THE SOCIETY OF MUSCULOSKELETAL MEDICINE

England & Wales · Charity number 802164

Details

Other names	THE SOCIETY OF ORTHOPAEDIC MEDICINE, S O M, SOM
Status	Registered
Legal form	Charitable company
Company number	01700787
Registered	1990-01-17
Register	View on the Charity Commission register

Contact

Address	4th Floor 151 Dale Street Liverpool L2 2AH
Phone	01512295300
Email	admin@sommcourses.org
Website	www.sommcourses.org

Activities

Objects: FOR THE BENEFIT OF THE PUBLIC IN RELIEVING SICKNESS BY PROMOTING AND ADVANCING THE USE STUDY AND SCIENCE OF ORTHOPAEDIC MEDICINE AND BY PROVIDING FACILIES FOR TREATMENT EDUCATION STUDY AND RESEARCH THEREIN. TH USEFUL RESULTS OF SUCH RESEARCH SHALL BE DISSEMINATED.

Activities: The Society of Orthopaedic Medicine was established "for the benefit of the public in relieving sickness by promoting and advancing the use, study and science of orthopaedic medicine and by providing facilities for treatment, education, study and research therein".

Classification

- **How:** Makes Grants To Individuals, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups

Geography

- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£281,704	£274,289	-	-
2023-12-31	£249,225	£261,731	-	-
2022-12-31	£214,091	£255,577	-	-
2021-12-31	£241,738	£250,915	-	-
2020-12-31	£125,091	£178,529	-	-

Trustees

Name	Role	Appointed
Nick Worth	Chair	2022-12-16
Dr DUNCAN ANDREW REID		
Dr GORDON CAMERON		2013-03-13
Jonathan Paul Smith		2022-06-13
Judith Neilson		2022-12-16
Leonard Entwistle		2024-02-12

Accounts

REGISTERED COMPANY NUMBER: 01700787 (England and Wales)
REGISTERED CHARITY NUMBER: 802164

Trustees' Report and

Unaudited Financial Statements for the Year Ended 31 December 2024

for

The Society Of Musculoskeletal Medicine
(A Company Limited by Guarantee)

Contents of the Financial Statements
for the Year Ended 31 December 2024

Reference and Administrative Details for the Year Ended 31 December 2024

TRUSTEES	L Entwistle Chartered Accountant (appointed 27.2.24) E L Atkins Physiotherapist G Cameron Medical Practitioner G Hebenton Chartered Physiotherapist J Neilson Health Care Manager D A Reid General Practitioner J P Smith Physiotherapist N Worth Physiotherapist
REGISTERED OFFICE	Somm 4th Floor 151 Dale Street Liverpool L2 2AH
REGISTERED COMPANY NUMBER	01700787 (England and Wales)
REGISTERED CHARITY NUMBER	802164
IINDEPENDENT EXAMINER	Peter Wilson FCA Rockfield Business Centre 512 Darwen Road Bromley Cross Bolton BL7 BDX

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and activities

The Society of Musculoskeletal Medicine (SOMM) - formerly the Society of Orthopaedic Medicine - is an educational charitable company that was formed in 1979 to develop the seminal work of Dr James Cyriax MRCP and to promote the theory and the practice of musculoskeletal medicine.

SOMM provides a comprehensive programme of post graduate courses for physiotherapists and doctors that run primarily throughout the UK but invitations further afield are always considered and courses in Europe and South East Asia have been delivered in the past.

The Society has a committed team of tutors who have many years of experience practicing musculoskeletal medicine in many different arenas - NHS, sport, private practice and the armed forces. This brings diversity and interest in the courses and ensures a stimulating and varied learning experience.
The main objective of the Society during the past 12 months has been to sustain our ability to provide high quality musculoskeletal medicine training to result in better medical treatment for patients.

Our strategy has continued to focus on the need to strengthen our existing offering to current markets, in particular our international courses and our injection therapy courses

Public Benefit

The objects for which The Society of Musculoskeletal Medicine has been established are:

To benefit the public through the promotion and advancement of musculoskeletal medicine.

We will provide education to facilitate the practice, study and publication of research within this field.

The trustees have paid due regard to the Charity Commission guidance on public benefit in deciding SOMM activities to be undertaken and have only pursued activities with a public benefit outlined below.

The core activity of the Society is the teaching of musculoskeletal medicine through Foundation course modules, which aim to provide students with a practical approach to the clinical diagnosis and treatment of musculoskeletal conditions.

The outcome is a public benefit through being diagnosed or treated by medical practitioners or allied health professionals that are trained in SOMM principles and subsequently have confidence to practise this important area of medicine.

There is public benefit gained through sharing knowledge in this way so that patients receive the best possible diagnosis and treatment from fully informed doctors and allied health professionals.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

SOMM appointed a chair of education to resource a robust commitment to supporting our tutors and to promoting our courses.
We also addressed the need to sustain our teaching capacity following the loss of some key tutors. During the last financial year, the Society delivered 11 foundation courses to 191 students..
A total of 88 students attended our Theory and Practice of Injection Therapy Module and 70 students attended our Injection Therapy IT CPD Update Day.

The MSc Muscoloskeletal Medicine came to the end of its validation period at Queen Margaret University (QMU) Edinburgh on 31st August 2024.

Therefore, a total of 349 students were trained by SOMM in 2024.

FINANCIAL REVIEW

Financial review

Total income for the period was £281,704 (2023: £249,225).

Total expenditure for the period was £274,289 (2023:£261,731).

The net gain for the year prior to gains and losses on investments was £7,415 (2023: loss £12,506). Gains on our investments of £12,025 during the year (see note 10) meant that our final position was a gain for the year of £19,440 (2023 deficit for the year of £2,378 following gains on investments of £10,128).

At the end of 2024 the fixed asset investments were valued at £228,790 (2023: £209,977)

The Society has a current bank account which at the year-end totalled £37,088 (2023: £79,030).

Investment policy

£228,790 is held in a broad range of investment funds, with an overarching conservative objective in order to minimise risk and safeguard the funds.

Quilter Cheviot is the appointed investment advisor, and they manage SOMM funds on a discretionary basis. This enables an improved speed of decision-making as the appointed investment managers are authorised to move funds according to market conditions.

The Council has requested that portfolio of investments be managed cautiously, within agreed parameters.

The Society Manager and Treasurer receive regular investment performance reports from Cheviot Asset Management, and can access real time valuations at any given juncture

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

FINANCIAL REVIEW

Risk Policy

The Council has assessed the major risks to which the charitable company is exposed. These have been identified as follows:

- Dependency on key funders, NHS constraints and failure to meet funding target;

- Dependency on key personnel - ensure that succession planning is in place;

- Failure of course programme, declining number of students: and

- Poor investment performance.

The following measures were implemented to address these risks:

- Position our courses as a lever to support the NHS strategy of supporting the management of musculoskeletal conditions; .

- Appointment of a chair of education; and

- Continue our relationship with our appointed investment manager, who has the authority to act on a discretionary basis, to reinvest funds (with agreed parameters) to maximize current market conditions.

The Council is satisfied that HR, legal, IT and Health & Safety obligations currently have sufficient control systems in place.

All risks continue to be thoroughly reviewed annually.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure, governance and management

The organisation is a charitable company; limited by guarantee (registered in England and Wales No.01700787) originally formed in 1979 and was incorporated on 11th January 1983. The company was established under a Memorandum of Association, which established the objects and powers of the company and is governed by its Articles of Association.

The charitable company was registered with the Charities Commission (registered number 802164) on 17th January 1990 as a charity for the benefit of the public in relieving sickness by promoting and advancing the use, study and science of orthopaedic medicine and by providing facilities for treatment, education, study and research therein.

The charitable company changed its name from The Society of Orthopaedic Medicine on 21 January 2013.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr N Worth
Mr L Entwistle
Dr G Cameron
Dr D A Reid
Dr E L Atkins MBE
Mr J P Smith
Mr G Hebenton
Mrs J Neilson

Members of the Council are elected/re-elected at the Annual General Meeting by the membership.

According to SOMM's constitution, 1/3 of elected Councillors will retire by rotation at each Annual General Meeting, with those that have been longest in office being first to retire. Officers of the Society are exempt from retiring for re-election partway through their term of office.

Some of the trustees are remunerated by the Society of Musculoskeletal Medicine (SOMM) for their professional services in teaching musculoskeletal medicine on behalf of SOMM. The Society governance includes strict policies and procedures that are in place to safeguard the organisation against any potential conflict of interest that might arise through such remuneration.

No Council members are remunerated for their trusteeship services.

Trustee Recruitment and Appointment

SOMM's constitution requires that Councillors be elected to office by the membership.

A call for nominations was sent to all SOMM members in advance of the Annual General Meeting. Additionally, SOMM Council has the power to co-opt individuals.

All co-options are valid for 1 year until the date of the next Annual General Meeting, at which point Council may decide to renew the co-option.

STRUCTURE, GOVERNANCE AND MANAGEMENT
Trustee Induction and Training
All newly-elected trustees are sent an induction pack which includes the following items:

- Trustee job description
- Council terms of reference
- Minutes from last twelve months council meetings
- SOMM governance review
- SOMM constitution
- Business plan
- Risk assessment
- Charity Trustee's Handbook
- Code of Good Governance
- SOMM contacts list
- Charity Commission information and link to their website
- Council performance review

SOMM trustees are the main decision-makers for the organisation, and the trustee board is known as Council.

Trustees are updated on SOMM activities and performance through regular email communications from the Society Manager, at Council meetings, strategic planning meetings, and any other ad hoc meetings.

Sub-committees include the Education Committee.

All Committees have specific Terms of Reference which outline their responsibilities and reporting structure. All sub-committees report to SOMM Council.

Council has agreed a target that all incoming trustees should attend formal trustee training, and has also proactively encouraged current trustees to attend such training. To date, 50% of current trustees either have already received formal training or are planning to attend a training course in the coming year.

The Society Manager manages the performance and administration of the organisation, and attends all Council and Committee meetings.

Annual budgets are prepared by the Society Manager in collaboration with the office lead for finances and the Treasurer for approval by Council.

Council receives regular management accounts reports throughout the year.

Council has delegated authority for financial decisions up to the value of £10,000 to the Treasurer, and Society Manager, providing there is unanimity across the group. This policy is beneficial operationally because it enables timely decisions to be made and implemented.

Many action points have arisen including increasing financial, business and marketing skills on the Council, clarifying the relative roles of Society Manager and Council, increasing strategic activity, improving communications and decision-making.

Small company provisions
This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by order of the board of trustees on 21 May 2025 and signed on its behalf by:

L Entwistle - Trustee

Independent Examiner's Report to the Trustees of
The Society Of Musculoskeletal Medicine

I report to the trustees on my examination of the financial statements of The Society Of Musculoskeletal Medicine (the charity) for the year ended 31 December 2024.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report
As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Peter Wilson FCA

21 May 2025

Statement of Financial Activities
for the Year Ended 31 December 2024

	Notes	31.12.24 Unrestricted fund £	31.12.23 Total funds £
INCOME FROM: FROM			
Charitable activities			
Charitable		274,748	241,057
Investment income	2	6,956	8,168
Total		281,704	249,225
EXPENDITURE ON			
Raising funds	3	26	629
Charitable activities			
Charitable		274,263	261,102
Total		274,289	261,731
Net gains on investments		12,025	10,128
NET INCOME/(EXPENDITURE)		19,440	(2,378)
RECONCILIATION OF FUNDS			
Total funds brought forward		140,215	142,593
TOTAL FUNDS CARRIED FORWARD		159,655	140,215

The notes form part of these financial statements

Balance Sheet
31 December 2024

	Notes	31.12.24 Unrestricted fund £	31.12.23 Total funds £
FIXED ASSETS			
Tangible assets	8	3,465	4,621
Investments	9	228,790	209,977
		232,255	214,598
CURRENT ASSETS			
Stocks	10	5,144	7,526
Debtors	11	24,509	25,900
Cash in hand		37,088	79,030
		66,741	112,456
CREDITORS			
Amounts falling due within one year	12	(139,341)	(186,839)
NET CURRENT ASSETS		(72,600)	(74,383)
TOTAL ASSETS LESS CURRENT LIABILITIES		159,655	140,215
NET ASSETS		159,655	140,215
FUNDS	13		
Unrestricted funds		159,655	140,215
TOTAL FUNDS		159,655	140,215

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for
(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

 continued...

Balance Sheet - continued
31 December 2024

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 21 May 2025 and were signed on its behalf by:

L Entwistle - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Financial reporting standard 102 - reduced disclosure exemptions
The charitable company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost 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 resources.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	-	25% on reducing balance
Fixtures and fittings	-	25% on reducing balance
Computer equipment	-	25% on reducing balance

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The charity is exempt from corporation tax on its charitable activities.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

continued...

2. INVESTMENT INCOME

	31.12.24	31.12.23
	£	£
Income from listed investments	6,627	8,094
Interest receivable	329	74
	6,956	8,168

3. RAISING FUNDS

Investment management costs

	31.12.24	31.12.23
	£	£
Investment management	26	629

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.24	31.12.23
	£	£
Depreciation - owned assets	1,156	1,540

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.12.24	31.12.23
Charitable Activities	4	2

No employees received emoluments in excess of £60,000.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME FROM: FROM	
Charitable activities	
Charitable	241,057
Investment income	8,168
Total	249,225
EXPENDITURE ON	
Raising funds	629
Charitable activities	
Charitable	261,102

continued...

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £
Total	261,731
Net gains on investments	10,128
NET INCOME/(EXPENDITURE)	(2,378)
RECONCILIATION OF FUNDS	
Total funds brought forward	142,593
TOTAL FUNDS CARRIED FORWARD	140,215

8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2024 and 31 December 2024	5,646	8,604	9,289	23,539
DEPRECIATION				
At 1 January 2024	5,600	8,102	5,216	18,918
Charge for year	12	126	1,018	1,156
At 31 December 2024	5,612	8,228	6,234	20,074
NET BOOK VALUE				
At 31 December 2024	34	376	3,055	3,465
At 31 December 2023	46	502	4,073	4,621

9. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2024	209,977
Valuation changes	12,025
Movement capital & cash a/cs	6,788
At 31 December 2024	228,790
NET BOOK VALUE	
At 31 December 2024	228,790
At 31 December 2023	209,977

There were no investment assets outside the UK.

 continued...

10. STOCKS

	31.12.24	31.12.23
	£	£
Finished goods & for resale	5,144	7,526

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23
	£	£
Trade debtors	19,475	20,864
Other debtors	-	3,437
Prepayments and accrued income	5,034	1,599
	24,509	25,900

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23
	£	£
Trade creditors	39,232	37,051
Other tax and social security	4,127	3,454
Other creditors	30,852	31,628
Deferred income	64,050	111,129
Accrued expenses	1,080	3,577
	139,341	186,839

13. MOVEMENT IN FUNDS

	At 1.1.24	Net movement in funds	At 31.12.24
	£	£	£
Unrestricted funds			
General fund	140,215	19,440	159,655
TOTAL FUNDS	140,215	19,440	159,655

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	281,704	(274,289)	12,025	19,440
TOTAL FUNDS	281,704	(274,289)	12,025	19,440

continued...

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	142,593	(2,378)	140,215
TOTAL FUNDS	142,593	(2,378)	140,215

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	249,225	(261,731)	10,128	(2,378)
TOTAL FUNDS	249,225	(261,731)	10,128	(2,378)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.23 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds			
General fund	142,593	17,062	159,655
TOTAL FUNDS	142,593	17,062	159,655

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	530,929	(536,020)	22,153	17,062
TOTAL FUNDS	530,929	(536,020)	22,153	17,062

continued...

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2024.

The Society Of Musculoskeletal Medicine

Detailed Statement of Financial Activities
for the Year Ended 31 December 2024

	31.12.24 £	31.12.23 £
INCOME FROM:		
Investment income		
Income from listed investments	6,627	8,094
Interest receivable	329	74
	6,956	8,168
Charitable activities		
Charitable activities	273,818	234,417
Other income	930	6,640
	274,748	241,057
Total incoming resources	281,704	249,225
EXPENDITURE		
Investment management costs		
Investment management	26	629
Charitable activities		
Wages	85,858	55,460
Rent and rates	8,595	10,943
Insurance	517	517
Telephone and internet	1,211	3,969
Printing, postage & stationery	1,641	2,132
Promotion and advertising	3,223	1,973
General expenses	9,783	7,159
Computer and website costs	2,207	3,273
Subscriptions	3,311	2,487
Repairs and renewals	557	493
Meeting costs	14,224	21,928
Bank charges	3,930	3,097
Legal and professional fees	4,847	4,196
Accountancy	2,240	3,000
Courses and examination costs	130,963	138,935
Depreciation of tangible fixed assets	1,156	1,540
	274,263	261,102
Total resources expended	274,289	261,731
Net income/(expenditure) before gains and losses	7,415	(12,506)
Realised recognised gains and losses		
Revaluation of investments	12,025	(919)
Sale of investments	-	11,047
Net income/(expenditure)	19,440	(2,378)

This page does not form part of the statutory financial statements

Accounts

Charity registration number 802164

Company registration number 01700787 (England and Wales)

THE SOCIETY OF MUSCULOSKELETAL MEDICINE

COMPANY LIMITED BY GUARANTEE

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION

Charity number	802164
Company number	01700787
Principal address	Somm 4th Floor 151 Dale Street Liverpool L22AH
Registered office	Somm 4th Floor 151 Dale Street Liverpool L22AH
Independent Examiner:	Peter Wilson Chartered Accountants Rockfield Business Centre 512 Darwen Road Bromley Cross Bolton BL7 9DX
Bankers	Charities Aid Foundation 10 St Bride Street London EC4A4AD
Investment advisors	Quilter Cheviot Limited One Kingsway, London, WC2B 6AN

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
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THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Society of Musculoskeletal Medicine (SOMM) - formerly the Society of Orthopaedic Medicine - is an educational charitable company that was formed in 1979 to develop the seminal work of Dr James Cyriax MRCP and to promote the theory and the practice of musculoskeletal medicine.

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The Society has a committed team of tutors who have many years of experience practicing musculoskeletal medicine in many different arenas - NHS, sport, private practice and the armed forces. This brings diversity and interest in the courses and ensures a stimulating and varied learning experience.

The main objective of the Society during the past 12 months has been to sustain our ability to provide high quality musculoskeletal medicine training to result in better medical treatment for patients.

Our strategy has continued to focus on the need to strengthen our existing offering to current markets, in particular our international courses and our injection therapy courses.

Public Benefit

The objects for which The Society of Musculoskeletal Medicine has been established are:

To benefit the public through the promotion and advancement of musculoskeletal medicine.

We will provide education to facilitate the practice, study and publication of research within this field.

The trustees have paid due regard to the Charity Commission guidance on public benefit in deciding SOMM activities to be undertaken and have only pursued activities with a public benefit outlined below.

The core activity of the Society is the teaching of musculoskeletal medicine through Foundation course modules, which aim to provide students with a practical approach to the clinical diagnosis and treatment of musculoskeletal conditions.

The outcome is a public benefit through being diagnosed or treated by medical practitioners or allied health professionals that are trained in SOMM principles and subsequently have confidence to practise this important area of medicine.

There is public benefit gained through sharing knowledge in this way so that patients receive the best possible diagnosis and treatment from fully informed doctors and allied health professionals.

Achievements and performance

SOMM appointed a chair of education to resource a robust commitment to supporting our tutors and to promoting our courses.

We also addressed the need to sustain our teaching capacity following the loss of some key tutors.

During the last financial year, the Society delivered 10 foundation courses to 195 students..

A total of 100 students attended our Theory and Practice of Injection Therapy Module and the Advancing Practice Module and 9 students attended our Top Up Day.

Our collaboration with Queen Margaret University, Edinburgh continued.

Therefore, a total of 314 students were trained by SOMM in 2023.

Financial review

Total income for the period was £241,057 (2022: £208,935).

Total expenditure for the period was £261,731 (2021: £255,577).

The net deficit for the year prior to gains and losses on investments was £12,506 (2022: £41,846). Gains on our investments of £10,128 during the year (see note 10) meant that our final position was a deficit for the year of £2,378 (2022 deficit for the year of £82,581 following losses on investments of £41,095).

At the end of 2023 the fixed asset investments were valued at £209,977 (2022: 192,384)

The Society has a current bank account which at the year-end totalled £79,030 (2022: £30,190).

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month’s expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity’s current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Investment policy

£209,977 is held in a broad range of investment funds, with an overarching conservative objective in order to minimise risk and safeguard the funds.

Quilter Cheviot is the appointed investment advisor, and they manage SOMM funds on a discretionary basis. This enables an improved speed of decision-making as the appointed investment managers are authorised to move funds according to market conditions.

The Council has requested that portfolio of investments be managed cautiously, within agreed parameters.

The Society Manager and Treasurer receive regular investment performance reports from Cheviot Asset Management, and can access real time valuations at any given juncture

Risk policy

The Council has assessed the major risks to which the charitable company is exposed.

These have been identified as follows:

- Dependency on key funders, NHS constraints and failure to meet funding target;
- Dependency on key personnel - ensure that succession planning is in place;
- Failure of course programme, declining number of students: and
- Poor investment performance.

The following measures were implemented to address these risks:

- Position our courses as a lever to support the NHS strategy of supporting the management of musculoskeletal conditions; .
- Appointment of a chair of education; and
- Continue our relationship with our appointed investment manager, who has the authority to act on a discretionary basis, to reinvest funds (with agreed parameters) to maximize current market conditions.

The Council is satisfied that HR, legal, IT and Health & Safety obligations currently have sufficient control systems in place.

All risks continue to be thoroughly reviewed annually.

Structure, governance and management

The organisation is a charitable company; limited by guarantee (registered in England and Wales No.01700787) originally formed in 1979 and was incorporated on 11th January 1983. The company was established under a Memorandum of Association, which established the objects and powers of the company and is governed by its Articles of Association.

The charitable company was registered with the Charities Commission (registered number 802164) on 17^{th} January 1990 as a charity for the benefit of the public in relieving sickness by promoting and advancing the use, study and science of orthopaedic medicine and by providing facilities for treatment, education, study and research therein.

The charitable company changed its name from The Society of Orthopaedic Medicine on 21 January 2013.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr N Worth	
Mr L Entwistle	(Appointed 27 February 2024)
Mrs F Ottewell	(Resigned 27 February 2024)
Dr G Cameron	
Dr D A Reid	
Dr E L Atkins MBE	
Mr J P Smith	(Appointed 13 June 2022)
Mr G Hebenton	(Appointed 16 December 2022)
Mrs J Neilson	(Appointed 16 December 2022)

Members of the Council are elected/re-elected at the Annual General Meeting by the membership.

According to SOMM's constitution, 1/3 of elected Councillors will retire by rotation at each Annual General Meeting, with those that have been longest in office being first to retire. Officers of the Society are exempt from retiring for re-election partway through their term of office.

Some of the trustees are remunerated by the Society of Musculoskeletal Medicine (SOMM) for their professional services in teaching musculoskeletal medicine on behalf of SOMM. The Society governance includes strict policies and procedures that are in place to safeguard the organisation against any potential conflict of interest that might arise through such remuneration.

No Council members are remunerated for their trusteeship services.

Trustee Recruitment and Appointment

SOMM's constitution requires that Councillors be elected to office by the membership.

A call for nominations was sent to all SOMM members in advance of the Annual General Meeting. Additionally, SOMM Council has the power to co-opt individuals.

All co-options are valid for 1 year until the date of the next Annual General Meeting, at which point Council may decide to renew the co-option.

Trustee Induction and Training

All newly-elected trustees are sent an induction pack which includes the following items:

- Trustee job description
- Council terms of reference
- Minutes from last twelve months council meetings
- SOMM governance review
- SOMM constitution
- Business plan
- Risk assessment
- Charity Trustee’s Handbook
- Code of Good Governance
- SOMM contacts list
- Charity Commission information and link to their website
- Council performance review

SOMM trustees are the main decision-makers for the organisation, and the trustee board is known as Council.

Trustees are updated on SOMM activities and performance through regular email communications from the Society Manager, at Council meetings, strategic planning meetings, and any other ad hoc meetings.

Sub-committees include the Education Committee.

All Committees have specific Terms of Reference which outline their responsibilities and reporting structure. All sub-committees report to SOMM Council.

Council has agreed a target that all incoming trustees should attend formal trustee training, and has also proactively encouraged current trustees to attend such training. To date, 50% of current trustees either have already received formal training or are planning to attend a training course in the coming year.

The Society Manager manages the performance and administration of the organisation, and attends all Council and Committee meetings.

Annual budgets are prepared by the Society Manager in collaboration with the office lead for finances and the Treasurer for approval by Council.

Council receives regular management accounts reports throughout the year.

Council has delegated authority for financial decisions up to the value of £10,000 to the Treasurer, and Society Manager, providing there is unanimity across the group. This policy is beneficial operationally because it enables timely decisions to be made and implemented.

Many action points have arisen including increasing financial, business and marketing skills on the Council, clarifying the relative roles of Society Manager and Council, increasing strategic activity, improving communications and decision-making.

Small company provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.

Mr L Entwistle
Trustees
Dated: 19 September 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also the directors of The Society Of Musculoskeletal Medicine for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE SOCIETY OF MUSCULOSKELETAL MEDICINE

I report to the trustees on my examination of the financial statements of The Society Of Musculoskeletal Medicine (the charity) for the year ended 31 December 2023.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Peter Wilson FCA

Rockfield Business Centre
512 Darwen Road
Bromley Cross
Bolton
BL7 9DX

Dated: 19 September 2024

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Charitable activities	**3**	241,057	208,935
Investments	**4**	8,168	5,156
Total income		249,225	214,091
Expenditure on:			
Raising funds	**5**	629	2,177
Charitable activities	**6**	261,102	253,400
Total expenditure		261,731	255,577
Net deficit for the year		(12,506)	(41,486)
Net gains/(losses) on investments	**9**	10,128	(41,095)
Net movement in funds		(2,378)	(82,581)
Reconciliation of funds			
Fund balances at 1 January 2023		142,593	225,174
Fund balances at 31 December 2023		140,215	142,593

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	**11**		4,621		6,161
Investments	**12**		209,977		192,384
			214,598		198,545
Current assets					
Stocks	**14**	7,526		2,608	
Debtors	**15**	25,900		13,008	
Cash at bank and in hand		79,030		30,190	
		112,456		45,806	
Creditors: amounts falling due within one year	**17**	186,839		101,750	
Net current liabilities			(74,383)		(55,952)
Total assets less current liabilities			140,215		142,593
The funds of the charity					
Unrestricted funds			140,215		142,593
			140,215		142,593

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 19 September 2024

Mr L Entwistle
Trustee

Company registration number 01700787 (England and Wales)

1 Accounting policies

Charity information

The Society of Musculoskeletal Medicine is private limited company limited by guarantee registered in England and Wales. The registered office address is 4th floor 151 Dale Street Liverpool L2 2AH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% reducing balance
Fixtures and fittings	25% reducing balance
Computers	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are valued at the lower of cost or selling price less selling costs, after making due allowance for obsolete and slow-moving items. Cost is calculated using the first-in first-out basis of valuation.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from charitable activities	234,417	206,935
other income	6,640	2,250
	241,057	208,935

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from listed investments	8,094	5,107
	74	49
	8,168	5,156

5 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Investment management	629	2,177

6 Charitable activities

	2023	2022
	£	£
Staff costs	55,460	70,658
Depreciation and impairment	1,540	2,057
Printing, postage and stationery	2,132	1,532
Telephone and interent	3,969	3,397
Insurance	517	316
Promotion and advertising	1,973	795
Rent and rates	10,943	8,230
Computer and website costs	3,273	2,173
Subscriptions	2,487	6,848
Repairs and renewals	493	847
Meeting costs	21,928	20,484
General expenses	7,159	3,565
Bank charges	3,097	2,112
Legal and professional fees	4,196	509
Accountancy	3,000	2,572
Courses and examination costs	138,935	127,305
	261,102	253,400

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2022 - none).

8 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Charitable activities	2	2

Employment costs	2023	2022
	£	£
Wages and salaries	50,810	69,523
Social security costs	3,384	497
Other pension costs	442	638
Staff Training	824	
	55,460	70,658

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9 Gains and losses on investments

	Unrestricted funds 2023	Unrestricted funds 2022
Gains/(losses) arising on:	£	£
Revaluation of investments	(919)	(15,489)
Sale of investments	11,047	(25,606)
	10,128	(41,095)

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Tangible fixed assets

	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£
Cost				
At 1 January 2023	5,646	8,604	9,289	23,539
Additions	-			
At 31 December 2023	5,646	8,604	9,289	23,539
Depreciation and impairment				
At 1 January 2023	5,585	7,934	3,859	17,378
Depreciation charged in the year	15	168	1,357	1,540
At 31 December 2022	5,600	8,102	5,216	18,918
Carrying amount				
At 31 December 2023	46	502	4,073	4,621
At 31 December 2022	61	670	5,430	6,161

12 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2023	192,384
Additions	217,012
Valuation changes	(919)
Movement in capital and cash accounts	(6,015)
Disposals	(192,485)
At 31 December 2023	209,977
Carrying amount	
At 31 December 2023	209,977
At 31 December 2022	192,384

13 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Instruments measured at fair value through the statement of financial activities	209,977	192,384

14 Stocks

	2023 £	2022 £
Finished goods and goods for resale	7,526	2,608

15 Debtors

Amounts falling due within one year:	2023 £	2022 £
Trade debtors	20,864	7,869
Other debtors	3,437	282
Prepayments and accrued income	1,599	4,857
	25,900	13,008

16 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Other taxation and social security		3,454	1,584
Deferred income		111,129	62,993
Trade creditors		37,051	13,778
Other creditors		31,628	18,221
Accruals		3,577	5,182
		186,839	101,758

Deferred income of £62,993 (2021: £53,744) relates to income received for future periods.

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	142,593	249,225	(261,731)	10,128	140,215

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
General funds	225,174	214,091	(255,577)	(41,095)	142,593

18 Related party transactions

There were no disclosable related party transactions during the year (2022: none).

Accounts

Charity registration number 802164

Company registration number 01700787 (England and Wales)

THE SOCIETY OF MUSCULOSKELETAL MEDICINE

COMPANY LIMITED BY GUARANTEE

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N Worth	
	Miss F M Ottewell	
	Dr G Cameron	
	Dr D A Reid	
	Dr E L Atkins MBE	
	Mr J P Smith	(Appointed 13 June 2022)
	Mr G Hebenton	(Appointed 16 December 2022)
	Mrs J Neilson	(Appointed 16 December 2022)
Charity number	802164	
Company number	01700787	
Principal address	Somm 4th Floor 151 Dale Street Liverpool L2 2AH	
Registered office	Somm 4th Floor 151 Dale Street Liverpool L2 2AH	
Independent Examiner:	Jean Ellis BA FCA CTA DSG Castle Chambers 43 Castle Street Liverpool L2 9TL	
Bankers	Charities Aid Foundation 10 St Bride Street London EC4A 4AD	
Investment advisors	Quilter Cheviot Limited One Kingsway, London, WC2B 6AN	

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
CONTENTS

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Society of Musculoskeletal Medicine (SOMM) - formerly the Society of Orthopaedic Medicine - is an educational charitable company that was formed in 1979 to develop the seminal work of Dr James Cyriax MRCP and to promote the theory and the practice of musculoskeletal medicine.

SOMM provides a comprehensive programme of post graduate courses for physiotherapists and doctors that run primarily throughout the UK but invitations further afield are always considered and courses in Europe and South East Asia have been delivered in the past.

The Society has a committed team of tutors who have many years of experience practicing musculoskeletal medicine in many different arenas - NHS, sport, private practice and the armed forces. This brings diversity and interest in the courses and ensures a stimulating and varied learning experience.

The main objective of the Society during the past 12 months has been to sustain our ability to provide high quality musculoskeletal medicine training to result in better medical treatment for patients.

Our strategy has continued to focus on the need to strengthen our existing offering to current markets, in particular our international courses and our injection therapy courses.

Public Benefit

The objects for which The Society of Musculoskeletal Medicine has been established are:

To benefit the public through the promotion and advancement of musculoskeletal medicine.

We will provide education to facilitate the practice, study and publication of research within this field.

The trustees have paid due regard to the Charity Commission guidance on public benefit in deciding SOMM activities to be undertaken and have only pursued activities with a public benefit outlined below.

The core activity of the Society is the teaching of musculoskeletal medicine through Foundation course modules, which aim to provide students with a practical approach to the clinical diagnosis and treatment of musculoskeletal conditions.

The outcome is a public benefit through being diagnosed or treated by medical practitioners or allied health professionals that are trained in SOMM principles and subsequently have confidence to practise this important area of medicine.

There is public benefit gained through sharing knowledge in this way so that patients receive the best possible diagnosis and treatment from fully informed doctors and allied health professionals.

Achievements and performance

SOMM appointed a chair of education to resource a robust commitment to supporting our tutors and to promoting our courses.

We also addressed the need to sustain our teaching capacity following the loss of some key tutors.

During the last financial year, the Society delivered 7 foundation courses to 144 students..

The Society also provided further courses for students that have completed the diploma, encompassing modules on The Theory and Practice of Injection Therapy and Advancing Clinical Practice in Musculoskeletal Medicine.

We had 12 advanced modules (injection therapy, special tests etc) with 211 students.

Our collaboration with Queen Margaret University, Edinburgh continued with 1 student enrolling on the MSc Musculoskeletal Medicine in 2022.

Therefore, a total of 355 students were trained by SOMM in 2022.

Financial review

Total income for the period was £214,091 (2021: £241,738).

Total expenditure for the period was £255,577 (2021: £250,915).

The net deficit for the year prior to gains and losses on investments was £41,846 (2021: £9,177). Losses on our investments of £41,095 during the year (see note 10) meant that our final position was a deficit for the year of £82,581 (2021: surplus for the year of £29,734 following gains on investments of £38,911).

At the end of 2022 the fixed asset investments were valued at £192,384 (2021: 260,549)

The Society has a current bank account which at the year-end totalled £30,190 (2021: £48,213).

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month’s expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity’s current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Investment policy

£192,384 is held in a broad range of investment fund, with an overarching conservative objective in order to minimise risk and safeguard the funds.

Quilter Cheviot is the appointed investment advisor, and they manage SOMM funds on a discretionary basis. This enables an improved speed of decision-making as the appointed investment managers are authorised to move funds according to market conditions.

The Council has requested that portfolio of investments be managed cautiously, within agreed parameters.

The Society Manager and Treasurer receive regular investment performance reports from Cheviot Asset Management, and can access real time valuations at any given juncture

Risk policy

The Council has assessed the major risks to which the charitable company is exposed.

These have been identified as follows:

- Dependency on key funders, NHS constraints and failure to meet funding target;
- Dependency on key personnel - ensure that succession planning is in place;
- Failure of course programme, declining number of students: and
- Poor investment performance.

The following measures were implemented to address these risks:

- Position our courses as a lever to support the NHS strategy of supporting the management of musculoskeletal conditions; .
- Appointment of a chair of education; and
- Continue our relationship with our appointed investment manager, who has the authority to act on a discretionary basis, to reinvest funds (with agreed parameters) to maximize current market conditions.

The Council is satisfied that HR, legal, IT and Health & Safety obligations currently have sufficient control systems in place.

All risks continue to be thoroughly reviewed annually.

Structure, governance and management

The organisation is a charitable company; limited by guarantee (registered in England and Wales No.01700787) originally formed in 1979 and was incorporated on 11th January 1983. The company was established under a Memorandum of Association, which established the objects and powers of the company and is governed by its Articles of Association.

The charitable company was registered with the Charities Commission (registered number 802164) on 17th January 1990 as a charity for the benefit of the public in relieving sickness by promoting and advancing the use, study and science of orthopaedic medicine and by providing facilities for treatment, education, study and research therein.

The charitable company changed its name from The Society of Orthopaedic Medicine on 21 January 2013.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr N Worth	
Miss F M Ottewell	
Dr G Cameron	
Dr D A Reid	
Dr E L Atkins MBE	
Mr J P Smith	(Appointed 13 June 2022)
Mr G Hebenton	(Appointed 16 December 2022)
Mrs J Neilson	(Appointed 16 December 2022)
Mrs E J Goodlad	(Resigned 17 February 2022)
Mr D Muir	(Resigned 29 August 2022)

Members of the Council are elected/re-elected at the Annual General Meeting by the membership.

According to SOMM’s constitution, 1/3 of elected Councillors will retire by rotation at each Annual General Meeting, with those that have been longest in office being first to retire. Officers of the Society are exempt from retiring for re-election partway through their term of office.

Some of the trustees are remunerated by the Society of Musculoskeletal Medicine (SOMM) for their professional services in teaching musculoskeletal medicine on behalf of SOMM. The Society governance includes strict policies and procedures that are in place to safeguard the organisation against any potential conflict of interest that might arise through such remuneration.

No Council members are remunerated for their trusteeship services.

Trustee Recruitment and Appointment

SOMM’s constitution requires that Councillors be elected to office by the membership.

A call for nominations was sent to all SOMM members in advance of the Annual General Meeting. Additionally, SOMM Council has the power to co-opt individuals.

All co-options are valid for 1 year until the date of the next Annual General Meeting, at which point Council may decide to renew the co-option.

Trustee Induction and Training

All newly-elected trustees are sent an induction pack which includes the following items:

- Trustee job description
- Council terms of reference
- Minutes from last twelve months council meetings
- SOMM governance review
- SOMM constitution
- Business plan
- Risk assessment
- Charity Trustee’s Handbook
- Code of Good Governance
- SOMM contacts list
- Charity Commission information and link to their website
- Council performance review

SOMM trustees are the main decision-makers for the organisation, and the trustee board is known as Council.

Trustees are updated on SOMM activities and performance through regular email communications from the Society Manager, at Council meetings, strategic planning meetings, and any other ad hoc meetings.

Sub-committees include the Education Committee.

All Committees have specific Terms of Reference which outline their responsibilities and reporting structure. All sub-committees report to SOMM Council.

Council has agreed a target that all incoming trustees should attend formal trustee training, and has also proactively encouraged current trustees to attend such training. To date, 50% of current trustees either have already received formal training or are planning to attend a training course in the coming year.

The Society Manager manages the performance and administration of the organisation, and attends all Council and Committee meetings.

Annual budgets are prepared by the Society Manager in collaboration with the office lead for finances and the Treasurer for approval by Council.

Council receives regular management accounts reports throughout the year.

Council has delegated authority for financial decisions up to the value of £10,000 to the Treasurer, and Society Manager, providing there is unanimity across the group. This policy is beneficial operationally because it enables timely decisions to be made and implemented.

Many action points have arisen including increasing financial, business and marketing skills on the Council, clarifying the relative roles of Society Manager and Council, increasing strategic activity, improving communications and decision-making.

Small company provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.

Fiona Ottewell

Miss F M Ottewell
Trustees
Dated: 15 December 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are also the directors of The Society Of Musculoskeletal Medicine for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE SOCIETY OF MUSCULOSKELETAL MEDICINE

I report to the trustees on my examination of the financial statements of The Society Of Musculoskeletal Medicine (the charity) for the year ended 31 December 2022.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report
As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Jean Ellis

Jean Ellis BA FCA CTA
DSG

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Dated: 15 December 2023

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Income from:			
Donations and legacies	**3**	-	1,000
Charitable activities	**4**	208,935	235,894
Investments	**5**	5,156	4,844
Total income		214,091	241,738
Expenditure on:			
Raising funds	**6**	2,177	2,326
Charitable activities	**7**	253,400	248,589
Total expenditure		255,577	250,915
Net deficit for the year		(41,486)	(9,177)
Net gains/(losses) on investments	**10**	(41,095)	38,911
Net movement in funds		(82,581)	29,734
Reconciliation of funds			
Fund balances at 1 January 2022		225,174	195,440
Fund balances at 31 December 2022		142,593	225,174

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	**12**		6,161		4,563
Investments	**13**		192,384		260,549
			198,545		265,112
Current assets					
Stocks	**15**	2,608		1,435	
Debtors	**16**	13,008		16,602	
Cash at bank and in hand		30,190		48,213	
		45,806		66,250	
Creditors: amounts falling due within one year	**17**	101,758		106,188	
Net current liabilities			(55,952)		(39,938)
Total assets less current liabilities			142,593		225,174
The funds of the charity					
Unrestricted funds			142,593		225,174
			142,593		225,174

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 15 December 2023

Fiona Ottewell

Miss F M Ottewell
Trustee

Company registration number 01700787 (England and Wales)

1 Accounting policies

Charity information

The Society of Musculoskeletal Medicine is private limited company limited by guarantee registered in England and Wales. The registered office address is 4th floor 151 Dale Street Liverpool L2 2AH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% reducing balance
Fixtures and fittings	25% reducing balance
Computers	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are valued at the lower of cost or selling price less selling costs, after making due allowance for obsolete and slow-moving items. Cost is calculated using the first-in first-out basis of valuation.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Covid grant	-	1,000

4 Income from charitable activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Income from charitable activities	206,935	228,600
Income from beneficiaries services	-	5,044
Other income	2,000	2,250
	208,935	235,894

5 Income from investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Income from listed investments	5,107	4,843
Interest receivable	49	1
	5,156	4,844

6 Expenditure on raising funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Investment management	2,177	2,326

7 Charitable activities

	2022 £	2021 £
Staff costs	70,658	56,724
Depreciation and impairment	2,057	1,524
Printing, postage and stationery	1,532	2,212
Telephone and interent	3,397	2,318
Insurance	316	209
Promotion and advertising	795	969
Rent and rates	8,230	7,399
Computer and website costs	2,173	1,960
Subscriptions	6,848	7,529
Repairs and renewals	847	2,700
Meeting costs	20,484	3,076
General expenses	3,565	4,399
Bank charges	2,112	2,961
Legal and professional fees	509	488
Accountancy	2,572	1,440
Courses and examination costs	127,305	152,681
	253,400	248,589

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2021 - none).

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Charitable activities	2	2

Employment costs	2022 £	2021 £
Wages and salaries	69,523	55,299
Social security costs	497	876
Other pension costs	638	549
	70,658	56,724

There were no employees whose annual remuneration was more than £60,000.

10 Gains and losses on investments

	Unrestricted funds 2022	Unrestricted funds 2021
Gains/(losses) arising on:	£	£
Revaluation of investments	(15,489)	30,683
Sale of investments	(25,606)	8,228
	(41,095)	38,911

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Plant and equipment	Fixtures and fittings	Computers	Total
	£	£	£	£
Cost				
At 1 January 2022	5,646	8,254	5,984	19,884
Additions	-	350	3,305	3,655
At 31 December 2022	5,646	8,604	9,289	23,539
Depreciation and impairment				
At 1 January 2022	5,564	7,710	2,047	15,321
Depreciation charged in the year	21	224	1,812	2,057
At 31 December 2022	5,585	7,934	3,859	17,378
Carrying amount				
At 31 December 2022	61	670	5,430	6,161
At 31 December 2021	82	544	3,937	4,563

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	260,549
Additions	78,912
Valuation changes	(15,489)
Movement in capital and cash accounts	(497)
Disposals	(131,091)
At 31 December 2022	192,384
Carrying amount	
At 31 December 2022	192,384
At 31 December 2021	260,549

14 Financial instruments

	2022 £	2021 £
Carrying amount of financial assets		
Instruments measured at fair value through the statement of financial activities	192,384	260,549

15 Stocks

	2022 £	2021 £
Finished goods and goods for resale	2,608	1,435

16 Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	7,869	7,720
Other debtors	282	2,422
Prepayments and accrued income	4,857	6,460
	13,008	16,602

17 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		1,584	-
Deferred income		62,993	53,744
Trade creditors		13,778	31,266
Other creditors		18,221	18,373
Accruals		5,182	2,805
		101,758	106,188

Deferred income of £62,993 (2021: £53,744) relates to income received for future periods.

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 December 2022 £
General funds	225,174	214,091	(255,577)	(41,095)	142,593

Previous year:	At 1 January 2021 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 December 2021 £
General funds	195,440	241,738	(250,915)	38,911	225,174

19 Related party transactions

There were no disclosable related party transactions during the year (2021: none).

Accounts

Charity registration number 802164

Company registration number 01700787 (England and Wales)

THE SOCIETY OF MUSCULOSKELETAL MEDICINE

COMPANY LIMITED BY GUARANTEE

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr E L Atkins MBE	
	Dr G Cameron	
	Miss F M Ottewell	
	Dr D A Reid	
	Mr J P Smith	(Appointed 13 June 2022)
	Mr N Worth	
Charity number	802164	
Company number	01700787	
Principal address	Somm 4th Floor 151 Dale Street Liverpool L2 2AH	
Registered office	Somm 4th Floor 151 Dale Street Liverpool L2 2AH	
Independent Examiner:	Jean Ellis BA FCA CTA DSG Castle Chambers 43 Castle Street Liverpool L2 9TL	
Bankers	Charities Aid Foundation 10 St Bride Street London EC4A 4AD	
Investment advisors	Quilter Cheviot Limited One Kingsway, London, WC2B 6AN	

CONTENTS

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities
The Society of Musculoskeletal Medicine (SOMM) - formerly the Society of Orthopaedic Medicine - is an educational charitable company that was formed in 1979 to develop the seminal work of Dr James Cyriax MRCP and to promote the theory and the practice of musculoskeletal medicine.

SOMM provides a comprehensive programme of post graduate courses for physiotherapists and doctors that run primarily throughout the UK but invitations further afield are always considered and courses in Europe and South East Asia have been delivered in the past.

The Society has a committed team of tutors who have many years of experience practicing musculoskeletal medicine in many different arenas - NHS, sport, private practice and the armed forces. This brings diversity and interest in the courses and ensures a stimulating and varied learning experience.

The main objective of the Society during the past 12 months has been to recover from the impact of the Covid 19 Pandemic and to sustain our ability to provide high quality musculoskeletal medicine training to result in better medical treatment for patients.

Our strategy has continued to focus on the need to;

1. Strengthen existing offering to current markets - such as increasing our ‘virtual ‘capacity
2. Develop new offerings to current markets- such as online teaching and ‘covid safe’ courses and HEE (Health Education England) accreditation
3. Identify new markets for the current offering -such as HEE Supervision and Top Up day

Public Benefit

The objects for which The Society of Musculoskeletal Medicine has been established are:

To benefit the public through the promotion and advancement of musculoskeletal medicine.
We will provide education to facilitate the practice, study and publication of research within this field.

The trustees have paid due regard to the Charity Commission guidance on public benefit in deciding SOMM activities to be undertaken and have only pursued activities with a public benefit outlined below.

The core activity of the Society is the teaching of musculoskeletal medicine through Foundation course modules, which aim to provide students with a practical approach to the clinical diagnosis and treatment of musculoskeletal conditions.

The outcome is a public benefit through being diagnosed or treated by medical practitioners or allied health professionals that are trained in SOMM principles and subsequently have confidence to practise this important area of medicine.

There is public benefit gained through sharing knowledge in this way so that patients receive the best possible diagnosis and treatment from fully informed doctors and allied health professionals.

Achievements and performance

SOMM started to re-stablish face to face training during 2021.

We also addressed the need to sustain our teaching capacity following the loss of some key tutors.

During the last financial year, the Society managed to deliver 8 diploma module courses, 152 students attended the SOMM Diploma in Musculoskeletal Medicine.

The Society also provided further courses for students that have completed the diploma, encompassing modules on The Theory and Practice of Injection Therapy and Advancing Clinical Practice in Musculoskeletal Medicine.

We had 16 advanced modules (injection therapy, special tests etc) with 272 students.

Our collaboration with Queen Margaret University, Edinburgh continued with 2 students enrolling on the MSc Musculoskeletal Medicine in 2021.

Therefore, a total of 424 students were trained by SOMM in 2021.

Financial review

Total income for the period was £241,738 (2020: £125,091).

Total expenditure for the period was £250,915 (2020: £178,529).

Our investments during the year (see note 10) meant that we generated a small surplus for the period of £29,734 (2020: deficit for the year of £44,511)

At the end of 2021 the fixed assets were valued at £265,112 (2020: 252,165).

The Society has a current account which at the year-end totalled £48,213 (in 2020 this was £53,288)

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Investment policy

£260,549 is held in a broad range of investment fund, with an overarching conservative objective in order to minimise risk and safeguard the funds. This has had a demonstrable impact with funds generating income during the last year. Quilter Cheviot is the appointed investment advisor, and they manage SOMM funds on a discretionary basis. This enables an improved speed of decision-making as the appointed investment managers are authorised to move funds according to market conditions.

The Council has requested that portfolio of investments be managed cautiously, within agreed parameters, and improved performance has resulted. The Society Manager and Treasurer receive regular investment performance reports from Cheviot Asset Management, and can access real time valuations at any given juncture

Risk policy

The Council has assessed the major risks to which the charitable company is exposed.

These have been identified as follows:

- Covid 19 pandemic disrupting Business as Usual
- Dependency on key personnel - ensure that succession planning is in place
- Failure of course programme, declining number of students/ Covid 19
- Dependency on key funders, NHS constraints and failure to meet funding target
- Poor investment performance

The following measures were implemented to address these risks:

- Establishment of online training tools
- Established delivery of covid secure courses
- Established ability to work and meet and train virtually
- SOMM training offer to Students in Norway
- Continue our relationship with our appointed investment manager, who has the authority to act on a discretionary basis, to reinvest funds (with agreed parameters) to maximize current market conditions. The Society Manager and Treasurer receive regular reports from our appointed investments manager and have real time access to the valuation of SOMM's portfolio and can monitor performance on a daily basis if required.

The Council is satisfied that HR, legal, IT and Health & Safety obligations currently have sufficient control systems in place.

All risks continue to be thoroughly reviewed annually.

Structure, governance and management
The organisation is a charitable company; limited by guarantee (registered in England and Wales No.01700787) originally formed in 1979 and was incorporated on 11th January 1983. The company was established under a Memorandum of Association, which established the objects and powers of the company and is governed by its Articles of Association.

The charitable company was registered with the Charities Commission (registered number 802164) on 17th January 1990 as a charity for the benefit of the public in relieving sickness by promoting and advancing the use, study and science of orthopaedic medicine and by providing facilities for treatment, education, study and research therein.

The charitable company changed its name from The Society of Orthopaedic Medicine on 21 st January 2013.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr E L Atkins MBE	
Dr G Cameron	
Mrs E J Goodlad	(Resigned 17 February 2022)
Mr D Muir	(Resigned 29 August 2022)
Miss F M Ottewell	
Dr D A Reid	
Dr F Shaikh	(Resigned 22 July 2021)
Mr J P Smith	(Appointed 13 June 2022)
Mr N Worth	

Members of the Council are elected/re-elected at the Annual General Meeting by the membership. According to SOMM's constitution, 1/3 of elected Councillors will retire by rotation at each Annual General Meeting, with those that have been longest in office being first to retire. Officers of the Society are exempt from retiring for re-election partway through their term of office.

Some of the trustees are remunerated by the Society of Musculoskeletal Medicine (SOMM) for their professional services in teaching musculoskeletal medicine on behalf of SOMM. The Society governance includes strict policies and procedures that are in place to safeguard the organisation against any potential conflict of interest that might arise through such remuneration. No Council members are remunerated for their trusteeship services.

Trustee Recruitment and Appointment

SOMM's constitution requires that Councillors be elected to office by the membership. A call for nominations was sent to all SOMM members in advance of the Annual General Meeting. Additionally, SOMM Council has the power to co-opt individuals. All co-options are valid for 1 year until the date of the next Annual General Meeting, at which point Council may decide to renew the co-option.

Trustee Induction and Training

All newly-elected trustees are sent an induction pack which includes the following items:

1. Trustee job description
2. Council terms of reference
3. Minutes from last twelve months council meetings
4. SOMM governance review
5. SOMM constitution
6. Business plan
7. Risk assessment
8. Charity Trustee's Handbook
9. Code of Good Governance
10. SOMM contacts list
11. Charity Commission information and link to their website
12. Council performance review

SOMM trustees are the main decision-makers for the organisation, and the trustee board is known as Council. Trustees are updated on SOMM activities and performance through regular email communications from the Society Manager, at Council meetings, strategic planning meetings, and any other ad hoc meetings. Sub-committees include the Education Committee and Research Committee. All Committees have specific Terms of Reference which outline their responsibilities and reporting structure. All sub-committees report to SOMM Council.

Council has agreed a target that all incoming trustees should attend formal trustee training, and has also proactively encouraged current trustees to attend such training. To date, 50% of current trustees either have already received formal training or are planning to attend a training course in the coming year.

The Society Manager manages the performance and administration of the organisation, and attends all Council and Committee meetings.

Annual budgets are prepared by the Society Manager in collaboration with the office lead for finances and the Treasurer for approval by Council.

Council receives regular management accounts reports throughout the year.

Council has delegated authority for financial decisions up to the value of £10,000 to the Treasurer, and Society Manager, providing there is unanimity across the group. This policy is beneficial operationally because it enables timely decisions to be made and implemented.

Many action points have arisen including increasing financial, business and marketing skills on the Council, clarifying the relative roles of Society Manager and Council, increasing strategic activity, improving communications and decision-making.

Small company provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.

Fiona Ottewell

Miss F M Ottewell
Trustees
Dated: 27 October 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of The Society Of Musculoskeletal Medicine for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE SOCIETY OF MUSCULOSKELETAL MEDICINE

I report to the trustees on my examination of the financial statements of The Society Of Musculoskeletal Medicine (the charity) for the year ended 31 December 2021.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Jean Ellis

Jean Ellis BA FCA CTA
DSG

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Dated: 27 October 2022

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Income from:			
Donations and legacies	**3**	1,000	10,000
Charitable activities	**4**	235,894	110,488
Investments	**5**	4,844	4,603
Total income		241,738	125,091
Expenditure on:			
Raising funds	**6**	2,326	2,026
Charitable activities	**7**	248,589	176,503
Total expenditure		250,915	178,529
Net deficit for the year		(9,177)	(53,438)
Net gains/(losses) on investments	**10**	38,911	8,927
Net movement in funds		29,734	(44,511)
Reconciliation of funds			
Fund balances at 1 January 2021		195,440	239,951
Fund balances at 31 December 2021		225,174	195,440

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE SOCIETY OF MUSCULOSKELETAL MEDICINE
COMPANY LIMITED BY GUARANTEE
BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**11**		4,563		3,044
Investments	**12**		260,549		249,121
			265,112		252,165
Current assets					
Stocks	**14**	1,435		-	
Debtors	**15**	16,602		17,809	
Cash at bank and in hand		48,213		53,288	
		66,250		71,097	
Creditors: amounts falling due within one year	**16**	(106,188)		(127,822)	
Net current liabilities			(39,938)		(56,725)
Total assets less current liabilities			225,174		195,440
Income funds					
Unrestricted funds			225,174		195,440
			225,174		195,440

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 27 October 2022

Fiona Ottewell

Miss F M Ottewell
Trustee

Company registration number 01700787

1 Accounting policies

Charity information

The Society of Musculoskeletal Medicine is private limited company limited by guarantee registered in England and Wales. The registered office address is 4th floor 151 Dale Street Liverpool L2 2AH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% reducing balance
Fixtures and fittings	25% reducing balance
Computers	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are valued at the lower of cost or selling price less selling costs, after making due allowance for obsolete and slow-moving items. Cost is calculated using the first-in first-out basis of valuation.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Covid Grant	1,000	10,000

4 Charitable activities

	2021	2020
	£	£
Income from charitable activities	228,600	103,115
Income from beneficiaries services	5,044	7,133
Other income	2,250	240
	235,894	110,488

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Income from listed investments	4,843	4,596
Interest receivable	1	7
	4,844	4,603

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Investment management	2,326	2,026
	2,326	2,026

7 Charitable activities

	2021 £	2020 £
Staff costs	56,724	63,079
Depreciation and impairment	1,524	1,015
Temporary staff	-	597
Printing, postage and stationery	2,212	3,184
Telephone and interent	2,318	179
Insurance	209	640
Promotion and advertising	969	654
Rent and rates	7,399	7,676
Computer and website costs	1,960	2,603
Subscriptions	7,529	7,188
Repairs and renewals	2,700	-
Meeting costs	3,076	5,010
General expenses	4,399	1,126
Bank charges	2,961	3,392
Legal and professional fees	488	4,129
Accountancy	1,440	1,440
Courses and examination costs	152,681	74,591
	248,589	176,503

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2020 - none).

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Charitable activities	2	2

Employment costs	2021 £	2020 £
Wages and salaries	55,299	60,745
Social security costs	876	1,567
Other pension costs	549	767
	56,724	63,079

9 Employees (Continued)

There were no employees whose annual remuneration was more than £60,000.

10 Net gains/(losses) on investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Revaluation of investments	30,683	20,352
Gain/(loss) on sale of investments	8,228	(11,425)
	38,911	8,927

11 Tangible fixed assets

	Plant and equipment £	**Fixtures and fittings £**	**Computers £**	**Total £**
Cost				
At 1 January 2021	5,646	8,254	2,941	16,841
Additions	-	-	3,043	3,043
At 31 December 2021	5,646	8,254	5,984	19,884
Depreciation and impairment				
At 1 January 2021	5,534	7,528	735	13,797
Depreciation charged in the year	30	182	1,312	1,524
At 31 December 2021	5,564	7,710	2,047	15,321
Carrying amount				
At 31 December 2021	82	544	3,937	4,563
At 31 December 2020	112	726	2,206	3,044

12 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2021	249,121
Additions	48,223
Valuation changes	30,602
Movement in capital and cash accounts	(2,131)
Disposals	(65,266)
At 31 December 2021	260,549
Carrying amount	
At 31 December 2021	260,549
At 31 December 2020	249,121

13 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Instruments measured at fair value through the statement of financial activities	260,549	249,121

14 Stocks

	2021 £	2020 £
Finished goods and goods for resale	1,435	-

15 Debtors

Amounts falling due within one year:	2021 £	2020 £
Trade debtors	7,720	5,749
Other debtors	2,422	2,547
Prepayments and accrued income	6,460	9,513
	16,602	17,809

16 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Deferred income		53,744	87,439
Trade creditors		31,266	33,556
Other creditors		18,373	5,387
Accruals		2,805	1,440
		106,188	127,822

Deferred income of £53,744 (2020: £87,439) relates to income received for future periods.

17 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

Accounts

Charity Registration No. 802164

Company Registration No. 01700787 (England and Wales)

THE SOCIETY OF MUSCULOSKELETAL MEDICINE

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

THE SOCIETY OF MUSCULOSKELETAL MEDICINE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr E L Atkins MBE Dr G Cameron Mrs E J Goodlad Mr D Muir Dr D A Reid Dr F Shaikh Mrs J Kerr Miss F M Ottewell
Secretary	Dr E Atkins
Charity number	802164
Company number	01700787
Principal address	Somm 4th Floor 151 Dale Street Liverpool, L1 2AH
Registered office	Somm 4th Floor 151 Dale Street Liverpool L2 2AH
Independent Examiner:	Jean Ellis BA FCA CTA DSG Castle Chambers 43 Castle Street Liverpool L2 9TL
Bankers	National Westminster Bank PLC Clapam Junction Branch 66/68 St John's Road Clapham Junction London SW11 1PB
Investment advisors	Quilter Cheviot Limited One Kingsway, London, WC2B 6AN

THE SOCIETY OF MUSCULOSKELETAL MEDICINE

CONTENTS

THE SOCIETY OF MUSCULOSKELETAL MEDICINE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Society of Musculoskeletal Medicine (SOMM) - formerly the Society of Orthopaedic Medicine - is an educational charitable company that was formed in 1979 to develop the seminal work of Dr James Cyriax MRCP and to promote the theory and the practice of musculoskeletal medicine.

SOMM provides a comprehensive program of post graduate courses for physiotherapists and doctors that run primarily throughout the UK but invitations further afield are always considered and courses in Europe and South East Asia have been delivered in the last few years.

The Society has a committed team of tutors who have many years of experience practicing musculoskeletal medicine in many different arenas - NHS, sport, private practice and the armed forces. This brings diversity and interest in the courses and ensures a stimulating and varied learning experience.

The main objective of the society during the past 12 months has been to provide high quality musculoskeletal medicine training to result in better medical treatment for patients.
Our strategy has continued to focus on the need to;

1. Strengthen existing offering to current markets
2. Develop new offerings to current markets
3. Identify new markets for the current offering

Public Benefit

The objects for which The Society of Musculoskeletal Medicine has been established are:
To benefit the public through the promotion and advancement of musculoskeletal medicine.
We will provide education to facilitate the practice, study and publication of research within this field.

The trustees have paid due regard to the Charity Commission guidance on public benefit in deciding SOMM activities to be undertaken, and have only pursued activities with a public benefit outlined below.
The core activity of the Society is the Teaching of musculoskeletal medicine through diploma course modules which aim to provide students with a practical approach of the diagnosis and treatment of

musculoskeletal conditions. The outcome is a public benefit through being diagnosed or treated by medical practitioners or physiotherapists that are trained in SOMM principles and subsequently have confidence to practice this important area of medicine.

There is public benefit gained through sharing knowledge in this way so that patients receive the best possible diagnosis and treatment from fully informed doctors and physiotherapists.

Achievements and performance

SOMM had a tumultuous start to 2020 with a complete turnover in our administration staffing establishment. From an operational perspective much of the year was therefore focused on bespoke support for the office team from the trustees.

This support, in collaboration with the new Society Manager, resulted in the development of procedures and policies to ensure business continuity. This in turn has delivered improvements in productivity, governance and transparency of our administration processes.

Notwithstanding the operational issues within the administration team, the following developments were made;

- Amendment of our constitution to allow HCPC registered professionals and nurses to take SOMM examinations and become full members.
- Production of new SOMM Brochure - hard copy and digital version.
- Further Foundation and Advanced courses for Northern Ireland
- Developing First Contact Practitioner courses
- Increase the offer of Injection therapy courses
- Anatomy Days and new one day products
- Investment in a ZOOM account to reduce costs of trustee meetings.
- Investment in Presentation tools to improve our educational offer
- Improved marketing on Instagram and Facebook, and SOMM website upgrade
- Production of new course manuals
- New markets for the current offering were developed in the light of our new affiliation with ARMA (Arthritis and Musculoskeletal Alliance) and also to support the focus in the NHS on optimising musculoskeletal pathways such as development of First Contact Practitioner roles. To this end we have also strengthened our relationships with Health Education England, Chartered Society of Physiotherapy and EPI (Effective Professional Interactions).

A small work stream continues to look at member benefits to ensure they are both attractive and resourceful.

During the last financial year, the Society ran 13 diploma module courses, 183 doctors and physiotherapists attended the SOMM Diploma in Musculoskeletal Medicine.

The Society also provided further courses for student that have completed the diploma, encompassing modules on The Theory and Practice of Injection Therapy and Advancing Clinical Practice in Musculoskeletal Medicine and Special Tests in Musculoskeletal Examination.

Financial review

Total income for the period was £125,091 (2019: £282,327).

Total expenditure for the period was £178,529 (2019: £263,315), leaving a deficit for the period £44,511 (2019: surplus £47,320) after gain on investment assets.

At the end of 2020 the fixed asset investments were valued at £249,121 (2019: £237,624).

It is the policy of the charitable company to maintain unrestricted funds, which are free reserve at a level to cover redundancy provision and seven months running costs should no further funding be received. As at the end of the financial period the unrestricted funds totalled £195,408and we have identified that the charitable company requires £6,790 for redundancy provision and £169,568 for seven months running costs, (£176,358).

The Society currently holds readily available funds in a Reserve Account on which interest is received every quarter. All invested funds continue to be invested in a portfolio that minimises risk with the aim of safeguarding the capital value in so far as is reasonably practicable.

The Society has a current account which at the year-end totalled £53,288.

£249,121 is held in a broad range of investment fund, with an overarching conservative objective in order to minimise risk and safeguard the funds. This has had a demonstrable impact with funds generating income during the last year. Quilter Cheviot is the appointed investment advisor, and they manage SOMM funds on a discretionary basis. This enables an improved speed of decision-making as the appointed investment managers are authorised to move funds according to market conditions. The Council has requested that portfolio of investments be managed cautiously, within agreed parameters, and improved performance has resulted. The Society Manager and Treasurer receive regular investment performance reports from Cheviot Asset Management, and can access real time valuations at any given juncture

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Council has assessed the major risks to which the charitable company is exposed. These have been identified as follows:

Dependency on key personnel - ensure that succession planning is in place

Failure of course programme, declining number of students

Dependency on key funders, NHS constraints and failure to meet funding target

Poor investment performance

The following measures were implemented to address these risks :

The trustees worked hard during 2020 to support the new administration team in the office, and in collaboration with the new Society Manager, we ended the year with improved business continuity, transparency and productivity.

The Society has continued to implement the interest - free payment scheme which enables MSc students to spread their fees across a number of months.

Robust invoicing for all courses and a summary of the financial return for each offering to allow evidence based decision making on cancelation of any course.

Enabling modules to be taught by just one tutor depending on student numbers. This has recently been reviewed by the Education Committee and Council.

Continuing to use the SOMM head office in Liverpool (conference facilities in basement) as a venue whose costs are very competitive.

Where possible allocating tutors located geographically nearest to the course venues.

Revising Local Organisers Agreement to continue to offer a free place on the course with and additional free places being offered if student targets are met.

Strictly enforcing course cancellation policy, and no longer issuing refunds in extenuating circumstances. This policy is emphasized at booking, and students encouraged to purchase cancellation insurance cover.

Target marketing appropriately and to clearly differentiate SOMM products from those of competitors.

Prioritisation of the MSc programme due to its high value both in terms of SOMM reputation and the fiscal costs involved.

Continue our relationship with our appointed investment manager, who has the authority to act on a discretionary basis, that is reinvesting monies (with agreed parameters) to maximize current market conditions. The Society Manager and Treasurer receive regular reports from our appointed investments manager and have real time access to the valuation of SOMM's portfolio so can monitor performance on a daily basis if required.

The Council is satisfied that HR, legal, IT and Health & Safety obligations currently have sufficient control systems in place, particularly as a result of the bespoke support offered during 2020.

All risks continue to be thoroughly reviewed annually.

Structure, governance and management
The organisation is a charitable company; limited by guarantee (registered in England and Wales No.01700787) originally formed in 1979 and was incorporated on 11th January 1983. The company was established under a Memorandum of Association, which established the objects and powers of the company and is governed by its Articles of Association.

The charitable company was registered with the Charities Commission (registered number 802164) on 17th January 1990 as a charity for the benefit of the public in relieving sickness by promoting and advancing the use, study and science of orthopaedic medicine and by providing facilities for treatment, education, study and research therein.

The charitable company changed its name from The Society of Orthopaedic Medicine on 21st January 2013.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Members of the Council are elected/re-elected at the Annual General Meeting by the membership. According to SOMM’s constitution, 1/3 of elected Councillors will retire by rotation at each Annual General Meeting, with those that have been longest in office being first to retire. Officers of the Society are exempt from retiring for re-election partway through their term of office.

Some of the trustees are remunerated by the Society of Musculoskeletal Medicine (SOMM) for theirprofessional services in teaching musculoskeletal medicine on behalf of SOMM. The Society governance includes strict policies and procedures that are in place to safeguard the organisation against any potential conflict of interest that might arise through such remuneration.

No Council members are remunerated for their trusteeship services.

Trustee Recruitment and Appointment

SOMM’s constitution requires that Councillors be elected to office by the membership. A call for nominations was sent to all SOMM members in advance of the Annual General Meeting. Additionally, SOMM Council has the power to co-opt individuals. All co-options are valid for 1 year until the date of the next Annual General Meeting, at which point Council may decide to renew the co-option.

Trustee Induction and Training

All newly-elected trustees are sent an induction pack which includes the following items:
1. Trustee job description
2. Council terms of reference
3. Minutes from last twelve months council meetings
4. SOMM governance review
5. SOMM constitution
6. Business plan
7. Risk assessment
8. Charity Trustee’s Handbook
9. Code of Good Governance
10. SOMM contacts list
11. Charity Commission information and link to their website
12. Council performance review

SOMM trustees are the main decision-makers for the organisation, and the trustee board is known as Council. Trustees are updated on SOMM activities and performance through regular email communications from the Society Manager, at Council meetings, strategic planning meetings, and any other ad hoc meetings. Sub-committees include the Education Committee and Research Committee. All Committees have specific Terms of Reference which outline their responsibilities and reporting structure. All sub-committees report to SOMM Council.

Council has agreed a target that all incoming trustees should attend formal trustee training, and has also proactively encouraged current trustees to attend such training. To date, 50% of current trustees either have already received formal training or are planning to attend a training course in the coming year.

The Society Manager manages the performance and administration of the organisation, and attends all Council and Committee meetings.

Annual budgets are prepared by the Society Manager in collaboration with the office lead for finances and the Treasurer for approval by Council.

Council receives regular management accounts reports throughout the year.

Council has delegated authority for financial decisions up to the value of £10,000 to the Treasurer, and Society Manager, providing there is unanimity across the group. This policy is beneficial operationally because it enables timely decisions to be made and implemented.
Many action points have arisen including increasing financial, business and marketing skills on the Council, clarifying the relative roles of Society Manager and Council, increasing strategic activity, improving communications and decision-making

The Trustees' report was approved by the Board of Trustees.

....
Miss F M Ottewell
Trustees
Dated: ....

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE SOCIETY OF MUSCULOSKELETAL MEDICINE

I report to the Trustees on my examination of the financial statements of The Society Of Musculoskeletal Medicine (the charity) for the year ended 31 December 2020.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Jean Ellis BA FCA CTA
DSG

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Dated: ....

THE SOCIETY OF MUSCULOSKELETAL MEDICINE

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	**Unrestricted funds 2020 £**	Unrestricted funds 2019 £
Income from:			
Donations and legacies	**3**	10,000	-
Charitable activities	**4**	110,488	275,131
Investments	**5**	4,603	7,196
Total income		125,091	282,327
Expenditure on:			
Raising funds	**6**	2,026	2,087
Charitable activities	**7**	176,503	261,228
Total resources expended		178,529	263,315
Net gains/(losses) on investments	**11**	8,927	28,308
Net movement in funds		(44,511)	47,320
Fund balances at 1 January 2020		239,951	192,631
Fund balances at 31 December 2020		195,440	239,951

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	**12**		3,044		1,116
Investments	**13**		249,121		237,624
			252,165		238,740
Current assets					
Debtors	**15**	17,809		43,084	
Cash at bank and in hand		53,288		33,090	
		71,097		76,174	
Creditors: amounts falling due within one year	**16**	(127,822)		(74,963)	
Net current (liabilities)/assets			(56,725)		1,211
Total assets less current liabilities			195,440		239,951
Income funds					
Unrestricted funds			195,440		239,951
			195,440		239,951

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on ....

....
Miss F M Ottewell
Trustee

Company Registration No. 01700787

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Society of Musculoskeletal Medicine is private limited company limited by guarantee registered in England and Wales. The registered office address is 4th floor 151 Dale Street Liverpool L2 2AH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% reducing balance
Fixtures and fittings	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Total
	2020	2019
	£	£
Covid Grant	10,000	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Charitable activities

	2020	**2019**
	£	**£**
Sales within charitable activities	103,115	272,819
Services provided under contract	-	1,462
Sales of services by beneficiaries	7,133	850
Other income	240	-
	110,488	275,131

5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Income from listed investments	4,596	7,194
Interest receivable	7	2
	4,603	7,196

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Fundraising and publicity		
Other fundraising costs	2,026	2,087
	2,026	2,087

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Charitable activities

	2020 £	2019 £
Staff costs	63,078	50,251
Depreciation and impairment	1,015	373
Temporary staff	597	20,751
Printing, postage and stationery	3,184	6,192
Telephone and interent	179	-
Insurance	640	692
Promotion and advertising	654	87
Rent and rates	7,676	9,785
Computer and website costs	2,603	1,577
Subscriptions	7,188	2,304
Administration meeting costs	1,771	434
Committee meeting costs	3,240	10,388
Recruitment	3,780	-
Bank charges	3,392	3,892
Payroll fees	349	359
Accountancy	1,440	1,440
Courses and examination costs	74,591	152,703
	175,377	261,228
Grant funding of activities (see note 8)	1,126	-
	176,503	261,228

8 Grants payable

	2020 £	2019 £
Grants to institutions:		
Grants to individuals	1,126	-
	1,126	-

-

9 Trustees

No employee received emoluments of more than £60,000 during the period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	2	2

Employment costs	**2020 £**	**2019 £**
Wages and salaries	62,311	49,867
Other pension costs	767	384
	63,078	50,251

11 Net gains/(losses) on investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Revaluation of investments	20,352	25,983
Gain/(loss) on sale of investments	(11,425)	2,325
	8,927	28,308

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Tangible fixed assets

	Plant and equipment	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 January 2020	5,646	8,254	13,900
Additions	-	2,941	2,941
At 31 December 2020	5,646	11,195	16,841
Depreciation and impairment			
At 1 January 2020	5,497	7,285	12,782
Depreciation charged in the year	37	978	1,015
At 31 December 2020	5,534	8,263	13,797
Carrying amount			
At 31 December 2020	112	2,932	3,044
At 31 December 2019	148	968	1,116

13 Fixed asset investments

	Listed investments
	£
Cost or valuation	
At 1 January 2020	237,624
Additions	61,113
Valuation changes	13,642
Disposals	(63,258)
At 31 December 2020	249,121
Carrying amount	
At 31 December 2020	249,121
At 31 December 2019	237,624

14 Financial instruments

	2020	2019
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	249,121	237,624

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Debtors

Amounts falling due within one year:	**2020 £**	**2019 £**
Trade debtors	5,749	22,125
Other debtors	2,547	708
Prepayments and accrued income	9,513	20,251
	17,809	43,084

16 Creditors: amounts falling due within one year

	Notes	**2020 £**	**2019 £**
Deferred income	**17**	87,439	37,363
Trade creditors		33,556	23,334
Other creditors		5,387	12,826
Accruals		1,440	1,440
		127,822	74,963

17 Deferred income

	2020 £	**2019 £**
Other deferred income	87,439	37,363

18 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).