



‘ 2016 saw the emergence of new risks. Not just Brexit and the danger of attention and investment moving away from prevention but also new challenges in the world of work. From worsening stress and mental health to the unknown impact of zero hours contracts, occupational health faces new uncertainties. As Patron, I was pleased to see the response of the Society of Occupational Medicine, through its advocacy to policy makers, employers and employees, in highlighting the value of occupational health professionals and the need for good health at work. ’

**Lord Blunkett, SOM Patron**

**Trustees' report and financial statements  
for the year ended 31 December 2016**

## Contents

	Page
<b>About the Society</b> .....	2
<b>Annual report</b>	
Dr Sally Coomber – President .....	3
Nick Pahl – CEO .....	5
Dr Adrian Massey – Honorary Treasurer .....	7
<b>Legal and Administrative details</b> .....	11
<b>SOM Strategy / Strategic Support</b> .....	12
<b>Statement of Trustees' responsibilities</b> .....	15
<b>Independent auditor's report</b> .....	17
<b>Consolidated statement of financial activities</b> .....	19
<b>Balance sheets</b> .....	21
<b>Consolidated Statement of Cash Flow</b> .....	22
<b>Notes to financial statements</b> .....	23
<b>Education Panel report</b> .....	37

With responsibility for people's health and wellbeing increasingly falling on employers, Occupational Health can play a vital role in supporting them to put in place an effective framework. The valuable contribution that Occupational Health professionals can make to an organisation can be far wider than is often realised – not only by providing effective rehabilitation and return-to-work strategies when people are already ill but giving expert advice and introducing initiatives to help prevent ill health in the first place. Employers that invest in this area are likely to more than reap the benefits in terms of better health outcomes for staff but also from their increased engagement and loyalty.

### **Rachel Suff**

*Policy Lead for Health and Wellbeing*

*Chartered Institute of Personnel Development*

## About the SOM

The Society of Occupational Medicine (SOM) is the UK organisation for all healthcare professionals working in or with an interest in occupational health. The Society stimulates interest and research in multidisciplinary occupational health and medicine and works with the government, the healthcare community, health charities and other bodies to promote a healthier workforce. It acts as the voice of multidisciplinary occupational health and medicine, responding to Government consultative documents and media enquiries on issues affecting the speciality. A national leader in providing continued professional development and education for all doctors and healthcare professionals working in occupational health, it is also a forum for the exchange of ideas, best practice and networking opportunities through special interest groups, webinars and an annual conference. The SOM was founded in 1935 as the Association of Industrial Medical Officers, changed its name to become the Society of Occupational Medicine in 1965 and in 2012, opened its membership to health professionals working in occupational health.

## Annual Report from Dr Sally Coomber, President



I feel privileged to present to you the SOM's 2016 annual report. We are well on the way to developing a new strategy– with a focus on improving support to members, assertively advocating for occupational health and medicine and modernising SOM as an organisation. In 2016 we expanded services to members, starting a new international members group, hosted webinars, and negotiated member discounts for products such as accountancy. We also planned new services for 2017 (such as a new peer support service, professional malpractice insurance for nurses and starting up new special interest groups). We also offered a new free student membership.

SOM broke new ground with Lord Blunkett becoming our Patron. Lord Blunkett hosted a stakeholder event at the House of Lords for us, around occupational health's role in the Government's plans to halve the disability employment gap.

SOM also contributed to a BMA report on the recruitment crisis within occupational health and provided background material and briefing papers to Westminster, the Welsh Assembly health committee chair, and officials in Scotland.

Our well received "Why occupational health?" campaign, with the Faculty, set out to encourage people, particularly GPs, to understand more about what we do.



*Lord Blunkett  
with Cosby*

Sally Coomber (right) pictured with the Northern Ireland Regional Group



Below: Members of the Scottish Regional Group with Sally Coomber and Nick Pahl



A key piece of work in 2016 was to modernise our constitution, which will be reviewed by members in 2017. We also invested in a new website and member database, so we are now confident that our IT systems are robust and up to date.

Looking to the future, we will continue to innovate, with members at the heart of what we do. Our success will depend on the charity being able to recruit new members so we can invest in new services for members. The charity's financial position is outlined in the report by our Honorary Treasurer, Dr Adrian Massey, but it does demonstrate lower than expected revenue from membership fees as well as extra costs to modernise SOM's systems and accurately reflect conference costings from 2014-6.

I wish to record my gratitude to all SOM members and to the SOM Executive and Council Trustees who contribute so much. In my travels, I have also been very grateful to those members who contribute to the organisation of regional groups in the UK and to fellow members of the International Occupational Medicine Society Collaborative. Our achievements warrant recognition for our dedicated staff, who professionally accommodated significant staff change with recruitment to both the CEO and Operations Manager positions. Thank you all for your expertise and commitment.

from Nick Pahl, CEO



Our 2016 activity focused on three aims. Firstly, increased value for members through tangible benefits, fostering a sense of community, and attracting new members. We started a student membership scheme, built our new website and planned a new peer support service. We offered educational events in addition to the conference such as a Journal reviewers' workshop, appraiser training, new webinars and ended the year with Christmas drinks for new members.

Secondly, we continued to raise the regional, national and international profile of occupational health and medicine. Nationally we met with key stakeholders such as:

- The Department of Health and Work and Pensions
- Charities such as Age UK, and MIND
- Industry bodies such as CIPD, TUC, and the CBI
- Think Tanks such as the Health Foundation and the RSA
- The National School of Occupational Health
- Association of Directors of Public Health
- Public Health England – including contributing to a suicide prevention toolkit
- NICE – responding to draft guidelines on workplace health.

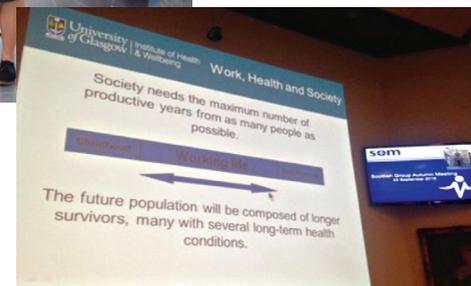
SOM is a member of the Council for Work and Health which brings together the sector to discuss key issues and also the All Party Parliamentary Group on Safety and Health.

SOM also attended a launch of the new HSE strategy on health with Penny Mordaunt MP, Minister of State for Disabled People, Work and Health (see picture left).

Regionally, we were pleased that a joint event was planned with the Chartered Institute of Environment

and Human Factors and a regional group, in addition to an excellent range of regional events around the UK.

A poignant slide from SOM Scottish Group meeting



SOM also showcased occupational health through our partnership with the Royal Society of Medicine and exhibiting at conferences such as by the Medical Council on Alcohol.

Lastly, SOM must be a cost effective and efficient organisation, with a stable business model and good governance. The Council and Executive ensures activity is in line with strategy at each meeting, reviewing decisions such as the office move, the SOM stakeholder map and proposed constitutional changes. There were challenges this year with the SOM IT system suffering from two serious Virus attacks. We have as a result had to invest to ensure our IT systems can robustly avoid such attacks in the future.

Looking forward, a key focus will be to increase membership. We also will continue to focus on ensuring there is awareness of occupational health and what it has to offer.

## International Membership of the SOM

For many years there was an overseas section of the SOM for members working outside the UK or based in the UK working internationally. Often, they were unable to attend meetings and participate (although they were offered reduced subscriptions). In 2016, we reviewed the purpose of this group and decided to reform as the International Group. The purpose is to provide a forum for those working in the international sphere, to keep members abroad in touch with scientific and medico legal developments in the UK, and to support the education and development of members in developing countries. We have established quarterly webinars and planned an International Occupational Health meeting at the Royal Society of Medicine. There will also be a break out meeting on the first day of the SOM/FOM Conference in June 2017.

We now hope to offer real benefit to all those with an interest in the practice of Occupational Medicine internationally.

**Dr Will Ponsonby – Chair, SOM International Group**



## The Honorary Treasurer's Report – 2016

This year's headline figures are reassuring. The Society's accounts show a small operating surplus at year end. We maintain healthy reserves meaning that we could weather any sudden and unexpected decline in short to medium term revenues. That said, there are matters that warrant a degree of concern and some of the policy responses being considered by the Executive are discussed below.

First, longer term trends. Whilst the steady attrition in membership numbers – reflective of the ageing demographic profile of the specialty – has slowed following the introduction of an Associate Member category, there is as yet no year-on-year trend of membership growth. This in my view is the single most important existential threat to the Society. A steady influx of new members to replace (and ideally outpace) the departure of retiring members is the lifeblood of any membership organisation such as ours. The Executive have considered a range of measures as part of the membership strategy and a few merit particular mention.

Whilst a relatively high proportion of physicians practicing occupational medicine are already Society members, the target audience of potential Associate members – especially occupational health nurses – is more poorly penetrated. The Royal College of Nursing's withdrawal of an indemnity offering for this group has provided a fortuitous opportunity for us to market an alternative to them, an ideal means of incentivising Associate membership. Hence we have partnered with James Hallam Insurance brokers and this product will be reaching market shortly.

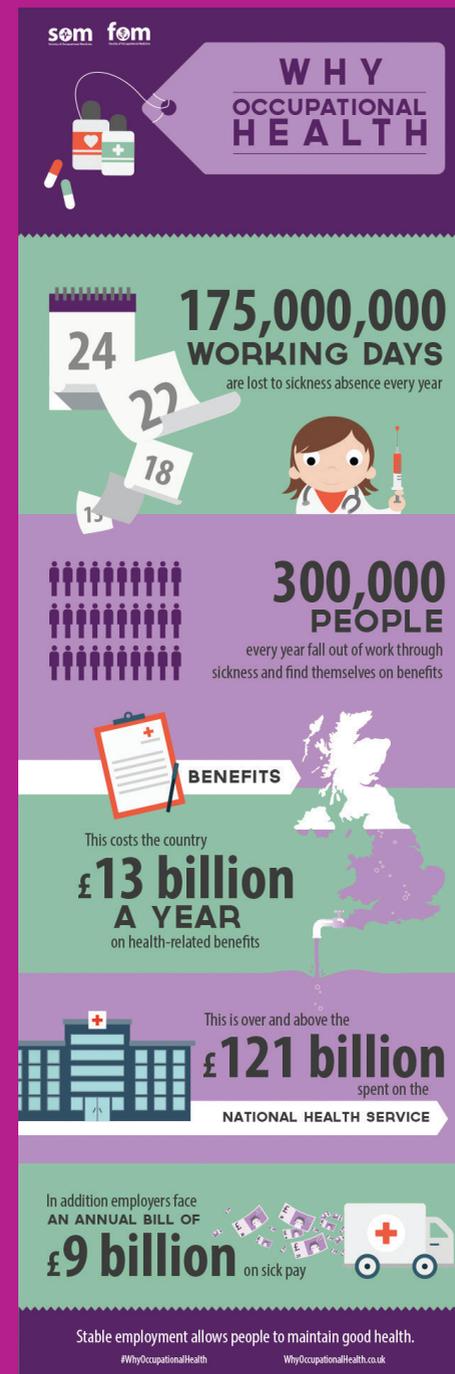
Other considerations include offering volume discounts on membership subscriptions to organisations employing large numbers of occupational health professionals and who are keen that their clinicians benefit from membership of the Society. Evidently the commercial details of this would be subject to negotiation, primarily the volume of memberships being purchased. The concept of volume discounts has been a controversial proposal for some, but the principle of purchasers benefitting from economies of scale is well established for membership organisations and the urgency

of redressing the steady decline in membership numbers should not be understated.

The Executive also recognises the vital role played by the Regional Groups in recruitment and retention of members, and is open to new ideas about how this activity can be supported over and above the Regional Grants that are paid periodically. For example, use of central funds for events where a significant number of healthcare professionals who are not currently members – but who would be eligible to join – are likely to be in attendance and where there would be an ideal opportunity for the Society to market the benefits of membership. We would welcome any feedback or suggestions from members as to how the Executive might be able to better assist the Groups in attracting new members.

Revenue from the Journal remains healthy and all thanks are due to the team working so hard to produce what is undoubtedly one of the Society's most highly-prized assets, especially Dr John Hobson. Similarly income from job advertisements remains steady in what has been a period of sustained recruitment activity within the occupational health sector over recent years.

There is steady growth in the uptake of the Society's Quality Assured Appraisal Scheme, but the Executive are concerned that – when all support costs are attributed – it has yet to break even. In principal members benefitting from QAAS should not do so at the expense of others who do not need to, or choose not to, use the Scheme. Last year's significant increase in the cost of an appraisal under the scheme was necessary in order to increase the appraisal fee paid to appraisers, this having been frozen for some years beforehand and having fallen behind market rates. There is now limited headroom for any further above-inflationary increases to the appraisal fee charged to members, meaning that improving the cost-efficiency of the Scheme is really the only remaining lever if it is to be self-sustaining. For that reason we are considering moving away from an item-of-service model (which, in scale, is incompatible with offering appraisals to members at a market rate and on a cost-neutral basis for the membership as a whole) and towards engaging appraisers on a day-rate basis.



Aside from these long-term trends affecting the Society's financial standing there have been a number of exceptional expenditures and accounting changes. There has been considerable investment in IT, including migration to a new membership database and website (support for the increasingly dated service that was formerly used having expired this spring), and signing a contract for IT support with a new supplier after negative feedback from staff about the quality of service from the incumbent.

In the preparation of this year's accounts a VAT anomaly dating back several years has been identified, meaning that the returns for the last few years have been restated. This is not a case where VAT due has gone unpaid, but there has been a miscommunication between third parties within the Society's supply chain as to whether stated conference income was inclusive or exclusive of VAT. The consequence is that the actual cost to members to attend recent ASM's has been lower than intended, and the Society has collected less revenue from these events than was originally understood. Partly as a result of these issues, we are in the process of reviewing accountancy support for the Society to ensure stringent diligence within all our financial reporting.

Unfortunately, we were subject to a financial loss of £5.9k when a member of staff fulfilled a fraudulent request for payment after a targeted email fraud (the Society received an email from fraudsters purporting to be an organisation in our supply chain). As a result of this incident, Information Security awareness and training is being introduced as part of the routine induction and training of Society staff.

This is my final report as Honorary Treasurer to the Society and I would like to thank all those who have provided wise counsel during my term, particularly my predecessor Stuart Allison. It has been my pleasure to work initially with Hilary Todd, who has been a veritable stalwart for the Society, and latterly Nick Pahl: whose enthusiasm and vision for the future is already bearing fruit with the growing profile of the Society.

Adrian Massey  
Honorary Treasurer

## Legal and administrative details for the year ended 31 December 2016

<b>Status</b>	The Society of Occupational Medicine is a registered charity in England & Wales (1965) and Scotland (2010)	
<b>Governing document</b>	The charity was established in 1965 under a Constitution which established the objects and powers of the charity and is governed by its Constitution	
<b>Charity numbers</b>	England and Wales: 268555; Scotland: SC041935	
<b>Registered office</b>	20 Little Britain, London EC1A 7DH	
<b>Trustees</b>	Dr Robin Cordell	President up to 28th June 2016 and Immediate Past President after 28th June 2016
	Dr Sally Coomber	President (from 28th June 2016) And President Elect up to 28th June 2016
	Dr Paul Williams	President Elect (from 7 July 2016)
	Dr Eva D'Souza	Honorary Secretary (up to 28th June 2016)
	Dr Antony Mawson	Honorary Secretary (from 28th June 2016)
	Dr Adrian Massey	Honorary Treasurer
	Dr Stuart Allison	(Chair Education Panel)
	Dr Paul Williams	(Chair, East Midlands Group)
	Dr Helena Nixon	(Chair, West Midlands)
	Dr Neil Smith	(Chair, Yorkshire)
	Dr Richard Taylor	(Chair, South Wales & West of England)
	Dr Susy Gillibrand	(Chair, Central Southern Group)
	Dr David Fox	(Chair, North West Group)
	Dr Ileana St Claire	(Chair, London Group)
	Dr Danny Wong	(Chair, North East Group)
	Dr David Mills	(Chair, Northern Ireland)
	Dr Drushca Laloo	(Chair, Scotland)
<b>Chief Executive</b>	The Hon Hilary Todd ( <i>to 30 April 2016</i> ) Mr Nicholas Pahl ( <i>from 1 May 2016</i> )	
<b>Bank</b>	Lloyds Bank plc, Kings Cross Branch, PO Box 1000, BX1 1LP	
<b>Auditors</b>	PKF LittleJohn LLP, 1 Westferry Circus, Canary Wharf, London E14 4HD	
<b>Investment managers</b>	Investec Wealth & Investment Limited, 30 Gresham Street London EC2V 7QN	
<b>Solicitors</b>	Hempsons Solicitors, Hempsons House, 40 Villiers Street, London WC2N 6NJ	

**Our vision:** Work Well, Be Well, Live Well

**Our goal:** Healthy People through Healthy Work

- Representing the multi-disciplinary occupational health professions and their skill sets
- Promoting and supporting best practice, standard setting, education and training in occupational health
- Stimulating research and evidence-based occupational health practice
- Addressing the health needs in respect of work of the general public
- Administering a robust and representative governance structure that stands up to public scrutiny

The Trustees present their report and the audited financial statements for the year ended 31 December 2016. Legal and administrative information set out on the previous page forms part of this report. The consolidated financial statements comply with current statutory requirements, the Constitution and the Statement of Recommended Practice – Accounting and Reporting by Charities (England and Wales), and the Charities Accounts (Scotland) Regulations.



*Dr Justin Varney National Lead for Adult Health and Wellbeing from Public Health England, speaking at the SOM/FOM conference*

### Objects of the Charity

The objects of the Society of Occupational Medicine (SOM) shall be to form a group of medical men and women and other allied health professionals interested in the practice of occupational medicine in any of its branches, for the purposes of;

- (a) Prevention and management of occupational diseases and injuries and the protection of health of people at work,
- (b) Advancing education, including the promotion and stimulation of research in the field of occupational health and environmental issues relating thereto, in particular by the publication of such research and the provision of guidance and advice on occupational health and environmental health issues;
- (c) With a view to furthering the above objects;
  - (i) Co-operating with other interested professional bodies;
  - (ii) Making representations to medical, governmental and other such bodies as may be concerned with any of the aspects of occupational medicine; and
  - (iii) Doing all such other things as are necessary.

The majority of the SOM's funds are raised through membership subscriptions.

Results for the year show net income of £434 (2015: net expenditure £11,120 restated). Funds of the Group as at 31 December 2016 amounted to £853,971 (2015: £853,537 restated).

### Organisational structure

The SOM employs 6 members of staff: one chief executive officer, one operations manager, one assistant editor, one communications and events co-ordinator, one professional development administrator and one membership assistant. It also contracts with an international consultant, appraisal lead and (via

FOM) a policy lead. The Society Council consists of 5 elected officers, the chairman of the education panel, the chairmen of the SOM's 10 regional groups and up to 3 co-opted members. The Executive Committee of the Council consists of the 5 elected officers, the chairman of the education panel and the chief executive officer. (During the accounting period, the SOM also funded a part time communications consultant.)

### Related parties and connected organisations

The SOM is not involved as a legal entity with any other parties except by membership and through contracts for services. The SOM is an independent organisation. Voting rights are extended to full and affiliate members.

### Accounting policies

The Society has adopted the recommendations and is committed to full compliance with SORP 2015. Changes have been made to accounting policies regarding QAAS. The accounting policies were reviewed and approved by Council in June 2016.

### Investment powers and policy

Council reviewed and approved the Investment policies in June 2016. The Charity has appointed its investment managers to provide a discretionary portfolio management service. The investment objective is for a long term positive return and is a balance between income and capital growth, generated with a low – moderate level of risk, and the interest generated by the income. The investment objective of the Golden Jubilee Award is for a long term positive return and is a balance between income and capital growth generated, with a moderate level of risk, and the interest generated by the income. Funds are not invested in manufacturers of tobacco products. The performance in the financial year was

affected by fluctuations in the stock market but was generally in line with expectations.

### Golden Jubilee Fund

The purpose of the Golden Jubilee Fund is to provide an award in the order of £2,000-£4,000 for a travelling research project each year.

### Reserves Policy and going concern

The Society's reserves have continued to support the Society's aim of increasing the educational activities to meet the needs of Professional Revalidation as required by the General Medical Council, and to provide the Society with the necessary infrastructure with respect to administration and premises. Regular meetings with the Society's investment managers to review the portfolios take place to ensure that an appropriate, ethical and productive reserves policy is maintained. Funds can then be available to support the charity's aims and objectives and to facilitate improved administrative processes, through modernisation of information technology systems, and to support the educational activities of the Society's regional groups. This investment in turn supports the membership and promotes good practice and governance. It is the Society's target to maintain a level of free reserves to cover six months core expenditure. Free reserves in the unrestricted fund at the year-end amounted to £579,577, taking into account the net book value of fixed assets. [Being the unrestricted fund balance (£544,580 + £92,931) less the fixed assets (£53,088 + £4,846)]. This exceeds 5 months' core expenditure and is considered to be satisfactory. The reserves policy was reviewed by Council in June 2016.

### Policy for Awards and Prizes

All awards and prizes are approved directly by Council or under the direction of Council. All awards and prizes are made singly and do

not support activity projected to last beyond one financial year. The policy was reviewed by Council in June 2016.

### Risk Statement

The Charity Commission requires the Trustees examine the major risks to which the Society is exposed and to establish systems to mitigate these risks. The Honorary Treasurer and Chief Executive regularly review the register of risks. The register is additionally reviewed each year on four specific occasions by either the Council or Executive. It has been reviewed again this year and improvements made to reflect the changing external environment and best practice in the charities sector. The risk analysis was reviewed and approved by Council at the June 2016 meeting.

### Public benefit statement

The Society's activities focus on practical support for doctors practising occupational medicine, the speciality of workplace health and wellbeing, and allied occupational health professionals involved in the health of the working age population. It promotes the principle that work is a cornerstone of a healthy and fulfilling life. It supports employers and employees in the promotion and maintenance of health at work. It also works in collaboration with other professional groups with interest in workplace and environmental health in the United Kingdom and abroad. The Trustees consider that the charity has complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

### Appointment of Trustees

Under the terms of the Society of Occupational Medicine Constitution, by virtue of their office, the Trustees are the members of the Society Council. The substantive officers, elected by the membership, are the President, the Immediate Past President and the President Elect and the

period of office is one year each; the Honorary Secretary and Honorary Treasurer elected by the membership for one year and shall be eligible respectively for re-election for a second, third, fourth and fifth consecutive year of office. These substantive officers are charged with conducting the affairs of the Society, empowered to act for the Society in all matters but shall be bound by any policy of decision or direction received from the Council. The other members are the Chair of the Education Panel, appointed by Council for three years and shall be eligible for re-appointment for a further two years, the Chairpersons of the Regional Groups appointed by the group members and up to 3 co-opted members who shall serve for a maximum of three years. All Council members shall cease to be Trustees on completion of their term of office.

### Induction

On election/appointment, each new trustee is given an induction pack of essential information: a trustee role description, the governing document, annual reports and accounts and minutes of previous trustee meetings. By virtue of their office, the substantive officers are members of both the Society Council and Executive Committee and have the opportunity to meet and get to know their fellow Trustees. A new trustee is given the opportunity to find out about the organisation through meetings with key members of staff and visiting the administrative offices for briefings. External training is provided.

### Auditors

PKF LittleJohn were appointed auditors' this year. A resolution to appoint the 2017 auditors of the charity will be put to the Annual General Meeting in June 2017.

## Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Charity law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the group and parent charity and of the incoming resources and application of resources of the group and parent charity for the year. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 and regulations made thereunder. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of

the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

This report was approved and authorised by the Trustees on 27 June 2017 and signed on their behalf by



Dr Adrian Massey  
Honorary Treasurer



Dr Tony Mawson  
Honorary Secretary

## Independent auditors report to the Trustees of the Society of Occupational Medicine

We have audited the financial statements of The Society of Occupational Medicine for the year ended 31 December 2016 which comprise Consolidated Statement of Financial Activities, the Group and Parent Charity Balance Sheet, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under Section 154 of the Charities Act 2011 and under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under Section 151 of the Charities Act 2011 and report in accordance with regulations made under those Acts. Our

responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

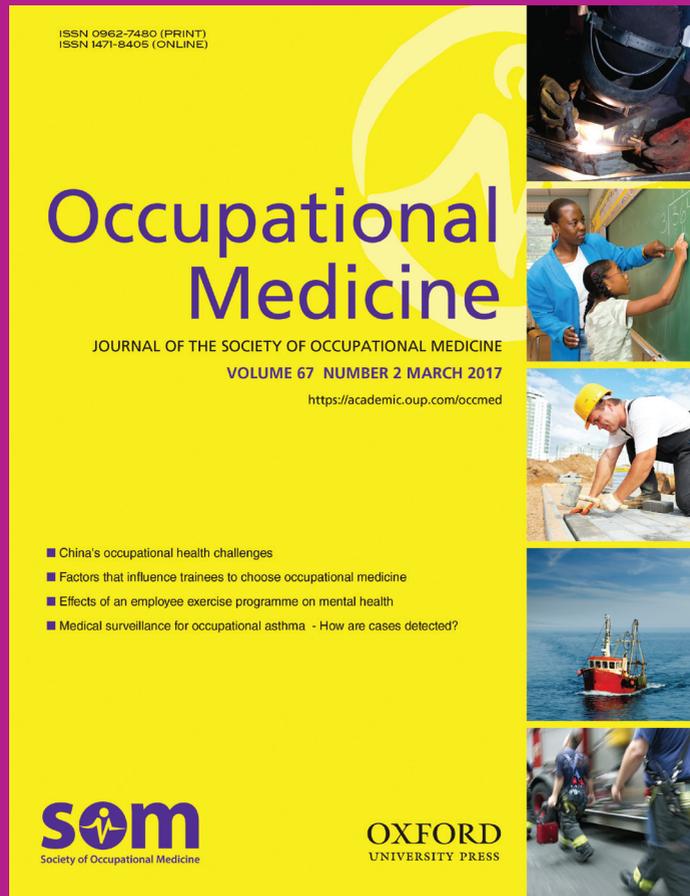
### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2016 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance



*SOM members greatly enjoy our journal, Occupational Medicine, which goes from strength to strength thanks to our excellent editor, editorial board, reviewers and support of Oxford University Press.*

- with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**PKF Littlejohn LLP**

1 Westferry Circus  
Statutory auditor

Canary Wharf  
London E14 4HD

PKF Littlejohn LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Date ..... 2017

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

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- proper and sufficient accounting records have not been kept; or

“ In 2016, there were 915,000 full text downloads of articles published in *Occupational Medicine*. In 2017, we estimate that a million articles will be downloaded around the world. These articles are being read and used by occupational health practitioners in their everyday work. This incredible statistic demonstrates the importance of *Occupational Medicine* and the research it publishes within the global occupational health community. It is a privilege to work with such a dedicated editorial team and our publishers, Oxford University Press in ensuring that the journal and the Society contributes to the world's occupational health. ”

**Dr John Hobson – editor**

**Consolidated Statement of Financial Activities (incorporating an income and expenditure account)  
For the year ended 31 December 2016**

	Note	Group Funds £	Central Funds £	Designated Funds £	Permanent Endowment Fund £	2016 Total £	Re-stated 2015 Total £
<b>Income and endowments from:</b>							
Donations and legacies	3	–	9,790	–	–	9,790	1,000
Charitable activities:	4						
Member services		–	256,756	–	–	256,756	203,473
Member meetings		18,046	–	–	–	18,046	16,667
The Journal		–	153,560	–	–	153,560	205,522
Quality Assured Appraisal Scheme		–	209,860	–	–	209,860	166,200
Investment income	5	28	13,812	2,426	–	16,266	15,346
Other trading activities	6	–	157,273	–	–	157,273	153,697
<b>Total income</b>		<b>18,074</b>	<b>801,051</b>	<b>2,426</b>	<b>–</b>	<b>821,551</b>	<b>761,905</b>
<b>Expenditure on:</b>							
Raising funds	7	–	5,691	805	–	6,496	5,588
Charitable activities:	7						
Member services		–	101,837	–	–	101,837	97,977
Member meetings		15,896	53,606	–	–	69,502	61,497
Journal costs		–	181,665	–	–	181,665	185,458
Quality Assured Appraisal Scheme		–	254,597	–	–	254,597	208,569
Other:							
Awards and prizes	9	800	1,462	4,000	–	6,262	5,480
Corporate affairs	7	–	113,072	–	–	113,072	86,827
Commercial trading costs	7	–	113,396	–	–	113,396	115,635
<b>Total expenditure</b>		<b>16,696</b>	<b>825,326</b>	<b>4,805</b>	<b>–</b>	<b>846,827</b>	<b>767,031</b>
<b>Net income before net gains / (losses) on investments</b>		<b>1,378</b>	<b>(24,275)</b>	<b>(2,379)</b>	<b>–</b>	<b>(25,276)</b>	<b>(5,126)</b>
Realised and Unrealised gains/(losses)		–	15,304	4,147	6,259	25,710	(5,994)
<b>Net income/ (expenditure) for the year</b>	<b>8</b>	<b>1,378</b>	<b>(8,971)</b>	<b>1,768</b>	<b>6,259</b>	<b>434</b>	<b>(11,120)</b>
Transfers between funds	18	3,866	(3,866)	–	–	–	–
<b>Net movement in funds</b>		<b>5,244</b>	<b>(12,837)</b>	<b>1,768</b>	<b>6,259</b>	<b>434</b>	<b>(11,120)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward as previously stated		87,687	621,215	79,753	128,680	917,335	890,332
Prior year adjustment	24	–	(63,798)	–	–	(63,798)	(25,675)
Balances brought forward 1 Jan as restated		87,687	557,417	79,753	128,680	853,537	864,657
<b>Total funds carried forward</b>		<b>92,931</b>	<b>544,580</b>	<b>81,521</b>	<b>134,939</b>	<b>853,971</b>	<b>853,537</b>

All amounts relate to continuing operations. The Group has no other gains or losses other than the result for the period. The attached notes form part of these financial statements.

**Statement of Financial Activities – Charity (incorporating an income and expenditure account)**  
For the year ended 31 December 2016

	Note	Group Funds £	Central Funds £	Designated Funds £	Permanent		Re-stated
					Endowment Fund £	2016 Total £	2015 Total £
<b>Income and endowments from:</b>							
Donations and legacies	3	–	1,000	–	–	1,000	46,615
Charitable activities	4						
Member services		–	256,756	–	–	256,756	203,473
Member meetings		18,046	–	–	–	18,046	16,667
The Journal		–	153,560	–	–	153,560	205,522
Quality Assured Appraisal Scheme		–	209,860	–	–	209,860	156,000
Investment income	5	28	13,812	2,426	–	16,266	6,602
Other income	6	–	30,380	–	–	30,380	18,272
Fair value of gifted net assets	23	–	–	–	–	–	351,879
<b>Total Income</b>		<b>18,074</b>	<b>665,368</b>	<b>2,426</b>	<b>–</b>	<b>685,868</b>	<b>1,005,030</b>
<b>Expenditure on:</b>							
Raising funds	7	–	5,691	805	–	6,496	2,431
Charitable activities:	7						
Member services		–	101,837	–	–	101,837	97,977
Member meetings		15,896	53,606	–	–	69,502	61,497
Journal costs		–	181,665	–	–	181,665	185,458
Quality Assured Appraisal Scheme		–	254,597	–	–	254,597	208,569
Other:							
Awards and prizes	9	800	1,462	4,000	–	6,262	5,480
Corporate affairs	7	–	113,072	–	–	113,072	86,827
<b>Total expenditure</b>		<b>16,696</b>	<b>711,930</b>	<b>4,805</b>	<b>–</b>	<b>733,431</b>	<b>648,239</b>
<b>Net income before net gains / (losses) on investments</b>		<b>1,378</b>	<b>(46,562)</b>	<b>(2,379)</b>	<b>–</b>	<b>(47,563)</b>	<b>356,791</b>
Realised and Unrealised gains/(losses)		–	15,304	4,147	6,259	25,710	4,579
<b>Net income/ (expenditure) for the year</b>	<b>8</b>	<b>1,378</b>	<b>(31,258)</b>	<b>1,768</b>	<b>6,259</b>	<b>(21,853)</b>	<b>361,370</b>
Transfers between funds	18	3,866	(3,866)	–	–	–	–
<b>Net movement in funds</b>		<b>5,244</b>	<b>(35,124)</b>	<b>1,768</b>	<b>6,259</b>	<b>(21,853)</b>	<b>361,370</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward as previously stated		87,687	621,215	79,753	128,680	917,335	533,465
Prior year adjustment	24	–	(33,000)	–	–	(33,000)	(10,500)
Balances brought forward 1 Jan as restated		87,687	588,215	79,753	128,680	884,335	522,965
<b>Total funds carried forward</b>		<b>92,931</b>	<b>553,091</b>	<b>81,521</b>	<b>134,939</b>	<b>862,482</b>	<b>884,335</b>

All amounts relate to continuing operations. The charity has no other gains or losses other than the result for the period. The attached notes form part of these financial statements.

**Balance Sheet**  
As at 31 December 2016

	Note	2016		Re-stated 2015	
		Group £	Charity £	Group £	Charity £
<b>Fixed Assets</b>					
Intangible assets	11	53,088	53,088	–	–
Tangible fixed assets	12	4,846	4,846	2,197	2,197
Investments	13	570,513	570,523	528,596	528,606
		<b>628,447</b>	<b>628,457</b>	<b>530,793</b>	<b>530,803</b>
<b>Current Assets</b>					
Stock	14	250	250	250	250
Debtors	15	144,728	189,272	160,105	221,584
Cash at bank and in hand		245,207	205,175	315,586	268,194
		<b>390,185</b>	<b>394,697</b>	<b>475,941</b>	<b>490,028</b>
<b>Current Liabilities</b>					
Creditors: amounts falling due within one year	16	(164,661)	(160,672)	(153,197)	(136,496)
<b>Net Current Assets</b>		<b>225,524</b>	<b>234,025</b>	<b>322,744</b>	<b>353,532</b>
<b>Net Assets</b>	<b>19</b>	<b>853,971</b>	<b>862,482</b>	<b>853,537</b>	<b>884,335</b>
<b>Represented by:</b>					
<b>Funds</b>	<b>18</b>				
Group funds		92,931	92,931	87,687	87,687
Central funds		544,580	553,091	557,417	588,215
Designated funds		81,521	81,521	79,753	79,753
Permanent endowment fund		134,939	134,939	128,680	128,680
<b>Total Funds</b>		<b>853,971</b>	<b>862,482</b>	<b>853,537</b>	<b>884,335</b>

The financial statements were approved by the Board of Trustees for issue on 27 June 2017 and were signed on its behalf by:

Dr Adrian Massey *Honorary Treasurer*

Dr Anthony Mawson *Honorary Secretary*

The attached notes form part of these financial statements.

**Consolidated Statement of Cash Flow**  
**For the year ended 31 December 2016**

Note	2016	2016	Re-stated	
			2015	2015
	£	£	£	£
<b>Cash flows from operating activities:</b>				
Net cash provided by/ (used in) operating activities	a	(13,036)		(16,720)
<b>Cash flows from investing activities:</b>				
Dividends, interest from investments		16,266	15,346	
Purchase of intangible assets		(53,088)	–	
Proceeds from the sale of property, plant and equipment		–	–	
Purchase of office equipment		(4,314)	(980)	
Proceeds from sale of investments		282,308	86,294	
Purchase of investments		(298,515)	(70,620)	
<b>Net cash provided by / (used in) investing activities</b>		<b>(57,343)</b>		<b>30,040</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(70,379)</b>		<b>13,320</b>
Cash and cash equivalents at the beginning of the year		315,586	302,266	
<b>Cash and cash equivalents at the end of the year</b>	<b>b</b>	<b>245,207</b>		<b>315,586</b>
<b>a) Reconciliation of net income / (expenditure) to net cash flow from operating activities</b>				
		<b>2016</b>	Re-stated	2015
		£	£	£
<b>Net income / (expenditure) for the year (as per the statement of financial activities)</b>		<b>434</b>		(11,120)
<b>Adjustments for:</b>				
Depreciation		<b>1,665</b>		2,239
Interest and dividends from investments		<b>(16,266)</b>		(15,346)
(Gains)/ losses on investments		<b>(25,710)</b>		5,994
Loss on the sale of fixed assets		–		3,514
Decrease/ (Increase) in debtors		<b>15,377</b>		(6,892)
Increase/ (Decrease) in creditors		<b>11,464</b>		4,891
Net cash used in operating activities		<b>(13,036)</b>		(16,720)
<b>b) Analysis of cash and cash equivalents</b>				
	At 1			At 31
	January	Cash	Other	December
	2016	flows	changes	2016
	£	£	£	£
Cash at bank and in hand	315,586	(70,379)	–	<b>245,207</b>
<b>Total cash and cash equivalents</b>	<b>315,586</b>	<b>(70,379)</b>	<b>–</b>	<b>245,207</b>

**Notes to the financial statements for the year ended 31 December 2016**
**1 Accounting policies**
**Basis of preparation**

The financial statements have been prepared under the historical cost convention with assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note(s) to these accounts. The financial statements have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

**Changes in accounting policies**

During the year the income recognition policy was changed and as a result income from appraisals was deferred where the appraisals were due in the following year. Therefore the opening balance for previous year's funds and the income and expenditure account has been adjusted to reflect the change in accounting policy retrospectively. The change in accounting policy was necessary to enhance the relevance and reliability of information contained in the financial statements.

**Group financial statements**

SOM Enterprises Ltd, a trading subsidiary of SOM charity was incorporated on 10 October 2012 in England, Company registration Number 84248047. The group financial statements include the results of The Society of Occupational Medicine and its subsidiary company SOM Enterprises Ltd. The results of the subsidiary are included on a line by line basis and its own profit and balance sheet are shown in note 24. The income and expenditure, assets and liabilities of the groups of The Society of Occupational Medicine are included in these financial statements. Annual Scientific Meetings are organised by Groups. Surpluses arising from such meetings are transferred into Central Funds, with an agreed balance being retained by the organising Group. Amounts paid by Central Funds into Groups are shown as transfers between funds.

**Going concern**

Based on the level of surplus reserves, the trustees consider that there are no material uncertainties about the charitable group's ability to continue as a going

concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period

**Income**

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

Income from permanent endowments is recognised when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest or dividends paid or payable by the investment fund manager.

**Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the group has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

**Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings.

- Costs of raising funds comprise of investment management costs and the costs incurred by the charitable group in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Support costs are those functions that assist the work

of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, premises and governance costs which support charity's programmes and activities. The support costs have been allocated on the basis of the average amount of staff time spent on each activity.

- Other expenditure represents those items not falling into any other heading.

#### Fund accounting

Unrestricted group and central funds are those funds which can be used freely to meet the Society's charitable objects. Designated funds are those funds which have been set aside by the trustees to be used for specific purposes. The permanent endowment fund is a restricted capital fund set up by the Margaret Dobbie-Bateman legacy. The fund represents those assets which must be held permanently by the charity. Income arising on the permanent endowment fund can be used in accordance with the charity's objects and is included as unrestricted income.

#### Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

#### Development costs

Research expenditure is written off in expenditure in the SoFA in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated. Intangible assets are amortised on a straight line basis over their useful lives. The useful lives of intangible assets are as follows:

Computer software      5 years

No depreciation is charged in the year of acquisition.

Provision is made for any impairment in carrying value at the balance sheet date.

#### Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500 and are included at cost. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Office equipment                      20% on straight line basis

#### Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted bid price. Any change in fair value will be recognised in the statement of financial activities.

#### Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

#### Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### Pensions

The charitable company operates a defined contribution scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contribution payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions. Pension contribution is recognised in the SoFA as an unrestricted expense.

#### Tax status

The Society of Occupational Medicine is a charity within the meaning of Para1 Schedule 6 Finance Act 2010. Accordingly the charity is potentially exempt from taxation in respect of income in the category covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010, to the extent that such income is applied exclusively to charitable purposes. Its trading subsidiary, SOM Enterprises Ltd, makes qualifying donations of all taxable profit to The Society of Occupational Medicine. No corporation tax liability on the subsidiary arises in the accounts.

## 2 Detailed comparatives for the consolidated statement of financial activities – Group

	Group Funds	Central Funds	Designated Funds	Permanent Endowment Fund	Re-stated 2015 Total
	£	£	£	£	£
<b>Income and endowments from:</b>					
Donations and legacies	–	1,000	–	–	1,000
Charitable activities:					
Member services	–	203,473	–	–	203,473
Member meetings	13,752	2,915	–	–	16,667
The Journal	–	205,522	–	–	205,522
Quality Assured Appraisal Scheme	–	166,200	–	–	166,200
Investment income	18	4,298	2,286	8,744	15,346
Other trading activities	–	153,697	–	–	153,697
<b>Total Income</b>	<b>13,770</b>	<b>737,105</b>	<b>2,286</b>	<b>8,744</b>	<b>761,905</b>
<b>Expenditure on:</b>					
Raising funds	–	1,722	709	3,157	5,588
Charitable activities:					
Member services	–	97,977	–	–	97,977
Member meetings	22,423	39,074	–	–	61,497
Journal costs	–	185,458	–	–	185,458
Quality Assured Appraisal Scheme	–	208,569	–	–	208,569
Other:					
Awards and prizes	412	1,068	4,000	–	5,480
Corporate affairs	–	86,827	–	–	86,827
Commercial trading costs	–	115,635	–	–	115,635
<b>Total expenditure</b>	<b>22,835</b>	<b>736,330</b>	<b>4,709</b>	<b>3,157</b>	<b>767,031</b>
<b>Net income before net gains / (losses) on investments</b>	<b>(9,065)</b>	<b>775</b>	<b>(2,423)</b>	<b>5,587</b>	<b>(5,126)</b>
Realised and unrealised gains/ (losses)	–	7,293	(2,714)	(10,573)	(5,994)
<b>Net income/ (expenditure) for the year</b>	<b>(9,065)</b>	<b>8,068</b>	<b>(5,137)</b>	<b>(4,986)</b>	<b>(11,120)</b>
Transfers between funds	3,080	(3,080)	–	–	–
<b>Net movement in funds</b>	<b>(5,985)</b>	<b>4,988</b>	<b>(5,137)</b>	<b>(4,986)</b>	<b>(11,120)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	93,672	562,929	84,890	133,666	875,157
<b>Total funds carried forward</b>	<b>87,687</b>	<b>567,917</b>	<b>79,753</b>	<b>128,680</b>	<b>864,037</b>

## Detailed comparatives for the statement of financial activities – charity

	Group Funds	Central Funds	Designated Funds	Permanent Endowment Fund	Re-stated 2015 Total
	£	£	£	£	£
<b>Income and endowments from:</b>					
Donations and legacies	–	46,615	–	–	<b>46,615</b>
Charitable activities:					
Member services	–	203,473	–	–	<b>203,473</b>
Member meetings	13,752	2,915	–	–	<b>16,667</b>
The Journal	–	205,522	–	–	<b>205,522</b>
Quality Assured Appraisal Scheme	–	156,000	–	–	<b>156,000</b>
Investment income	18	4,298	2,286	–	<b>6,602</b>
Other income	–	18,272	–	–	<b>18,272</b>
Fair value and Gifted net assets	–	223,199	–	128,680	<b>351,879</b>
<b>Total income</b>	<b>13,770</b>	<b>860,294</b>	<b>2,286</b>	<b>128,680</b>	<b>1,005,030</b>
<b>Expenditure on:</b>					
Raising funds	–	1,722	709	–	<b>2,431</b>
Charitable activities:					
Member services	–	97,977	–	–	<b>97,977</b>
Member meetings	22,423	39,074	–	–	<b>61,497</b>
Journal costs	–	185,458	–	–	<b>185,458</b>
Quality Assured Appraisal Scheme	–	208,569	–	–	<b>208,569</b>
Other:					
Awards and prizes	412	1,068	4,000	–	<b>5,480</b>
Corporate affairs	–	86,827	–	–	<b>86,827</b>
<b>Total expenditure</b>	<b>22,835</b>	<b>620,695</b>	<b>4,709</b>	<b>–</b>	<b>648,239</b>
<b>Net income before net gains / (losses) on investments</b>	<b>(9,065)</b>	<b>239,599</b>	<b>(2,423)</b>	<b>128,680</b>	<b>356,791</b>
Realised and Unrealised gains/ (losses) on investments	–	7,293	(2,714)	–	<b>4,579</b>
<b>Net income/ (expenditure) for the year</b>	<b>(9,065)</b>	<b>246,892</b>	<b>(5,137)</b>	<b>128,680</b>	<b>361,370</b>
Transfers between funds	3,080	(3,080)	–	–	–
<b>Net movement in funds</b>	<b>(5,985)</b>	<b>243,812</b>	<b>(5,137)</b>	<b>128,680</b>	<b>361,370</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	93,672	344,403	84,890	–	<b>522,965</b>
<b>Total funds carried forward</b>	<b>87,687</b>	<b>588,215</b>	<b>79,753</b>	<b>128,680</b>	<b>884,335</b>

## 3 Income from donations (Group)

	2016	2015
	Total	Total
	£	£
Unrestricted		
£		
Donations	9,790	1,000
	<u>9,790</u>	<u>1,000</u>

## Income from donations (Charity)

	2016	2015
	Total	Total
	£	£
Unrestricted		
£		
Donations	1,000	46,615
	<u>1,000</u>	<u>46,615</u>

## 4 Income from charitable activities (Group)

	2016	2015
	Total	Total
	£	£
Unrestricted		
£		
Member services	256,756	203,473
Member meetings	18,046	16,667
The Journal	153,560	205,522
Quality Assured Appraisal Scheme	209,860	166,200
	<u>638,222</u>	<u>591,862</u>

## Income from charitable activities (Charity)

	2016	2015
	Total	Total
	£	£
Unrestricted		
£		
Member services	256,756	203,473
Member meetings	18,046	13,752
The Journal	153,560	205,522
Quality Assured Appraisal Scheme	209,860	156,000
Other income	–	2,915
	<u>638,222</u>	<u>581,662</u>

## 5 Income from investments – Group

	2016	2015
	Total	Total
	£	£
Unrestricted		
£		
Bank interest	28	18
Investment income	16,238	15,328
	<u>16,266</u>	<u>15,346</u>

## Income from investments – Charity

	2016	2015
	Total	Total
	£	£
Unrestricted		
£		
Bank interest	28	18
Investment income	16,238	6,584
	<u>16,266</u>	<u>6,602</u>

**6 Other trading activities – Group**

		2016	Re-stated 2015
	Unrestricted	Total	Total
	£	£	£
Trading activities	157,273	<b>157,273</b>	153,697
	<u>157,273</u>	<u><b>157,273</b></u>	<u>153,697</u>

**Other trading activities – Charity**

		2016	2015
	Unrestricted	Total	Total
	£	£	£
Other income	30,380	<b>30,380</b>	18,272
	<u>30,380</u>	<u><b>30,380</b></u>	<u>18,272</u>

**7 Analysis of expenditure – Group**

	Direct costs	Support Costs	2016 Total	2015 Total
	£	£	£	£
<b>Costs of raising funds</b>	6,496	–	<b>6,496</b>	5,588
<b>Charitable activities:</b>				
Member services	43,282	58,555	<b>101,837</b>	97,977
Member meetings	38,587	30,915	<b>69,502</b>	61,497
Journal costs	131,396	50,269	<b>181,665</b>	185,458
Quality Assured Appraisal Scheme	202,268	52,329	<b>254,597</b>	208,569
Others:				
Awards and prizes	6,262	–	<b>6,262</b>	5,480
Corporate affairs	71,111	41,961	<b>113,072</b>	86,827
<b>Commercial trading costs</b>	<u>113,396</u>	–	<u><b>113,396</b></u>	115,635
<b>Total resources expended</b>	<u>612,798</u>	<u>234,029</u>	<u><b>846,827</b></u>	<u>767,031</u>

**Analysis of expenditure – Charity**

	Direct costs	Support Costs	2016 Total	2015 Total
	£	£	£	£
<b>Costs of raising funds</b>	6,496	–	<b>6,496</b>	2,431
<b>Charitable activities:</b>				
Member services	43,282	58,555	<b>101,837</b>	97,977
Member meetings	38,587	30,915	<b>69,502</b>	61,497
Journal costs	131,396	50,269	<b>181,665</b>	185,458
Quality Assured Appraisal Scheme	202,268	52,329	<b>254,597</b>	208,569
Others:				
Awards and prizes	6,262	–	<b>6,262</b>	5,480
Corporate affairs	71,111	41,961	<b>113,072</b>	86,827
<b>Total resources expended</b>	<u>499,402</u>	<u>234,029</u>	<u><b>733,431</b></u>	<u>648,239</u>

**7 Resources expended (continued)****Analysis of support costs – Group**

	2016	2015
	£	£
Staff & related costs	<b>29,213</b>	30,627
Office & IT costs	<b>68,018</b>	49,496
Cost of premises	<b>57,642</b>	41,933
Finance costs	<b>18,476</b>	41,093
Governance costs	<b>60,680</b>	47,133
<b>Total support costs</b>	<u><b>234,029</b></u>	<u>210,282</u>

**Analysis of support costs (Charity)**

	2016	2015
	£	£
Staff & related costs	<b>29,213</b>	30,628
Office & IT costs	<b>68,018</b>	48,371
Cost of premises	<b>57,642</b>	41,934
Finance costs	<b>18,476</b>	38,651
Governance costs	<b>60,680</b>	47,133
<b>Total support costs</b>	<u><b>234,029</b></u>	<u>206,717</u>

Support costs are allocated to Charitable activities on the basis of staff time.

**8 Net income/ (expenditure) for the year**

	2016	2015
	£	£
This is stated after charging:		
Auditor's remuneration (excluding VAT)		
– Statutory audit	<b>8,250</b>	12,500
– Tax and Advisory	–	500
Depreciation	<b>1,665</b>	2,239
Loss on disposals of fixed assets	–	3,514
Property rental licence	<b>57,642</b>	41,934
Operating lease rentals	–	417

**9 Awards and prizes (Group and charity)**

	2016	2015
	£	£
Golden Jubilee award	<b>4,000</b>	4,000
SOM and ESSO Prizes	<b>2,147</b>	1,068
Other award costs	<b>115</b>	412
	<u><b>6,262</b></u>	<u>5,480</u>

**10 Analysis of staff costs, trustees remuneration and expenses, and the cost of key management personnel**

<b>a Staff costs</b>	<b>2016</b>	2015
	£	£
Salaries and wages	<b>186,770</b>	174,673
Social security costs	<b>22,068</b>	16,781
	<b><u>208,838</u></b>	<u>191,454</u>

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the period was nil (2015: 1).

The total employee benefits including pension and employer NI contributions of the key management personnel were £151,222 (2015: £150,846). During the year there were no redundancy payments.

**b Staff numbers**

There were 5 employees at the end of the period, with a full time average equivalent of 5 (2015: 5).

**c Trustees remuneration and expenses**

None of the trustees received or waived emoluments in the current or preceding year. During the period 5 trustees (2015: 5) received reimbursed travel expenses of £9,079 (2015: £6,243) and £1,088 (2015: £1,203) was spent for Trustee Indemnity insurance. No payments were made direct to third parties on their behalf.

**11 Intangible fixed assets (Group and charity)**

<b>Cost</b>	<b>Software development Costs</b>
	£
At 1st January 2016	-
Additions	53,088
At 31st December 2016	<u>53,088</u>
<b>Depreciation</b>	-
At 1st January 2016 and 31st December 2016	<u>-</u>
<b>Net Book Value</b>	<b>53,088</b>
At 31st December 2016	<u>53,088</u>
At 31st December 2015	<u>-</u>

**12 Tangible fixed assets (Group and charity)**

<b>Cost</b>	<b>Office equipment</b>
	£
At 1st January 2016	29,351
Additions	4,314
At 31st December 2016	<u>33,665</u>
<b>Depreciation</b>	-
At 1st January 2016	27,154
Charge for the period	1,665
At 31st December 2016	<u>28,819</u>
<b>Net Book Value</b>	<b>4,846</b>
At 31st December 2016	<u>4,846</u>
At 31st December 2015	<u>2,197</u>

**13 Investments (Group)**

<b>Listed investments</b>	<b>2016</b>	2015
	£	£
Market value at 1 January 2016	528,596	550,263
Acquisitions at cost	298,515	70,620
Sale proceeds of disposals	(282,308)	(86,294)
Realised gains/ (losses) on disposals	2,339	(1,375)
Unrealised gains/ (losses) on revaluation	23,371	(4,618)
<b>Market value at 31 December 2016</b>	<b><u>570,513</u></b>	<u>528,596</u>
Historical cost of investments held at 31 December 2016	<b><u>509,285</u></b>	<u>474,109</u>

All investments are listed on recognised stock exchanges and are valued at 31 December 2016 as follows:

	<b>Market value</b>	Market value
	<b>2016</b>	2015
	£	£
Fixed interest	144,543	139,186
UK equities and funds	323,364	266,155
International equities	102,606	123,255
	<b><u>570,513</u></b>	<u>528,596</u>

**Investments (Charity)**

<b>Listed investments</b>	<b>2016</b>	2015
	£	£
Listed investments	570,513	528,596
Investment in subsidiary (see note 21)	10	10
	<b><u>570,523</u></b>	<u>528,596</u>
<b>Market value at 31 December 2016</b>	<b><u>570,513</u></b>	<u>528,596</u>
Historical cost of investments held at 31 December 2016	<b><u>509,285</u></b>	<u>474,109</u>

All investments are listed on recognised stock exchanges and are valued at 31 December 2016 as follows:

	<b>Market value</b>	Market value
	<b>2016</b>	2015
	£	£
Fixed interest	144,543	139,186
UK equities and funds	323,364	266,155
International equities	102,606	123,255
	<b><u>570,513</u></b>	<u>528,596</u>

14 Stock	2016	2015
	£	£
Finished Goods	250	250
	<u>250</u>	<u>250</u>

15 Debtors (Group)	2016	2015
	£	£
Trade debtors	16,986	21,017
Prepayments & accrued income	14,162	64,894
Other debtors	113,580	74,194
	<u>144,728</u>	<u>160,105</u>

Debtors (Charity)	2016	2015
	£	£
Trade debtors	11,975	487
Prepayments & accrued income	74,277	62,238
Due from SOM Enterprises Ltd	83,855	116,515
Other debtors	19,165	42,344
	<u>189,272</u>	<u>221,584</u>

16 Creditors (Group)	2016	2015
	£	£
Amounts falling due within one year:		
Trade creditors	37,713	20,583
Accruals	93,234	77,909
Social security costs and other taxes	5,914	19,303
Other creditors	–	2,402
Deferred income	27,800	33,000
	<u>164,661</u>	<u>153,197</u>

#### 17 Pension scheme

The charitable company operates a defined contribution scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contribution payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions. Total contribution paid and recognised in SoFA as unrestricted expense for the year was £2,597 (2015: £2,192).

18 Total Funds	Group Funds	Central Funds	Total Total
	£	£	£
<b>a Unrestricted Funds</b>			
As re-stated at 1 January 2016	87,687	557,417	645,104
Net income/(expenditure) before transfers	1,378	(24,275)	(22,897)
Transfer to/ from Group funds	3,866	(3,866)	–
Realised and Unrealised gains on investments	–	15,304	15,304
	<u>92,931</u>	<u>544,580</u>	<u>637,511</u>
<b>At 31 December 2016</b>			

b Designated Funds	Golden Jubilee Fund	
	£	
At 1 January 2016		79,753
Add:		
Investment income		2,426
Realised and Unrealised (losses) on investments		4,147
Less:		
Investment management costs		805
Golden Jubilee Award		4,000
		<u>81,521</u>
<b>At 31 December 2016</b>		

#### Golden Jubilee Award Fund

To mark the Golden Jubilee of the Society, an appeal was launched during the year ended 30 June 1985. The trustees have designated the funds raised for a fellowship to enable members to study overseas.

c Permanent Endowment Fund	Permanent Endowment Fund
	£
At 1 January 2016	128,680
Add:	
Realised and Unrealised gains on investments	6,259
	<u>134,939</u>
<b>At 31 December 2016</b>	

#### Permanent Endowment Fund

The permanent endowment fund is a restricted capital fund set up by the Margaret Dobbie-Bateman legacy in The Honorary Treasurer's Fund charity. The fund represents those assets which must be held permanently by the charity. Income arising on the permanent endowment fund can be used in accordance with the charity's objects and is included as unrestricted income.

**19 Analysis of net assets between funds**

Fund balances at 31 December 2016 are represented by:

	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Permanent Endowment Fund</b>	<b>Total 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Intangible fixed assets	53,088	–	–	53,088
Tangible fixed assets	4,846	–	–	4,846
Investments	354,053	81,521	134,939	570,513
Net current assets	<u>225,524</u>	<u>–</u>	<u>–</u>	<u>225,524</u>
<b>Total net assets</b>	<b><u>637,511</u></b>	<b><u>81,521</u></b>	<b><u>134,939</u></b>	<b><u>853,971</u></b>

**20 Operating lease and other future commitments**

Future minimum commitments under rental licence for office are as follows:

	<b>2016</b>	2015
	<b>£</b>	<b>£</b>
Rental licence that expire: within 2 – 5 years	<u>62,400</u>	<u>62,400</u>

**21 Trading Subsidiary**

As at 10 October 2012 SOM Enterprises Ltd, a trading subsidiary of SOM charity, was incorporated in England, Company registration Number 08248047. The entity is controlled by The Society of Occupational Medicine who owns the Shares in SOM Enterprises Ltd.

	<b>Year Ended 31 December 2016</b>	Re-stated Year Ended December 2015
	<b>£</b>	<b>£</b>
<b>Profit and Loss</b>		
Turnover	164,887	163,897
Cost of Sales	(108,362)	(104,078)
Administration expenses	<u>(34,238)</u>	<u>(21,835)</u>
Profit before Gift Aid	22,287	37,984
Gift Aid to SOM charity	–	(45,615)
	<u>22,287</u>	<u>(7,631)</u>
Corporation tax	–	(7,992)
Profit/ (loss) for the period	<u>22,287</u>	<u>(15,623)</u>
<b>Balance sheet</b>		
Debtors	40,096	55,047
Cash at bank	40,032	47,392
Creditors	<u>(88,629)</u>	<u>(133,227)</u>
Net assets/ (liabilities)	<u>(8,501)</u>	<u>(30,788)</u>
Called up Share Capital	10	10
Profit and loss reserves	<u>(8,511)</u>	<u>(30,798)</u>
Total equity	<u>(8,501)</u>	<u>(30,788)</u>

**22 Related party transactions**

During the year, the Charity paid: £12,491 to Dr Robin Cordell, the trustee of the Charity for QAAS appraisals including travel to appraisals and quality work; £15,038 to Dr Nicola Cordell, wife of trustee Robin Cordell, for QAAS appraisals including travel to appraisals; and £450 to Dr Tony Mawson for QAAS appraisal.

At 31 December 2016 an amount of £83,855 (2015: £116,515) was due from SOM Enterprises Ltd, the subsidiary of the Charity.

**23 The Honorary Treasurer's Fund**

The primary objective of The Honorary Treasurer's Fund is to create a prize known as the Jameson Parkinson Memorial Prize to be awarded biannually to a lecturer who speaks on a topic concerned with occupational health. Any surplus income generated by The Honorary Treasurer's Fund may be used for such purposes as the officers of The Society of Occupational Medicine decide. The activities of The Honorary Treasurer's Fund can therefore be seen to contribute to the purposes and aims of The Society of Occupational Medicine and ultimately to the benefit of The Society's beneficiaries.

As proposed in 2014, The Honorary Treasurer's Fund was transferred to The Society of Occupational Medicine on 31 December 2015.

Fair value of net assets gifted from HTF on 31 December 2015

	<b>Unrestricted Funds</b>	<b>Permanent Endowment Fund</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Investments	182,855	128,680	311,535
Cash at bank	42,094	–	42,094
Creditors	<u>(1,750)</u>	<u>–</u>	<u>(1,750)</u>
Net assets	<u>223,199</u>	<u>128,680</u>	<u>351,879</u>

The net transfer has been accounted for as an incoming resource in the SOFA.

## 24 Prior year adjustments – Group

	At 31 December 2015		At 31 December 2014	
	Central funds	Total funds	Central funds	Total funds
	£	£	£	£
<b>Reserves position</b>				
<b>Funds previously reported</b>	<b>621,215</b>	<b>917,335</b>	<b>578,104</b>	<b>890,332</b>
Prior years adjustments for:				
Quality Assured Appraisal Scheme income (a)	(33,000)	(33,000)	(10,500)	(10,500)
VAT adjustment (b)	(30,798)	(30,798)	(15,175)	(15,175)
<b>Restated funds</b>	<b>557,417</b>	<b>853,537</b>	<b>552,429</b>	<b>864,657</b>
<b>Impact on income and expenditure</b>				
<b>Net income/ (expenditure) as previously reported</b>	<b>46,191</b>	<b>27,003</b>	<b>22,331</b>	<b>41,743</b>
Prior years adjustments:				
Quality Assured Appraisal Scheme income (a)	(22,500)	(22,500)	(10,500)	(10,500)
VAT adjustment (b)	(15,623)	(15,623)	(15,175)	(15,175)
<b>Net income / (expenditure) as restated</b>	<b>8,068</b>	<b>(11,120)</b>	<b>(3,344)</b>	<b>16,068</b>

## Prior year adjustments – Charity

	At 31 December 2015		At 31 December 2014	
	Central funds	Total funds	Central funds	Total funds
	£	£	£	£
<b>Reserves position</b>				
<b>Funds previously reported</b>	<b>621,215</b>	<b>917,335</b>	<b>354,903</b>	<b>533,465</b>
Prior years adjustments:				
Quality Assured Appraisal Scheme income (a)	(33,000)	(33,000)	(10,500)	(10,500)
<b>Restated funds</b>	<b>588,215</b>	<b>884,335</b>	<b>344,403</b>	<b>522,965</b>
<b>Impact on income and expenditure</b>				
<b>Net income/ (expenditure) as previously reported</b>	<b>269,392</b>	<b>383,870</b>	<b>22,681</b>	<b>29,882</b>
Prior years adjustments:				
Quality Assured Appraisal Scheme income (a)	(22,500)	(22,500)	(10,500)	(10,500)
<b>Net income / (expenditure) as restated</b>	<b>246,892</b>	<b>361,370</b>	<b>12,181</b>	<b>19,382</b>

a) During the year the income recognition policy was changed and as a result income from appraisals was deferred where the appraisals were due in the following year. Therefore the opening balance for previous year's funds and the income and expenditure account has been adjusted to reflect the change in accounting policy retrospectively. The change in accounting policy was necessary to enhance the relevance and reliability of information contained in the financial statements.

b) Prior year turnover of the subsidiary was restated to exclude the vat from delegate registration fees income for 2014 and 2015.

## Education panel report

Education is a key charitable focus of the SOM. The Education Panel meets annually at the Annual Conference and is an opportunity for Regional Group representatives to discuss and contribute to the educational policy of the SOM. Over the last few years it has been noticed that attendance at formal lecture type educational meetings has fallen and it is clear that our members are looking at more varied educational events. To respond to this need the SOM has, at a National level, introduced webinars, small group work on a variety of topics and has changed the format of the Scientific Conference which is now held in conjunction with the FOM. There were concerns that the traditional three day Conference was becoming less popular and busy clinicians were finding it difficult to take off three working days and the associated travel time to attend. There is now pre conference day, which will be a free trainee conference and then two days of conference. Workplace visits are now on the day preceding the conference and held on the

same day as the trainee conference. The usual social events including the pre-conference reception and the gala dinner have been retained.

The SOM has also undertaken some very successful meetings in conjunction with the Royal Society of Medicine, using the RSM facilities at Wimpole Street and it is envisaged that joint meetings will continue going forward. We also have the new meeting room facilities at the SOM's new office at 20 Little Britain.

The educational output of the regional groups remains strong and in some areas the move from evening meetings to half day group meetings has proved to be successful. Educational requirements change over time and members are invited to contact the Society centrally or via their regional groups if they have any good ideas for developing new educational activities.

*Dr Stuart Allison, Chair – Educational Panel*

“ Excellent appraiser with a thorough professional understanding of my role in OH, and what is needed in this role. Particularly beneficial in terms of Quality Improvements and how to go about this. Real value to the appraisal for myself from this OH Doctor. ”

**Dr Cooper**

The Society of Occupational Medicine

20 Little Britain

London

EC1A 7DH

[www.som.org.uk](http://www.som.org.uk)

 @SOMNews



*Amsterdam meeting of the International Occupational Medicine Society Collaborative*

Telephone: 020 3478 1041

E-mail: [admin@som.org.uk](mailto:admin@som.org.uk)

Charity Commission no: 268555

Scottish Charity no: SC041935

VAT no. 927 0030 57