



# Annual report and accounts

## 2017



# About FOM

## Our vision

Healthy working lives *for all*

## Our position

The Faculty of Occupational Medicine believes everyone of working age has the right to benefit from healthy and rewarding work while not putting themselves or others at unreasonable risk. They have the right to access competent occupational medical advice as part of comprehensive occupational health and safety services, ensuring that they can access the rewards of good employment and avoid preventable injury and illness caused or aggravated by work.

## Our mission

To drive improvement in the health of the working age population through outstanding occupational health capability by developing and supporting the good practice of occupational medicine. To provide public benefit through the protection of people at work by ensuring the highest professional standards of competence, quality and ethical integrity.

## Our values

Collaborative, **A**uthoritative, **R**elevant, **E**thical

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# Trustees' report

Image: The FOM Autumn Meeting and AGM, October 2017



# Introduction



**Dr Anne de Bono**  
President and  
Chair of Trustees

## **‘FOM has a challenging year ahead in 2017, as we are investing significantly in our future’**

This prediction, from my predecessor in 2016’s annual report has been amply fulfilled. Significant changes in personnel, amongst both FOM’s officers and staff team, coupled with the move to our own new premises in Greenwich, have presented major challenges, but also long term opportunities.

Richard Heron extended his term of office to October 2017 to allow completion of the move from rented premises in Holborn to Greenwich before the presidential handover. Each president brings something different to the role, and to FOM. Richard’s major contributions included involvement on the national and international stage, working to raise our profile to a wider stakeholder group. He has contributed forcefully to national debate in the UK on the importance of work and health, particularly the concept, new to many clinicians in other disciplines, of work as a health outcome. The AGM in October 2017 allowed us to pay tribute to this and many other achievements, including the drive which culminated in the purchase of new premises.

The second major change in personnel, not anticipated, was the resignation of our Chief Executive, Judith Willetts, who left FOM in October 2017 to pursue another career direction. Judith’s work on our governance structure and premises stand out as major achievements during her two-year tenure as CEO and were recognised at the AGM.

2017 saw the move to Greenwich completed within budget alongside implementation of the new governance structure approved by our membership in 2016. From January 2017 a smaller Board of Trustees has focussed on strategic direction and governance of FOM, complemented by the work of a new Council, chaired by the Academic Dean.

The Council is concerned with professional matters of importance to the specialty of occupational medicine and to our membership. This revised structure mirrors best practice in the governance of charities and is in line with that of other professional organisations, including our own parent College, the RCP. We welcomed Professor Karen Walker -Bone of the Occupational Rheumatology Department at Southampton University to FOM council as the new representative from the Royal College of Physicians.

Regular quarterly meetings were supplemented by extraordinary Board and Council meetings from September 2017 to determine the best way forward following the CEO’s unexpected resignation. In November 2017, Ernie Messer, of CASS Business School, City, University of London, was appointed as Interim Executive Support with a remit to assist

in maintaining 'business as usual', conduct an organisational review of the best structure and function of a staff team for the future and lead recruitment of a new CEO. Members were kept informed of developments as they progressed.

Julia Smedley resigned as Registrar and Deputy President during 2017. Only one suitable applicant for this role came forward and David Flower will take up the appointment after completing his term as FOM's Responsible Officer. In the meantime David Roomes, elected board member, kindly agreed to take on the Registrar role for a year in an interim capacity. Dil Sen also took office as Academic Dean and Deputy President, in succession to Ian Aston to whom we made formal farewell in January 2017. Julia and Ian have both made major contributions to the development and maintenance of quality, standards and training in occupational medicine and FOM is indebted to them.

There were other significant changes within the staff team during 2017 following resignations or maternity leave. In particular Justyna Sugalska succeeded Andrew Harrison in the key role of Head of Finance and Ben Wells was asked to take on temporarily increased responsibilities as Interim Director of Operations, following our CEO's departure.

We were delighted when Dr Jill Crabbe arrived in Greenwich in October 2017 as a National Medical Director's Clinical Fellow, a first for FOM. These appointments of senior medical trainees, facilitated by the Faculty of Medical Leadership and Management,

are an exciting innovation, intended to provide the experience which will nurture and develop medical leaders for the future. The appointment at FOM was made possible by the ongoing and generous sponsorship provided by the Royal Air Force.

Inevitably the rapid pace of change during 2017 influenced FOM's performance against strategic aims and objectives previously identified for the year and reviewed in this report. Nonetheless we achieved much in 2017, maintaining business as usual during challenging times and charting the way forward. This will continue as Board and Council, with the help of our Interim Executive support, welcome a new CEO Louise Craig, on board from 18<sup>th</sup> June 2018 and clarify achievable strategic goals for the future.

This will depend upon a sustainable balance between externally facing activities and engagement alongside FOM's core purpose of maintaining quality standards in occupational medicine. Success, crucial to our specialty and the health of the UK's working population, depends upon close and productive working relationships between the staff team, led by the Chief Executive, and the organisation's elected officers who give their time voluntarily to take on these demanding roles. It is also essential that FOM retains the support of its wider membership including associates and diplomates and maintains and establishes good relationships with other stakeholders. These include the other professional groups who form part of the wider multidisciplinary teams and networks within which occupational physicians now practise.

**Dr Anne de Bono**

President

# Charitable objectives

FOM's objects, as set out in its Articles of Association, are to:

- promote for the public benefit the advancement of education and knowledge in the field of occupational medicine;
- act as an authoritative body for the purpose of consultation in matters of educational or public interest concerning occupational medicine;
- develop and maintain for the public benefit the good practice of occupational medicine with a view to providing for the protection of people at work by ensuring the highest professional standards of competence and ethical integrity.

## Strategic aims and objectives 2017

There are six strategic aims and performance for 2017 is reported against these below. More detailed objectives in relation to these aims were applied where appropriate but some required adjustment or were no longer immediate priorities given the need to successfully complete the office move and the importance of reassessing and reconfiguring our resourcing needs whilst recruiting a new CEO.

This has been successful and we now are able to approach further strategic review with greater confidence and certainty for the future. A forward looking review begins with Board, Council and staff engagement in June 2018. We look forward to reporting our refreshed aims in 2019.

### Strategic Aim 1

To increase the number of Occupational Physicians who are accessible to the working age population.

### Strategic Aim 2

To continue to develop all Occupational Health Practitioners' education, training, CPD and assessment to meet the needs of occupational health now and in the future, both in the UK and overseas.

### Strategic Aim 3

To continue to set standards in occupational medicine and ensure they are upheld through leadership and expertise in service provision and practitioner excellence.

### Strategic Aim 4

To represent, support, engage with and develop our membership.

### Strategic Aim 5

To ensure that key audiences broadly understand the importance of Occupational Medicine to the health and wellbeing of the work-aged population and the economic health of nations.

### Strategic Aim 6

To maximise the Faculty's resources and income streams and use them effectively and sustainably. (Strategic Aim 6 and its objectives are by nature enabling. Given the extent and importance of the objectives, they have been identified as one of the 6 areas of focus, rather than being repeated throughout the other aims and objectives.)

# Performance against our aims during 2017

## Strategic aim 1

To increase the number of Occupational Physicians who are accessible to the working age population.

**Trainees:** The number of National Training Number (NTN) specialty trainees remained stable this year, with an average of 70-75 trainees registered as members, combined across all years of training.

Health Education England (HEE) is the key stakeholder in ensuring continued provision of **NHS training posts** but the current government mandate for HEE is to focus on general practice, psychiatry and emergency care as priority recruitment areas. As a result no new funding has been made available to create further NHS training posts in occupational medicine. National recruitment, administered by the National School of Occupational Health (NSOH) within HEE, continued to attract an increasing number of high quality candidates during 2017, indicating increasing demand and competition for those NHS posts currently available. The Faculty is represented on the NSOH Board and in this capacity continues to influence future workforce planning in occupational medicine within the NHS.

In close collaboration with the Society of Occupational Medicine (SOM), we have also provided representation on a new

working group created to explore strategies to encourage private OH providers to offer an increased number of **training posts in industry**. The number of **trainees in Defence** remains stable.

**Other Doctors:** In addition to providing support for NTN trainees, we continue to encourage clinicians from other specialties to develop a special interest in occupational medicine, by working towards the Diploma in Occupational Medicine (DOccMed) or additionally attaining specialist accreditation via the Certificate of Eligibility for Specialist Registration (CESR) route.

2017 saw delivery of the annual CESR Coaching Day in January, representation at the national Health and Wellbeing at Work Conference in Birmingham in March and at the Alternative Careers and Wellbeing for Doctors Conference in London in October.

We invited prospective trainees and medical students to the Occupational Medicine Specialty Registrars' 2017 Conference in Leeds in June, immediately prior to the joint FOM/SOM main Occupational Health 2017 Conference.

## Strategic Aim 2

To continue to develop all Occupational Health Practitioners' education, training, CPD and assessment to meet the needs of occupational health now and in the future, both in the UK and overseas.

**Educational and CPD Events:** Events delivered by FOM during 2017 included FOM Health for Health Professionals (HHP) Core Competency and Advanced Competency sessions, the latter covering personality disorders.

Collaboration with SOM allowed another successful joint national conference in Leeds in June 2017, with a programme of speakers and events to reflect the multidisciplinary nature of Occupational Health practice and the pivotal place of occupational medicine in that landscape. The FOM AGM, which included presentations and the presidential handover, was deferred until October 2017 to allow us to showcase our Educational Centre for Occupational Health (ECO) at Greenwich for the first time.

The focus on moving premises alongside staff turnover has temporarily reduced our ability to deliver as many events as previously. This will be reviewed with a new CEO when FOM's CPD events will be relaunched taking advantage of the brand new ECOH.

**Revalidating Subscribers:** Progress has been made towards increasing support for revalidating subscribers. Initiatives during 2017 included review of the FAQs on the FOM website and better guidance for new joiners. The overall system remains subject to review both in terms of resource required, which is heavy and the long-term suitability of the online portfolio utilised by FOM.

**ePortfolio System for trainees:** This was successfully launched in August 2017 enabling all current and future trainees to log their learning electronically, replacing cumbersome paper records. We will be working

throughout 2018 with ARCP providers to incorporate the ARCP process fully into the ePortfolio system. It is anticipated that this will greatly enhance the quality of feedback trainees receive, allowing far more time for reflection.

**Assessments and Examinations:** Work has continued on the redesign of Workplace Based Assessments (WBAs) towards Supervised Learning Events (SLEs). Following a successful pilot in September 2017, work is ongoing towards replacing all WBAs with SLEs and integrating these into the ePortfolio by Q3 2018. We have also purchased examinations software, with work ongoing to integrate existing examinations and allow for much more efficient delivery. This work is not progressing as quickly as had been hoped but it is anticipated that any new assessments developed in the future will be integrated into the new software from the outset.

The major disruptions related to premises and personnel, coupled with the launch of FOM's new database, limited progress on developing new assessments, qualifications and training events. The planned development of the Professional Standards group within the staff team has been particularly affected by changes in personnel, culminating in the interim appointment of Ben Wells as Interim Director of Operations following the departure of the CEO in October 2017. Whilst necessary to ensure 'business as usual' this has temporarily taken the focus away from further development of professional standards for our future. It is anticipated that business continuity will remain the focus until at least Q3 2018 when a new CEO is in post and the strategic review is complete.

## Strategic Aim 3

To continue to set standards in occupational medicine and ensure they are upheld through leadership and expertise in service provision and practitioner excellence.

**SEQOHS:** We continue to champion and develop SEQOHS (Safe, Effective, Quality Occupational Health Service) as a critical element of assuring that services offered within the UK meet defined safety and quality standards. There are over 207 accredited services and over 150 services working towards accreditation.

**MoHaWK:** We started negotiations to take over the running of MoHaWK – or Management of Health at Work Knowledge – this year. MoHaWK is a national web-based benchmarking tool which supports local audit for occupational health services. It measures evidence-based clinical practice and processes in order for

services to identify where improvements are required. It allows services to benchmark against their peers and promotes the use of data to drive successful improvements across the specialty.

We recognise the potential to bring together SEQOHS and MoHawk to further assist the drive towards quality assurance.

The change of governance structure introduced the role of Director of Quality Improvement (QI), who is a member of Council. Their remit is to oversee FOM's QI strategy and ensure a clear link between QI initiatives, particularly if outsourced, and the strategic aims of FOM.

## Strategic Aim 4

To represent, support, engage with and develop our membership.

The President attended a range of events across the year speaking on the work of FOM and raising the profile of occupational medicine.

We were pleased to see so many members attending the joint annual conference with SOM in Leeds and again at the FOM autumn meeting, which incorporated the AGM.

We asked for member input on a range of consultations and continue to send our regular enews to members. In particular FOM and SOM submitted our joint response to the 'Work, Health and Disability: Improving Lives' Green

Paper. This followed a series of events with our members and stakeholders, from a round table hosted with Lord Blunkett in the House of Lords to a number of multi-disciplinary meetings – one of which was delivered with the joint DH/DWP Health and Work Unit as a formal part of their consultation process. Our online survey encouraged input from all our members.

FOM worked towards updating the Ethics Guidance for Occupational Health Practice and Guidance on Alcohol and Drug Misuse in the Workplace, both recognised as resources valued by our members. We published an updated

Good Occupational Medical Practice 2017 guide in December 2017.

members to have access to meeting rooms and networking opportunities.

We hope that the new premises will provide a better environment for

## Strategic Aim 5

To ensure that key audiences broadly understand the importance of Occupational Medicine to the health and wellbeing of the work-aged population and the economic health of nations.

As an active member, with a presence on the Councils of the Academy of Medical Royal Colleges and Royal College of Physicians we aim to raise the profile of occupational medicine across the sector.

FOM meets regularly with key stakeholders, particularly the Health and Work Unit as it works up the next stages of the 'Work, Health and Disability: Improving Lives' White Paper, published on 30 November 2017. We have also established a working group who are looking to raise the profile of

occupational medicine within the undergraduate curriculum.

We have also rolled out our 'Why Occupational Health' campaign aimed at a wider audience; over 4,200 people visited the campaign site in 2017. The target audience for 2017 was GPs and we continue to look to work with the RCGP on updating our guidance for them.

The Academic Forum continues to meet to review future research priorities within the specialty.

## Strategic Aim 6

To maximise the Faculty's resources and income streams and use them effectively and sustainably. (Strategic Aim 6 and its objectives are by nature enabling. Given the extent and importance of the objectives, they have been identified as one of the 6 areas of focus, rather than being repeated throughout the other aims and objectives.)

The use of reserves to buy our own offices marked a significant change in the use of our assets to generate income and expand our offer. The creation of the Education Centre of Occupational Health is the starting point for

ambitious plans to roll out more events and training. This will see greater focus now the Head of Communications and Policy has returned from maternity leave and with the arrival of our new CEO.



## Finance review

### Performance during the year

The Trustees are pleased to report that FOM has ended the year in a better financial position than was expected, limiting the budgeted deficit of £134,120 to an actual deficit of £133,888. This is before accounting for realised gains and losses and represents the underlying operational performance of FOM.

Despite the better than budgeted for overall performance, FOMs total income was 9% lower than 2016, mainly due to lower than anticipated income from qualifications, subscriptions, meetings and events.

The lower than expected meetings and events income of £71,597 was due primarily to absence of a comprehensive schedule of events/conferences for 2017 as a result of significant operational factors, including the move to new premises, limited staff capacity and implementation of a new CRM.

FOM income from registrant subscriptions was £11,176 lower than 2016. The main reason for the decline was the reduction in the number of subscribing members due to an increase in the number of retiring members. In addition, FOM income from qualifications was £33,197 lower than 2016 due to postponement of the introduction of a new qualification in 2017.

FOMs overall expenditure increased by 4% over the 2016 figure. Direct expenditure is directly linked to our operational activities, and any increases and declines in income are instantly reflected in the direct expenditure. Costs related to purchase of the property were capitalized and the depreciation was disclosed in the financial statements in line with FOMs depreciation policy.

## Reserves

FOM's reserves policy, set by the Trustees in 2003, reflects the circumstances at the time when expenditure was considerably less than currently, specifically as negligible rent was charged by the RCP on FOM's former premises in St Andrews Place. In the light of reserves being used in the acquisition of our new property and the changing profile of our business operations and income, the Trustees are reviewing as a priority a reserves policy to meet the current and future business operations. The Trustees consider that the current level of reserves is sufficient.

FOM's general funds changed significantly from those of last year (2016: £404,247). As reported last year, £930,275 of designated funds had been set aside for the property purchase. These funds were designated many years ago and in 2017 have finally been put to the use for which they were originally intended. Following the liquidation of the designated fund, the balance on the general fund increased consequently.

At 31<sup>st</sup> December 2017, FOM had total funds of £1,359,618. Of this total, £144,311 are restricted funds and not available for general purposes.

## Accommodation

FOM moved into new premises in August 2017. The property is a 998-year-leasehold property which was purchased in a shell and core condition. The opportunity to fit out an empty space meant that we were able to design an office and event space to best meet the needs of members, trainees and non-members for years to come. The event space will become the Educational Centre for Occupational Health and has been designed to be rented out to generate additional income when not used by FOM.

## Pension

FOM introduced a workplace pension scheme in 2016 for its staff. All FOM staff eligible according to age and earnings were automatically enrolled ahead of the staging date of 1 February 2016, in line with legislation regarding workplace pensions.

The scheme operated by The People's Pension is a defined contribution scheme and, as such, no pension liabilities will arise from its implementation.

## Budget 2018

The Trustees have agreed a general funds budget deficit of £154,922 for the year ahead. This is due to the declining number of members through retirement, spending on governance and compliance with relevant laws and regulations. Our future ambition in terms of financial planning recognises the need to reduce the deficit and to return to surplus as soon as possible. Work has started on this.

Membership continues to provide the most significant source of income and the Trustees are pleased that they will be able to maintain subscriptions at their current level in 2018; all other prices have been increased by 3%.

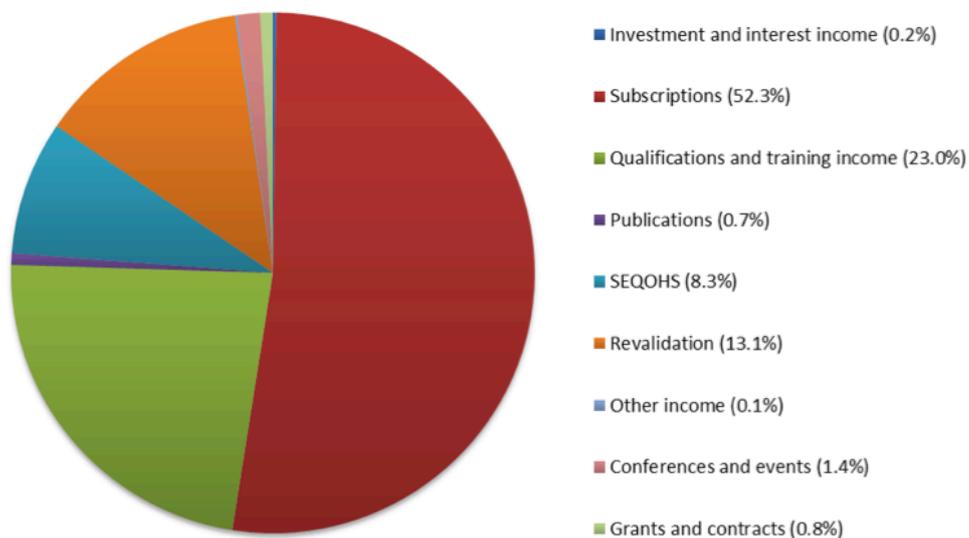
Lastly, FOM has set up a restricted funds budget totaling £20,000. In addition to the funding of trainees to engage in overseas study through the Mobbs Travelling Fellowship Fund, this budget will fund the e-portfolio for trainees next year.

## Conclusion

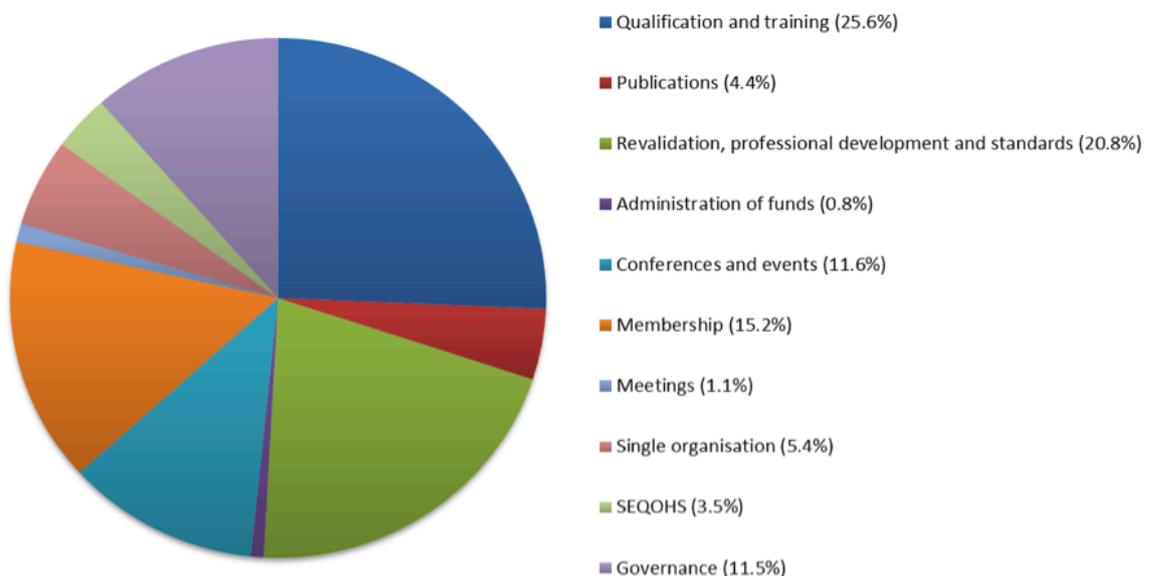
The Trustees are of the view that FOMs financial situation during 2017 was satisfactory, given the considerable investment in governance and capital assets. We will seek to identify new income streams given the improved assets and premises we now have and our new CEO will treat this as a priority. We will also explore new markets.

FOM remains in a sound financial position and the Trustees look forward to further activity to sustain its future. The Trustees have reviewed FOM's financial position on the basis of a going concern. The Trustees believe that FOMs charitable activities can continue to be met through sensible budgeting and capitalization on opportunities that ensure a sustainable future.

### Income: £840,997



### Expenditure: £974,885



# Board of trustees, officers and other key appointments

## The Board and Charity Trustees

The Board of Trustees (called the Board) comprises the charity trustees of the Faculty of Occupational Medicine (FOM). The Trustees are also the directors of the company under the Companies Act 2006. Except where indicated, the following all served as Trustees and directors throughout 2017:

<b>Dr Richard Heron</b>	President (Chair) Until October 2017
<b>Dr Anne de Bono</b>	President (Chair) From October 2017
<b>Dr Dil Sen</b>	Co-opted member (Academic Dean & Deputy President)
<b>Professor Neil Budworth</b>	Lay representative nominated by the Confederation of British Industry
<b>Dr Mark Groom</b>	Co-opted member (Treasurer)
<b>Mr Hugh Robertson</b>	Lay representative nominated by Trades Union Congress (from April 2016)
<b>Dr David Roomes</b>	Universally elected member & Acting Registrar
<b>Vacant</b>	Co-opted member (Registrar & Deputy president)
<b>Dr Ian Torrance</b>	Universally elected member
<b>Dr Steve Nimmo</b>	Universally elected member

## The Council

The Council meets four times a year and is chaired by the Academic Dean. Membership is as follows:

<b>Dr Dil Sen</b>	Academic Dean & Chair of Council
<b>Dr David Roomes</b>	Acting Registrar
<b>Dr Alan Bray</b>	Director of Assessment
<b>Dr Jayne Moore</b>	Director of Training
<b>Dr Julia Smedley</b>	Director of Quality Improvement
<b>Dr David Flower</b>	Responsible Officer for Revalidation
<b>Dr Jillian Crabbe</b>	Trainee Representative
<b>Dr Mark Hilditch</b>	Elected Representative for Scotland
<b>Dr Shuja Din</b>	Elected Representative for Wales
<b>Dr David Mills</b>	Elected Representative for Northern Ireland
<b>Dr Aiden Challen</b>	Associate Member
<b>Dr David Fox</b>	CPD Lead
<b>Dr Anne de Bono</b>	President
<b>Vacant</b>	Elected Representative of RSAs
<b>Professor Jane Dacre</b>	Ex-Officio member (RCP President)
<b>Professor Karen Walker-Bone</b>	Ex-Officio member (RCP Representative)

## Officers

Except where indicated, the following held office throughout 2017:

<b>Dr Richard Heron</b>	President (Until October 2017)
<b>Dr Anne de Bono</b>	President (From October 2017)
<b>Dr Dil Sen</b>	Academic Dean (Deputy President)
<b>Dr Julia Smedley</b>	Registrar (Deputy President) until April 2017
<b>Dr David Roomes</b>	Acting Registrar (Deputy President) From April 2017
<b>Dr Mark Groom</b>	Treasurer
<b>Dr Alan Bray</b>	Director of Assessment
<b>Dr Jayne Moore</b>	Director of Training
<b>Ms Judith Willetts</b>	Chief Executive (Until October 2017)

## Other key appointments

<b>Dr Jon Cartwright</b>	Deputy Director of Assessment
<b>Dr Jon Spiro</b>	Deputy Director of Training
<b>Dr Shaun Austin</b>	Chief Examiner Part 2 MFOM
<b>Dr Lanre Ogunyemi</b>	Deputy Chief Examiner Part 2 MFOM
<b>Dr Steve Boorman</b>	Chief Examiner DOccMed (Until May 2017)
<b>Dr Lucy Wright</b>	Acting Chief Examiner DOccMed (From May 2017)
<b>Dr Sylvia Awbery</b>	Chief Examiner DDAM
<b>Wg Cdr Matthew Lewis</b>	Chief Examiner DAvMed
<b>Dr Kaveh Asanati</b>	Chief Examiner HAVS
<b>Vacant</b>	Deputy Chief Examiner HAVS
<b>Dr Steve Nimmo</b>	Chief Examiner Research Methods
<b>Dr Lucia Batty</b>	Chief Examiner WBAs
<b>Dr Michael McKinnon</b>	Deputy Chief Examiner WBAs
<b>Dr David Flower</b>	Responsible Officer for Revalidation
<b>Dr David P Fox</b>	CPD lead
<b>Dr Rob Hardman</b>	SEQOHS Chair

## Membership breakdown 2017

<b>Membership numbers</b>	<b>2016</b>	<b>2017</b>
Honorary Fellows	96	97
Fellows	285	270
Members	414	379
Associates	137	125
Specialty Trainees	76	83
Affiliating Diplomates	414	350
Life members	91	90
Revalidating subscribers	29	24
<b>Total</b>	<b>1542</b>	<b>1418</b>

# Awards, prizes and fellowships

We would like to thank our generous sponsors for their continued support. We congratulate:

**Peter Taylor Award (The Silver Medal)**

Dr Justin Mokhlis

**William Taylor Prize for Highest Mark in Part 2 Memberships Examination**

None

**Diploma in Occupational Medicine -  
Prizes for the three candidates with the highest overall marks**

None

**Mobbs Corporate Health Fellowships**

None

**Mobbs Corporate Health Student Elective Fellowships**

None

**Exxon Mobil Student Elective Fellowship**

None

Note that FOM prizes and awards are currently on hold due to the need to review funding sources and the format of the awards themselves. It is anticipated that this work will be undertaken during 2018.

**Honourary Fellows**

Not yet confirmed at time of writing

**Fellows**

Not yet confirmed at time of writing

Image: Lovibond Lane viewed from Greenwich DLR station



# Reference and administrative information

FOM's address (until 11.08.17): 3<sup>rd</sup> Floor, New Derwent House  
69-73 Theobald's Road  
London  
WC1X 8TA

FOM's address (from 12.08.17): 2 Lovibond Lane  
London  
SE10 9FY

[www.fom.ac.uk](http://www.fom.ac.uk)

Charity Commission Number: 1139513  
Scottish Charity Number: SCO400060  
Registered Company Number: 07461063

Bankers: Lloyds Bank plc  
Langham Place branch  
PO Box 1000  
BX1 1LT

Solicitors: Hempsons  
Hempsons House  
40 Villiers Street  
London  
WC2N 6NJ

Auditors: Crowe U.K. LLP  
St Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH

The Board of Trustees, who are also the directors of the charitable company, officers and key appointments are listed on page 15.

The FOM Board presents its annual report for the year ended 31 December 2017 under the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006, together with the audited accounts for the year, and confirms that these comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in 2015. The report is also a Directors' Report as required by Section 415 of the Companies Act 2006.

# Structure, governance and management

## Governing document

FOM is governed by its Articles of Association dating from December 2010 and last amended in October 2017. FOM's constitution is set out in its Articles of Association.

In 2018, the Trustees will also be reviewing the new version of the Charity Governance Code and consider whether FOM complies with the stated best practice principles.

## Recruitment and training of Board members

Under the Articles of Association, with the exception of lay members and co-optees, members of the Board are elected by various sections of the membership and serve on the Board until the third Annual General Meeting following the one at which their election is announced. Elected members may not serve for more than two consecutive elected terms and are ineligible for re-election until a period of one year has elapsed.

New trustees are inducted into the workings of FOM through the issuing of information for trustees, which includes relevant material from the Charity Commission, Office of the Scottish Charity Regulator, Companies House, FOM's governance, structure, management, strategy and key policies.

## Organisational management

The Board, as the directors and trustees of the incorporated charity, is legally responsible for the overall management and control of FOM and meets quarterly.

The Council, convened for its inaugural meeting in April 2017 following a change in governance structure agreed by members in 2016, also meets quarterly to consider professional matters related to the specialty of occupational medicine.

During 2017, the work of implementing the policies of the Faculty of Occupational Medicine was carried out by the staff and Officers of FOM, the latter forming the various Subcommittees, and one Working Group referred to below. With the exception of the President, who is elected and a trustee, the Officers were appointed in accordance with Governance Regulations. After an initial three years of service, the period of office for each Officer could be extended up to a maximum period of a further three years.

The other principal committees are the Fellowship Committee, the Ethics Committee and the Clinical Excellence Awards Committee. The Board may establish other committees or working groups as it sees fit, and committees may set up subcommittees or working groups as necessary, so long as they provide reports through their 'parent' groups to the Board and as far as they are contributing to the delivery of the strategic objectives of FOM, as agreed by the Board.

During 2017 there were five Subcommittees and one Working Group reporting to the Board: Assessment Subcommittee; Specialist Advisory Subcommittee; Regional Specialty Advisers Subcommittee; Designated Body Subcommittee; SEQOHS Steering Group.

Management personnel are remunerated within FOM's general staff policy for pay and reward that is competitive within the charity sector, proportionate to the complexity of each role, and responsible in line with our charitable objectives.

## Risk management

The Board is responsible for the management of the risks faced by FOM and has a formal risk management policy to assess business risks and implement risk management strategies. This involves identifying the types of risks facing the charity, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. FOM maintains a risk register to facilitate management of these risks, which include failure to increase the number of occupational medicine specialists, failure to identify new routes into occupational medicine training, failure to recruit and retain excellent staff and officers and failure to ensure adequate income for FOM's current and future needs.

A formal review of the charity's risk management processes is undertaken on an annual basis by the Trustees.

The key controls used by the charity include, more generally:

- agreed mitigation steps
- formal agenda for all Committees and Board meetings
- detailed terms of reference for all Committees
- strategic planning, budgeting and management accounting
- established organisational structures and lines of reporting
- formal written policies, and
- clear authorisation and approval levels.

The Trustees are pleased to report that provisions are in place to mitigate the risks considered to be potentially the most major. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

## Public Benefit

FOM primarily provides benefit to the public by supporting and promoting the work of its members and by continually upholding and improving professional standards. By doing this, FOM ensures that those working in occupational health (OH) deliver the best possible service to the working age population. FOM's members commit to annual appraisals and undergo a rigorous process of revalidation through FOM and other designated bodies. FOM's education and qualification programmes ensure that a level of excellence is achieved throughout the profession, and that this is maintained through Continuous Professional Development. FOM's SEQOHS standards are the recognised gold standard for providers of OH services. SEQOHS-accredited services provide an assured level of excellence for all those who use them.

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

## Fundraising compliance

FOM had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

# Statement of trustees' responsibilities

The Trustees (who are also directors of the Faculty of Occupational Medicine for the purposes 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland). 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Auditors**

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

This report has been prepared taking advantage of the exemptions available under the provisions of the Companies Act 2006 applicable to small companies.

**Approved** by the Trustees and directors on 14 June 2018 and signed on their behalf by:

**President:** Dr Anne de Bono MB FRCGP FRCP FFOM

Image: The Lovibond Lane development during construction in 2013



# **Audited accounts for the year ended 31 December 2017**

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## **Independent Auditor's Report to the Members and Trustees of the Faculty of Occupational Medicine**

### **Opinion**

We have audited the financial statements of the Faculty of Occupational Medicine for the year ended 31 December 2017 which comprise the Statement of Financial Activities, Statement of Financial Position, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Mike Hicks**

Senior Statutory Auditor  
For and on behalf of

### **Crowe U.K. LLP**

Statutory Auditor

St Bride's House  
10 Salisbury Square  
London  
EC4Y 7AD

Date:

**STATEMENT OF FINANCIAL ACTIVITIES (incorporating the Income & Expenditure Account)**

Year ended 31 December 2017

	Notes	Unrestricted funds			Total 2017	Total 2016
		Designated Funds	General Funds	Restricted Funds		
		£	£	£	£	£
<b>INCOME</b>						
<b>Incoming from Charitable Resources</b>						
Subscriptions		-	439,588	-	<b>439,588</b>	450,764
Qualifications and training		-	193,423	-	<b>193,423</b>	226,620
Publications		-	6,155	-	<b>6,155</b>	6,868
SEQOHS		-	70,000	-	<b>70,000</b>	70,000
Revalidation		-	110,411	-	<b>110,411</b>	106,718
Other income		-	1,000	-	<b>1,000</b>	16,407
Conferences and events		-	12,003	-	<b>12,003</b>	20,536
Grants and contracts	2	-	-	6,587	<b>6,587</b>	1,000
Investment income	3	-	1,831	-	<b>1,831</b>	29,094
<b>Total</b>		-	834,411	6,587	<b>840,998</b>	928,007
<b>EXPENDITURE</b>						
Charitable activities	4,5,6	-	953,624	21,261	<b>974,885</b>	936,200
<b>Total</b>		-	953,624	21,261	<b>974,885</b>	936,200
Net gains/(losses) on investments	11	-	-	-	-	90,337
<b>Net income/(expenditure)</b>		-	(119,213)	(14,674)	<b>(133,887)</b>	82,144
<b>Net movement in funds</b>		-	(119,213)	(14,674)	<b>(133,887)</b>	82,144
Reconciliation of funds						
Total funds brought forward at 1 January 2017	19	930,275	404,247	158,984	<b>1,493,506</b>	1,411,362
Total funds carried forward at 31 December 2017		-	1,215,309	144,310	<b>1,359,619</b>	1,493,506
		=====	=====	=====	=====	=====

All income has been generated from continuing operations.

All recognised gains are included in the Statement of Financial Activities.

**STATEMENT OF FINANCIAL POSITION**  
**31 December 2017**

	Notes	£	2017 £	£	2016 £
<b>FIXED ASSETS</b>					
Tangible assets	9		1,736,401		23,070
Intangible assets	10		56,828		43,740
Investments	11		-		-
			<u>1,793,229</u>		<u>66,810</u>
<b>CURRENT ASSETS</b>					
Debtors	13	46,977		93,083	
Cash on deposit		366,216		365,670	
Cash at bank and in hand		189,773		1,232,071	
		<u>602,966</u>		<u>1,690,824</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	14	(330,731)		(234,128)	
Dilapidation provisions	18	-		(30,000)	
		<u>(330,731)</u>		<u>(264,128)</u>	
<b>NET CURRENT ASSETS</b>			<b>272,235</b>		<b>1,426,696</b>
<b>CREDITORS</b>					
Amounts falling due after more than one year	16	(705,848)		-	
<b>NET ASSETS</b>			<b>1,359,616</b>		<b>1,493,506</b>
<b>Unrestricted funds</b>					
General funds	19	1,215,307		404,247	
Designated funds	19	-		930,275	
		<u>1,215,307</u>		<u>1,334,522</u>	
<b>Restricted funds</b>	19		<b>144,311</b>		<b>158,984</b>
<b>TOTAL FUNDS</b>			<b>1,359,618</b>		<b>1,493,506</b>

The financial statements, which were approved and authorised for issue by the Board of Trustees and directors of the company on 14 June 2018, were signed below on its behalf by:

**President:**

Dr Anne de Bono MB FRCGP FRCP FFOM

**Treasurer:**

Dr Mark R Groom FFOM MRCGP DAvMed

	2017	2016
<b>CASH FLOW STATEMENT</b>		
<b>Year ended 31 December 2017</b>		
<b>Reconciliation of net income / (expenditure) to net cash flow from operating activities</b>	£	£
Net expenditure for the reporting period per SOFA	(133,888)	82,144
Gains on investments	-	(90,337)
Depreciation charges	43,901	1,841
Interest payable	19,326	-
Dividends and interest from investments	(1,831)	(29,094)
(Increase)/decrease in debtors	46,106	(25,840)
Increase/(decrease) in creditors	1,595	19,218
	<hr/>	<hr/>
<b>Net cash (used in) operating activities</b>	<b>(24,791)</b>	<b>(42,068)</b>
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	1,831	29,094
Purchase of property, plant and equipment	(1,743,101)	(17,320)
Purchase of Intangible Assets	(27,295)	(43,740)
Proceeds from sale of investments	-	926,630
Purchase of investments	-	(25,391)
	<hr/>	<hr/>
<b>Net cash (used in) investing activities</b>	<b>(1,768,565)</b>	<b>869,273</b>
<b>Cash flows from financing activities:</b>		
Interest payable	(19,252)	-
Loan repayment	(32,379)	-
Cash inflows from new borrowings	803,235	-
	<hr/>	<hr/>
<b>Net cash provided by investing activities</b>	<b>751,604</b>	<b>-</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(1,041,752)</b>	<b>827,205</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>1,597,741</b>	<b>770,536</b>
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>555,989</b>	<b>1,597,741</b>
	<hr/>	<hr/>
	2017	2016
<b>Analysis of cash and cash equivalents:</b>	£	£
Cash in hand	189,773	1,232,071
Notice deposits (less than 3 months)	366,216	365,670
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>555,989</b>	<b>1,597,741</b>

The notes on pages 31 to 48 form part of these Financial Statements.

## NOTES TO THE FINANCIAL STATEMENTS

### Year ended 31 December 2016

#### 1 ACCOUNTING POLICIES

##### Company Information

FOM is a Public Benefit Entity registered as charity and a company limited by guarantee (Company registration No: 07461063). The address of the registered office is 2 Lovibond Lane, London, SE10 9FY. The Charity is registered in England and Wales (registered number 1139513) and in Scotland (registered number SCO400060).

##### (a) Basis of preparation of the accounts

The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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 2015.

The functional currency of the Foundation is considered to be GBP because that is the currency of the primary economic environment in which FOM operates.

The financial statements have also been prepared on the basis of a going concern. After reviewing FOM's forecasts and projections, the trustees have a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. The Trustees have no significant doubts about the Faculty's ability to continue as a going concern and have no intentions to either liquidate the Faculty or to cease its activities after the balance sheet date.

##### (b) Tangible Fixed assets

Individual tangible fixed assets costing £500 or more are capitalised at cost.

Depreciation is charged so as to write off the cost of an asset over its expected useful life. Depreciation is calculated on each class of asset as follows:

Office equipment	33.33% straight line
Fixtures & fittings	20.00% straight line
Air-conditioning plant	20.00% straight line
Property	2.00% straight line

##### (c) Intangible Fixed assets

All individual intangible fixed assets are capitalised at cost.

Amortisation is charged so as to write off the cost of an asset over its expected useful life. For IT projects, expected useful life is estimated to be five years at which point support from the developer is withdrawn and replacement IT solutions are required. Amortisation is calculated on each class of asset as follows:

IT projects	20.00% straight line
-------------	----------------------

**(d) Income**

Income from subscriptions is accounted for on an accruals basis. Any income relating to future periods is included in deferred income.

Income in respect of grants, appeals and donations is recognised upon a receivable or received basis whichever is the earlier.

Income from examinations is recognised on the date the examination takes place and where received in advance is treated as deferred income.

Donated facilities are included at the value to the Trustees where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

**(e) Operating leases**

Instalments under operating lease agreements are charged to the Statement of Financial Activities account in the year in which they are incurred.

**(f) Investments**

Investments are included at market value.

Unrealised gains and losses on investments arising in the year are included in the Statement of Financial Activities for the year in which they arise.

**(g) Cash held at bank and in hand**

Cash held at bank and in hand include cash held in the Faculty's current bank account, its no notice savings bank account and its petty cash.

**(h) Financial instruments**

Financial assets held at amortised cost comprise cash held at bank and in hand, cash on deposit and trade debtors. Financial liabilities held at amortised cost comprise trade creditors.

**(i) Pensions**

Contributions are made on behalf of certain employees into a workplace defined contribution scheme called The People's Pension managed by B&CE. Amounts are charged to the Statement of Financial Activities as incurred.

**(j) Funds**

Unrestricted general funds are funds which the Trustees can use at their discretion in accordance with the objects of the Faculty. The Trustees have

designated part of this sum as a capital fund, equal to the value of the investments which are to be used to ensure the future of the Faculty.

Restricted funds are funds which must be used for specific purposes in accordance with the donors' wishes.

**(k) Basis of allocation of costs**

Staff costs are allocated based on the amount of time individuals dedicate to carrying out specific functions of the Faculty.

All other costs are allocated on a specific basis.

**(l) Expenditure**

Activities in furtherance of the Faculty's objects include costs relating to examinations, memberships and education and training and include an appropriate proportion of support costs. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Support costs have been allocated to charitable and fundraising activity on the basis of time spent by staff in supporting the operation.

Governance costs are those incurred in connection with enabling the charity to comply with external regulation, constitutional and statutory requirements and in providing support to the Trustees in the discharge of their statutory duties.

**(m) Legal status**

The Faculty of Occupational Medicine is a private company limited by guarantee. Every Registrant undertakes to contribute such amount as may be required (not exceeding one pound) to the assets of the Charity in the event of its being wound up while he/she is a registrant, or within one year after he ceases to be a Registrant, for payment of the debts and liabilities of the Faculty contracted before he/she ceases to be a Registrant and of the costs, charges and expenses of winding-up and for the adjustment of the rights of the contributories among themselves. The Faculty's Articles of Association defines a Registrant as: Specialty Registrars, Associates, Members, Fellows, elected representatives of subscriber classes, lay Trustees, Trustees who represent the College (Royal College of Physicians) and co-opted Trustees, who are members of the Faculty for the purposes of the Companies Acts.

**(n) Key judgements and assumptions**

No judgements, apart from those involving estimations, or assumptions were made in the preparation of these financial statements and notes.

## 2 GRANTS CONTRACTS AND DONATIONS

	Designated £	General £	Restricted £	Total 2017 £	Total 2016 £
<b>Academic Activities Fund</b>					
ExxonMobil elective fellowships	-	-	1,000	<b>1,000</b>	1,000
William Taylor Memorial Fund	-	-	-	-	-
Accreditation system SEQOHS	-	-	587	<b>587</b>	-
Towards transition & management of the MoHaWK	-	-	5000	<b>5,000</b>	-
	-	-	6,587	<b>6,587</b>	1,000
	=====	=====	=====	=====	=====

## 3 INVESTMENT INCOME

	Designated £	Restricted £	General £	Total 2017 £	Total 2016 £
Bank interest	-	-	1,831	<b>1,831</b>	11,203
Dividends	-	-	-	-	17,891
	-	-	1,831	<b>1,831</b>	29,094
	=====	=====	=====	=====	=====

<b>4 ANALYSIS OF COSTS</b>	<b>Direct Costs</b> £	<b>Direct Salaries</b> £	<b>Support Costs</b> £	<b>Restricted</b> £	<b>Total 2017</b> £	<b>Total 2016</b> £
Qualifications and training	44,729	87,076	118,305		<b>250,110</b>	257,460
Publications	951	17,008	23,107	1,925	<b>42,991</b>	29,631
Revalidation, professional development and standards	31,292	68,296	92,788	10,276	<b>202,652</b>	207,316
Administration of funds	-	3,263	4,433		<b>7,696</b>	7,227
Conferences, events and projects	21,690	35,061	47,635	9,060	<b>113,446</b>	89,698
Membership	67,714	34,150	46,396		<b>148,260</b>	136,158
Meetings	11,047	-	-		<b>11,047</b>	14,585
Single organisation	-	22,511	30,583		<b>53,094</b>	59,448
SEQOHS	1,123	13,850	18,816		<b>33,789</b>	32,223
	<hr/> 178,546	<hr/> 281,215	<hr/> 382,063	<hr/> 21,261	<hr/> <b>863,085</b>	<hr/> 833,746
<b>Governance costs</b>	15,754	40,721	55,325	-	<b>111,800</b>	102,454
	<hr/> 194,300	<hr/> 321,936	<hr/> 437,388	<hr/> 21,261	<hr/> <b>974,885</b>	<hr/> 936,200
	=====	=====	=====	=====	=====	=====

<b>5 BREAKDOWN OF SUPPORT COSTS</b>	<b>2017</b>	<b>2016</b>
	£	£
Staff	95,858	108,907
Communication	6,107	6,468
Printing, postage and stationery	5,179	4,992
Premises	110,187	116,709
Repairs and maintenance	24,402	34,286
Advertising and recruitment	6,514	16,488
Irrecoverable VAT	34,663	31,160
Accountancy fees	7,654	3,834
Depreciation	43,894	1,841
Other direct costs	102,930	53,588
	<b>437,388</b>	<b>378,273</b>
	=====	=====

Support costs are allocated to restricted activities on the basis of the amount of direct time attributable to each area.

<b>6 GOVERNANCE COSTS</b>	<b>2017</b>	<b>2016</b>
	£	£
Staff	40,721	42,707
Support costs	55,325	47,492
Audit fees	7,225	6,952
Meetings	8,529	4,432
Annual General Meeting	-	871
	<b>111,800</b>	<b>102,454</b>
	=====	=====

**7 REMUNERATION OF TRUSTEES**

The Trustees did not receive remuneration or any benefits during the year for their services (2016: nil)

8 Trustees were reimbursed for expenses incurred in relation to Faculty business amounting to £5,791.59 (2016: 13 Trustees - £8,467.30). These expenses included private mileage, rail/tube fare, accommodation, parking and subsistence.

<b>8 STAFF COSTS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Wages and salaries	362,544	379,182
Social security costs	39,689	41,697
Pension costs	15,561	13,315
	<b>417,794</b>	<b>434,194</b>
	=====	=====
The average head count (number of staff employed during the year) was:	11	11
	=====	=====

The number of employees whose emoluments exceeded £60,000, excluding employer pension costs, fell within the following bands:

- No members of staff were remunerated in the £90,001 to £100,000 range (2016 – one).
- 1 member of staff was remunerated in the £70,001 to £80,000 range (2016 – none).

The associated pension costs of this individual were £3,826 (2016 – £7,702).

The total of employee benefits including salaries received by the key management personnel of the Faculty was £195,220 (2016: £204,948). Key management personnel comprise: Chief Executive Officer; Head of Finance and Membership; Head of Professional Standards; Head of Policy and Communications.

<b>9 TANGIBLE FIXED ASSETS</b>	<b>Property</b>	<b>Air- conditioning plant</b>	<b>Fixtures and fittings</b>	<b>Office equipment</b>	<b>Total 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>					
At 31 December 2016	21,090	-			<b>95,012</b>
Additions	1,508,078	132,594	41,293	32,629	<b>1,743,101</b>
Disposals	-	-	(41,293)	(28,379)	<b>(69,672)</b>
	<u>1,529,168</u>	<u>132,594</u>	<u>          </u>	<u>          </u>	<u><b>1,768,441</b></u>
At 31 December 2017			47,570	59,109	
<b>Depreciation</b>					
To 31 December 2016	-	-			<b>(71,942)</b>
Depreciation in current year	(10,476)	(8,840)	(3,177)	(7,201)	<b>(29,694)</b>
Depreciation on disposals	-	-	41,296	28,300	<b>69,596</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Depreciation to 31 December 2017	(10,476)	(8,840)	(3,173)	(9,551)	<b>(32,040)</b>
<b>Net Book Value</b>					
At 31 December 2017	1,518,692	123,754	44,397	49,558	<b>1,736,401</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2016	21,090	-	1	1,979	<b>23,070</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

<b>10 INTANGIBLE FIXED ASSETS</b>	<b>IT Projects</b>	<b>Total 2017</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 31 December 2016	43,740	<b>43,740</b>
Additions	27,295	<b>27,295</b>
Disposals	-	-
At 31 December 2017	<u>71,035</u>	<u><b>71,035</b></u>
<b>Amortisation</b>		
To 31 December 2016	-	-
Amortisation in current year	(14,207)	<b>(14,207)</b>
Amortisation on disposals	-	-
Amortisation to 31 December 2017	<u>(14,207)</u>	<u><b>(14,207)</b></u>
<b>Net Book Value</b>		
At 31 December 2017	56,828	<b>56,828</b>
At 31 December 2016	=====	=====
	43,740	<b>43,740</b>
	=====	=====

<b>11 INVESTMENTS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Quoted investments</b>		
At 1 January 2017	-	810,902
Additions	-	25,391
Transfers in/(out)	-	(926,630)
Unrealised gain/(loss)	-	-
Realised gain/(loss)	-	90,337
At 31 December 2017	<u>-</u>	<u>-</u>
	=====	=====

<b>12 FINANCIAL INSTRUMENTS</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Financial assets measured at amortised cost	577,237	1,612,769
Financial liabilities measured at amortised cost	45,573	28,594

The Faculty's income, expense, gains and losses in respect of financial instruments are summarised below:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Total interest income for financial assets held at amortised cost	1,831	11,203

<b>13</b>	<b>DEBTORS</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Accrued income	600	29,456
	Other debtors	22,926	17,104
	Prepayments	22,338	43,532
	Pension	-	359
	VAT	1,113	2,632
		<u><b>46,977</b></u>	<u>93,083</u>
		=====	=====
<b>14</b>	<b>CREDITORS: amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Trade creditors	45,573	28,594
	Staff creditor	88	130
	Accruals	17,492	46,253
	Bank loans	65,008	-
	Deferred income		
	- exam fees received in advance	28,740	2,595
	- subscriptions in advance	159,781	139,108
	- conference income	1,800	4,000
	- PBD income	2,030	910
	Tax and social security	10,219	12,538
		<u><b>330,731</b></u>	<u>234,128</u>

15	<b>CREDITORS: amounts falling due after more than one year</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Bank Loans (note16)	705,848	-
		=====	=====

**16 BANK LOANS**

Interest is charged on a loan at a margin above Lloyds Bank base rate.

The loan is secured on the leasehold property

The maturity of FOM borrowings is:

		<b>2017</b>	2016
		<b>£</b>	<b>£</b>
<b>Repayable within 1 year</b>			
	short term loan	39,633	-
	long term loan	<u>25,375</u>	-
	Note 14	<b><u>65,008</u></b>	-
<b>Repayable between 1-5 years</b>			
	bank loans	231,186	-
<b>Repayable &gt; 5 years</b>			
	bank loans	<u>474,662</u>	-
	Note 15	<b><u>474,662</u></b>	-
<b>Total</b>			
		<b><u>705,848</u></b>	-
		<b>2017</b>	2016
		<b>£</b>	<b>£</b>
Bank loans	Note 15	705,848	-
		<u>705,848</u>	-

### 17 DEFERRED INCOME

	Examinations	Subscriptions	Conferences	HHP	Total 2017
	£	£	£	£	£
Balance at 1 January 2017	2,595	139,108	4,000	910	<b>146,613</b>
Amounts released to Incoming Resources	(2,595)	(139,108)	(4,000)	(910)	<b>(146,613)</b>
Amounts deferred in the year	28,740	159,781	1,800	2,030	<b>192,351</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2017	28,740	159,781	1,800	2,030	<b>192,351</b>
	=====	=====	=====	=====	=====

### 18 DILAPIDATIONS

	2017	2016
	£	£
Dilapidation provision	-	£30,000
	=====	=====

19 FUNDS	As at		Gain/(loss) on Investments / Interest	Outgoing Resources	Transfers	As at	
	1 January 2017	Incoming resources				31 December 2017	
a) Restricted funds	£	£	£	£	£	£	£
<b>Good Practice Guidelines Funds</b>							
Esso Publications Fund	5,201	-	-	(1,925)	-	-	3,276
Rolls Royce Guidelines Fund	6,523	-	-	-	-	-	6,523
<b>Academic Activities Funds</b>							
Corporate Health (Mobbs) Fund	13,571	-	-	(9,060)	-	-	4,511
Donald Hunter Lecture Fund	11,069	-	-	-	-	-	11,069
Ernestine Henry Lecture Fund	3,087	-	-	-	-	-	3,087
Esso Research Fellowship Fund	563	-	-	-	-	-	563
ExxonMobil Elective Fellowships Fund	695	1,000	-	-	-	-	1,695
Wilf Howe Fund	4,181	-	-	-	-	-	4,181
William Taylor Memorial Fund	1,444	-	-	-	-	-	1,444
<b>Academy of Medical Royal Colleges</b>							
Revalidation work							
CPD online	28,853	-	-	-	8,786	-	37,639
e-Portfolio	25,090	-	-	(10,276)	-	-	14,814
MSF tool	5,859	-	-	-	(5,859)	-	-
Pilot	1,727	-	-	-	(1,727)	-	-
<b>Department of Health</b>							
(e-LfH) e-learning	44,736	-	-	-	-	-	44,736
Diploma grant	2,000	-	-	-	-	-	2,000
Health for health professionals	772	-	-	-	-	-	772
Professional Briefings grant	3,000	-	-	-	-	-	3,000
SEQOHS accreditation system	(587)	587	-	-	-	-	-
NHS London Revalidation	1,200	-	-	-	(1,200)	-	-
Towards transition & management of the MoHaWK	-	5,000	-	-	-	-	5,000
	158,984	6,587	-	(21,261)	-	-	<b>144,310</b>
<b>b) Designated funds</b>							
Capital fund	930,275	-	-	-	(930,275)	-	-
	930,275	-	-	-	(930,275)	-	-
<b>c) General funds</b>							
	404,247	834,411	-	(953,624)	930,275	-	<b>1,215,309</b>
<b>Total funds</b>	<b>£1,493,506</b>	<b>£840,998</b>	<b>-</b>	<b>(£974,885)</b>	<b>-</b>	<b>-</b>	<b>£1,359,619</b>

## DESCRIPTION OF FUNDS

### Restricted Funds:

#### **Good Practice Guidelines Funds:**

**Esso Publications Fund** provides for the publication of standards of practice of occupational medicine.

**Rolls Royce Guidelines Funds** were provided originally to cover the costs of Faculty back pain guidance and leaflets. As sufficient guidance was available elsewhere, the Faculty negotiated an alternative use with the provider.

#### **Academic Activities Funds**

**Corporate Health (Mobbs) Fund** provides for travelling fellowships.

**Donald Hunter Lecture** provides funds for the costs incurred in connection with a biennial lecture given in his memory.

**Ernestine Henry Lecture** endows a lecture in memory of Mrs Ernestine Henry to be delivered at least once every three years.

**Esso Research Fellowship Fund** comprises a number of annual donations, to provide a research fellowship.

**ExxonMobil Elective Fellowships Fund** funds electives open to medical undergraduates and doctors in Foundation Years 1 and 2.

**Wilf Howe Fund** provides a prize for an innovative project in memory of Dr Wilf Howe.

**William Taylor Memorial Fund** provides for an examination prize.

#### **Academy of Medical Royal Colleges:**

**Environmental medicine** funding is to explore how Colleges and Faculties can do more to promote good practice in this area.

**Revalidation work** funding is to develop an online CPD system, an e-portfolio, to pilot revalidation, to train specialty advisers, and to provide a helpdesk.

#### **Department of Health:**

**e-LfH** provided funding for the development of learning modules on health and work for general practitioners.

**Diploma grant** provides funding to develop a new diploma.

**Health for health professionals** funds training days for professionals working in the NHS.

**Professional briefings grant** provides funding to run professional briefing workshops.

**MoHaWK** funds the transition and development of the scheme.

20	FUNDS	As at		Gain/(loss) on Investments / Interest	Outgoing Resources	Transfers	As at	
		1 January 2016	Incoming resources				31 December 2016	
a)	Restricted funds	£	£	£	£	£	£	£
	<b>Good Practice Guidelines Funds</b>							
	Esso Publications Fund	5,201	-	-	-	-	-	5,201
	Rolls Royce Guidelines Fund	6,523	-	-	-	-	-	6,523
	<b>Academic Activities Funds</b>							
	Corporate Health (Mobbs) Fund	22,407	-	-	(8,836)	-	-	13,571
	Donald Hunter Lecture Fund	11,069	-	-	-	-	-	11,069
	Ernestine Henry Lecture Fund	3,087	-	-	-	-	-	3,087
	Esso Research Fellowship Fund	563	-	-	-	-	-	563
	ExxonMobil Elective Fellowships Fund	695	1,000	-	(1,000)	-	-	695
	Wilf Howe Fund	4,181	-	-	-	-	-	4,181
	William Taylor Memorial Fund	1,764	-	-	(320)	-	-	1,444
	<b>Academy of Medical Royal Colleges</b>							
	Revalidation work							
	CPD online	28,853	-	-	-	-	-	28,853
	e-Portfolio	35,345	-	-	(10,255)	-	-	25,090
	MSF tool	5,859	-	-	-	-	-	5,859
	Pilot	1,727	-	-	-	-	-	1,727
	<b>Department of Health</b>							
	(e-LfH) e-learning	44,736	-	-	-	-	-	44,736
	Diploma grant	2,000	-	-	-	-	-	2,000
	Health for health professionals	772	-	-	-	-	-	772
	Professional Briefings grant	3,000	-	-	-	-	-	3,000
	SEQOHS accreditation system	(587)	-	-	-	-	-	(587)
	NHS London Revalidation	1,200	-	-	-	-	-	1,200
		178,395	1,000	-	(20,411)	-	-	<b>158,984</b>
b)	<b>Designated funds</b>							
	BUPA award fund	10,000	-	-	-	(10,000)	-	-
	Capital fund	736,232	17,891	90,337	-	85,815	-	930,275
	DofH Development Grant	75,815	-	-	-	(75,815)	-	-
		822,047	17,891	90,337	-	-	-	<b>930,275</b>
c)	<b>General funds</b>	410,920	909,116	-	(915,789)	-	-	<b>404,247</b>
	<b>Total funds</b>	<b>£1,411,362</b>	<b>£928,008</b>	<b>£90,337</b>	<b>(£936,200)</b>	<b>-</b>	<b>-</b>	<b>£1,493,506</b>

**21 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

The net assets are held for the various funds as follows:

	Unrestricted		Restricted	Total
	Designated	General		
	£	£	£	£
Tangible fixed assets	-	1,736,401	-	<b>1,736,401</b>
Intangible fixed assets	-	56,828	-	<b>56,828</b>
Investments	-	-	-	-
Net current assets	-	127,928	144,310	<b>272,238</b>
Long term (liabilities)	-	(705,848)		<b>(705,848)</b>
	-	£1,215,309	£144,310	<b>£1,359,619</b>
	=====	=====	=====	=====

**22 ANALYSIS OF NET ASSETS BETWEEN FUNDS 2016**

The net assets are held for the various funds as follows:

	Unrestricted		Restricted	Total
	Designated	General		
	£	£	£	£
Tangible fixed assets	21,090	1,980	-	<b>23,070</b>
Intangible fixed assets	-	43,740	-	<b>43,740</b>
Investments	-	-	-	-
Net current assets	909,185	358,378	158,983	<b>1,426,546</b>
	£930,275	£404,098	£158,983	<b>£1,493,356</b>
	=====	=====	=====	=====

**23 OPERATING LEASE COMMITMENTS**

The Faculty had expected lease payments in respect of operating leases as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Total of future minimum lease payments under non-cancellable operating lease lasting:		
Not later than one year (land and building);	-	61,795
Later than one year but not later than five years (land and buildings);	-	-
Later than five years (land and buildings);	-	-
	<u>-</u>	<u>£61,795</u>
	=====	=====

Lease payments recognised as an expense in this reporting period was £62,599.03.

**24 CONNECTED CHARITY**

The Faculty of Occupational Medicine is an independent registered charity responsible for its own administration and financial management. It enjoys close working ties with the Royal College of Physicians, its parent College, with whom it has had two partnership projects during the year: the Health and Work Development Unit (HWDU), which closed in August 2014, and the SEQOHS (Safe Effective Quality Occupational Health Service) accreditation system.

**25 RELATED PARTY TRANSACTIONS**

There were no related party transactions in the reporting period that require disclosure.

**26 POST BALANCE SHEET NON-ADJUSTING EVENT**

FOM has taken on new financial activity in the form of the running of the MoHaWK service from Syngentis in February 2018. MoHaWK – or Management of Health at Work Knowledge – is a national web-based benchmarking tool which supports local audit for occupational health services. It measures evidence-based clinical practice and processes in order for services to identify if improvements are required. It allows services to benchmark against their peers and promotes the use of data to drive successful improvements across the specialty.

In 2018 the Trustees are expecting to spend £60,000 on capital expenditure relating to the property acquisition.

**27 STATEMENT OF FINANCIAL ACTIVITIES 2016**

	Notes	Unrestricted funds			Total 2016 £	Total 2015 £
		Designated Funds £	General Funds £	Restricted Funds £		
<b>INCOME</b>						
<b>Incoming from Charitable Resources</b>						
Subscriptions		-	450,764	-	<b>450,764</b>	448,458
Qualifications and training		-	226,620	-	<b>226,620</b>	211,811
Publications		-	6,868	-	<b>6,868</b>	9,454
SEQOHS		-	70,000	-	<b>70,000</b>	90,134
Revalidation		-	106,718	-	<b>106,718</b>	102,124
Other income		-	16,407	-	<b>16,407</b>	8,735
Conferences and events		-	20,536	-	<b>20,536</b>	36,965
Grants and contracts	2	-	-	1,000	<b>1,000</b>	2,985
Investment income	3	17,891	11,203	-	<b>29,094</b>	51,551
<b>Total</b>		17,891	909,116	1,000	<b>928,007</b>	962,217
<b>EXPENDITURE</b>						
Charitable activities	4, 6	-	915,789	20,411	<b>936,200</b>	1,000,385
<b>Total</b>		-	915,789	20,411	<b>936,200</b>	1,000,385
Net gains/(losses) on investments	11	90,337	-	-	<b>90,337</b>	(74,252)
<b>Net income/(expenditure)</b>		108,228	(6,673)	(19,411)	<b>82,144</b>	(112,420)
<b>Net movement in funds</b>		108,228	(6,673)	(19,411)	<b>82,144</b>	(112,420)
Reconciliation of funds						
Total funds brought forward at 1 January 2016		822,047	410,920	178,395	<b>1,411,362</b>	1,523,782
Total funds carried forward at 31 December 2016		930,275	404,247	158,984	<b>1,493,506</b>	1,411,362
		=====	=====	=====	=====	=====



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