</u>	<u>£1,680</u>	<u>£28,970</u>
At 31 March 2005	<u>£730,992</u>	<u>£700,000</u>	<u>£4,773</u>	<u>£26,219</u>

**THE BRITISH GERIATRICS SOCIETY**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006(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>2006</u>	<u>Society</u>	<u>2005</u>
	£		£
(a) <u>Subsidiary Company</u>			
Shares at Cost as at 1 April 2005 and 31 March 2006	<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>2006</u>	<u>2005</u>
Listed Investments - UK	£	£
Market value at beginning of year	182,407	184,740
Unrealised investment gain/(loss)	<u>2,432</u>	<u>(2,333)</u>
Market value at end of year	184,839	182,407
Cash Deposits	<u>127,213</u>	<u>141,171</u>
Total Market Value at end of year	<u>312,052</u>	<u>323,578</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	-	-
Additions/(disposals)	202,961	-
Market value at end of year	219,891	-
Cash Deposits	<u>202,969</u>	-
Total market value at end of year	<u>422,860</u>	-
The historic cost of listed investments	<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 2006 (Contd)**

11.	<b><u>DEBTORS</u></b>	<b><u>2006</u></b>		<b><u>2005</u></b>		
		<b><u>Group</u></b>	<b><u>Society</u></b>	<b><u>Group</u></b>	<b><u>Society</u></b>	
	Due within one year:	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	
	Trade debtors	89,696	51,616	213,029	155,215	
	Amount due from subsidiary	-	343,047	-	205,156	
	Prepayments and Accrued Income	140,065	41,305	214,415	40,415	
	Other debtors	<u>14,007</u>	<u>13,410</u>	<u>82,092</u>	<u>82,092</u>	
		<u>243,768</u>	<u>449,378</u>	<u>509,536</u>	<u>482,878</u>	
12.	<b><u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u></b>	<b><u>2006</u></b>		<b><u>2005</u></b>		
		<b><u>Group</u></b>	<b><u>Society</u></b>	<b><u>Group</u></b>	<b><u>Society</u></b>	
		<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>	
	Bank Balance	49,017	49,017	-	-	
	Trade Creditors	6,468	6,468	79,384	40,691	
	Accruals and Deferred Income	531,143	189,436	638,284	205,353	
	Other Creditors	22,772	20,522	46,830	42,680	
	Taxation and Social Security	<u>46,968</u>	<u>13,419</u>	<u>51,603</u>	<u>12,521</u>	
		<u>656,368</u>	<u>278,862</u>	<u>816,101</u>	<u>301,245</u>	
13.	<b><u>ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS</u></b>					
		<b><u>Permanent Endowment</u></b>	<b><u>Restricted</u></b>	<b><u>Unrestricted</u></b>	<b><u>Charitable Trading</u></b>	<b><u>Total Funds</u></b>
	Tangible Fixed Assets	-	-	730,650	-	730,650
	Investments	184,839	127,213	422,860	-	734,912
	Net Current Assets	<u>-</u>	<u>353,179</u>	<u>319,775</u>	<u>103</u>	<u>673,057</u>
	Total Net Assets	<u>184,839</u>	<u>480,392</u>	<u>1,473,285</u>	<u>103</u>	<u>2,138,619</u>

**THE BRITISH GERIATRICS SOCIETY**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006 (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>2006</u>	<u>2005</u>
	£	£
Turnover	906,136	637,561
Cost of sales and administrative expenses	(580,307)	(444,921)
Interest receivable	<u>16,602</u>	<u>9,758</u>
Net profit	342,431	202,398
Amount gifted to Society	<u>(342,431)</u>	<u>(202,398)</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 £nil unpaid contributions (2005 - £454).

16. OTHER COMMITMENTS

As at 31 March 2006 the Society had the following annual commitments under non-cancellable operating leases for plant and machinery as follows:

	<u>2006</u>	<u>2005</u>
	£	£
Expiry Date:		
Within one year	179	156
Between one and five years	<u>1,794</u>	<u>4,331</u>

**THE BRITISH GERIATRICS SOCIETY**

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006 (Contd)**17. **RELATED PARTIES**

During the 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 £413. 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 1/4/05	Incoming Funds	Amounts Expended	Transfers & investment gains/(losses)	Balance at 31/3/06
		£	£	£	£	£
<b>Permanent Endowment</b>						
MK Dhole Bequest	a)	<u>182,407</u>	—	—	<u>2,432</u>	<u>184,839</u>
<b>Restricted Funds</b>						
MK Dhole Income	b)	141,706	16,350	-	(30,000)	128,056
Donations & Grants	c)	163,587	4,728	(64,541)	110,000	213,774
<b>Special Interest Groups (SIGs):d)</b>						
Cardiology		19,157	120,578	(78,360)	-	61,375
Bones & Falls		15,224	73,034	(60,026)	-	28,232
Parkinsons Disease		6,668	37,545	(34,045)	-	10,168
Other SIGs		28,883	6,525	(5,514)	-	29,894
Regions	e)	7,824	2,950	(2,738)	-	8,036
Other restricted funds		<u>673</u>	<u>340</u>	<u>(156)</u>	<u>-</u>	<u>857</u>
		<u>383,722</u>	<u>262,050</u>	<u>(245,380)</u>	<u>80,000</u>	<u>480,392</u>
<b>Designated Funds</b>						
Fixed Asset fund	f)	730,992	-	-	(342)	730,650
MA Kuck research fund	g)	-	-	-	<u>117,344</u>	<u>117,344</u>
		<u>730,992</u>	<u>-</u>	<u>-</u>	<u>117,002</u>	<u>847,994</u>
<b>Unrestricted Funds</b>						
Charitable Trading fund		103	-	-	-	103
Other unrestricted funds		<u>359,522</u>	<u>1,290,214</u>	<u>(844,373)</u>	<u>(180,072)</u>	<u>625,291</u>
		<u>359,625</u>	<u>1,290,214</u>	<u>(844,373)</u>	<u>(180,072)</u>	<u>625,394</u>
<b>Total Funds</b>		<u>1,656,746</u>	<u>1,552,264</u>	<u>(1,089,753)</u>	<u>19,362</u>	<u>2,138,619</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. It is currently being used to part finance the Marjory Warren Fellowship and £30,000 was transferred in the year for this purpose and also to finance the Dhole Research Fellowship in conjunction with Research into Ageing.

**THE BRITISH GERIATRICS SOCIETY****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006 (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, £80,000 was transferred from the Society's unrestricted fund in support of the funding of grants.
- 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. It is hoped that the fellowship will be awarded in 2006/7.