Trustees’ annual report and accounts

2006
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INTRODUCTION

Since its primary interests are the promotion and protection of workers' health, and maintaining high standards of education in occupational medicine, the Faculty of Occupational Medicine has found itself at the eye of a storm of activity and change in 2006.

The national health and work agenda, and its hinterland of associated initiatives, has precipitated many developments to which the Faculty has contributed. We were pleased to welcome, and to seek early meetings with, the new National Director for Health and Work, Professor Dame Carol Black. The Faculty’s engagement with the Department for Work and Pensions (DWP) Advisory Group, with DWP projects to improve occupational health awareness in other specialties, in general practice and with medical undergraduates, is described in some detail elsewhere in this report. And we have worked with a range of other bodies to promote health and work messages to employers and other professionals.

The radical change in specialist training, set out under Education and Training, has entailed a huge amount of work for Officers and Staff, and for many members who have assisted. A considerable amount of work has been undertaken to influence the course of the new national system, with a view to ensuring that the particular needs of occupational medicine are properly recognised. An example of this has been our securing an agreement that occupational medicine trainees in industry could be recruited directly, rather than through the new national system (Medical Training Appointment Service – MTAS). It is crucial that we retain and support industry training posts – which account for two thirds of our training – and this was an important step towards that.

We responded to the Chief Medical Officer for England’s report, Good Doctors, Safer Patients, which heralded important changes to medical practice and we can anticipate that we shall be party to the implementation of these changes, next year and beyond.

In response to concerns about inappropriate complaints being made about occupational physicians to the General Medical Council (GMC), we instigated discussions with the GMC. This resulted in useful changes being made to their complaints procedures.

We have produced three excellent publications, and a highlight of the year was the announcement in November that the BUPA Health at Work Award was to be given to the Faculty for its Guidance on Alcohol and Drug Misuse in the Workplace.

As we successfully complete some projects, so we embark on a new series, and 2007 will see new work on the health of migrant workers and on the management of back pain. At the end of 2006 we heard that our bid, made jointly with the Royal College of Physicians, to run the Occupational Health Clinical Effectiveness Unit, had been successful and we look forward to producing important new evidence-based guidelines in occupational health.

In October the Board decided to seek a closer working relationship with its sister organisation, the Society of Occupational Medicine, and now a joint Faculty/Society working group to consider this is to be established in early 2007.

We must as always thank colleagues on the Board, in the Executive Committee, and in the myriad of other committees and working groups, who beaver away all year to initiate, progress and bring to fruition many essential projects and workstreams. The Faculty depends completely on their invaluable knowledge, expertise and hard work, and our thanks go to them. It is not possible to acknowledge everyone individually, but a list of all those who have served on Faculty committees or as Regional Specialty Advisers during 2006, together with those who represent the Faculty on outside bodies and an
account of their activities, appears at Annex 2 of the expanded web-based version of this report (although this annex does not itself form part of the Trustees’ report).

Similarly, thanks are due to our small staff who are responsible for the impressive and efficient output from our modestly sized Faculty throughout the year, and the President’s thanks go particularly to Jean Whaley and to Anna McNeil, who covered the Personal Assistant role while Jean undertook other duties.

Dr David Snashall
President

Nicky Wilkins
Chief Executive
The Board and Charity Trustees

The Board of Trustees (called the Board) comprises the charity trustees of the Faculty of Occupational Medicine. Except where indicated, the following all served in office throughout 2006:

- Dr David Snashall: President
- Professor Raymond Agius: Universally elected member
- Dr Ian Aston: Elected representative of Regional Specialty Advisers
- Dr Lisa Birrell: Universally elected member
- Professor Dame Carol Black: RCP President (to 25 July 2006)
- Professor Sherwood Burge: RCP Representative
- Professor David Coggon: Universally elected member (from 11 May 2006)
- Dr Sally Coomber: Universally elected member (to 11 May 2006)
- Dr Neil Davies: Universally elected member (to 11 May 2006)
- Dr Geoff Denman: Elected representative of Wales
- Professor Ian Gilmore: RCP President (from 25 July 2006)
- Dr Peter Graham: Lay representative (nominated by CBI)
- Dr Geoff Helliwell: Universally elected member (to 11 May 2006)
- Dr Ray Johnston: Universally elected member
- Dr Alastair Leckie: Elected representative of Scotland
- Dr Jayne Moore: Elected representative of Specialist Registrars
- Mr Hugh Robertson: Lay representative (nominated by TUC)
- Dr Delia Skan: Co-opted representative of Northern Ireland
- Dr Andy Slovak: Universally elected member (from 11 May 2006)

Officers

Except where indicated, the following held office throughout 2006:

- Dr Olivia Carlton: Registrar (Deputy President)
- Professor John Harrison: Academic Dean (Deputy President)
- Dr Paul Litchfield/Dr Simon Sheard: Treasurer (to/from 11 May 2006)
- Dr Martyn Davidson: Director of Training
- Dr Dennis Ferriday/Dr Dil Sen: Director of Assessment (to/from 4 October 2006)
- Dr Jacques Tamin: Director of CPD
- Professor Kevin Holland-Elliott: Director of Communications
- Ms Nicky Wilkins: Chief Executive

Other key appointments

- Dr Simon Sheard: Deputy Treasurer (to 11 May 2006)
- Dr Charlie Wilcock: Deputy Director of Training
- Dr David Brown: Deputy Director of Assessment (from 4 October 2006)
Dr Dil Sen/Dr Jacques Tamin Chief Examiner AFOM (to/from 4 October 2006)
Dr Steve Boorman Chief Examiner DOccMed
Dr Moira Henderson Chief Examiner DDAM
Air Cdre Tony Batchelor Chief Examiner DAvMed
Dr Adele Pilkington Chief Examiner Internal Assessment
Dr Keith Pilling Chief Examiner Accredited Course and Qualifications
Dr John Cartwright Chief Examiner Quality Management
Dr Rob Thornton Conference Secretary
Dr Dipti Patel Public Relations
Dr Chris Sharp Sponsorship Co-ordinator

The Faculty of Occupational Medicine is a registered charity (No 1035415) based at:

6 St Andrews Place
Regent’s Park
LONDON
NW1 4LB
www:facoccmed.ac.uk

PRINCIPAL ADVISORS

Bankers: Lloyds TSB
190 Great Portland Street
London
NW1 4LB

Bank of Scotland International Limited
231-233 New Street
St Helier
Jersey
Channel Islands
JE4 8YW

Solicitors: Speechly Bircham
6 St Andrew's Street
London
EC4A 3LX

Accountants: haysmacintyre
Fairfax House
15 Fulwood Place
London
WC1V 6AY

Auditors: Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD
The Faculty Board presents its annual report for the year ended 31 December 2006 under the Charities Act 1993, 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 2005.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Faculty of Occupational Medicine was set up under Standing Orders adopted on 1 March 1978 and registered with the Charity Commission under charity number 1035415. The Board of Trustees, executive officers and principal address of the Charity are as listed on pages 5-6. Particulars of the Faculty's professional advisers are given on page 6.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document
The Faculty is governed by its Standing Orders dating from 1978 and last amended in May 2005.

Constitution
The Faculty’s constitution is set out in its Standing Orders.

Recruitment and Training of Board members
Under the current Standing Orders, with the exception of the President of the Royal College of Physicians (or his nominee) and one other College representative, members of the Board are elected by various sections of the membership in accordance with the Standing Orders 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. The current representative of Northern Ireland joined the Board at the time when this was a co-opted position; when this Board position falls vacant in 2007 it will become an elected position.

New trustees are inducted into the workings of the Faculty through the issuing of a trustee handbook (currently under revision), which includes relevant Charity Commission material, the Faculty’s governance, structure, management, strategy and key policies. Trustees are updated through Charity Commission newsletters and through periodic refresher sessions on such topics as the role of trustees. A session at the annual Board Away-Day is usually devoted to trustee training.

Organisational management
The Faculty Board, as the charity trustees of the Faculty, is legally responsible for the overall management and control of the Faculty and meets quarterly.

The work of implementing most of its policies is carried out by the Officers of the Faculty, who form the Executive Committee and have delegated authority to deal with the business of the Faculty between meetings of the Board, and report such actions to the Board. With the exception of the President, who is elected and a trustee, the Faculty Officers are appointed in accordance with Standing Orders. After an initial three years of service, the period of office for each Officer may be extended annually (for an unlimited number of extensions) if the Board so decides. The Executive Committee usually meets eight times a year, in the months that the Board does not meet, and is chaired by the Registrar.
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 may seem desirable. Committees may set up Sub-Committees, which in turn may set up Working Groups (for short-term tasks) and Advisory Groups (for longer-term tasks). Each of these defined groups reports regularly to its ‘parent’ group against the Faculty’s annual activity plan and the annual risk assessment carried out by the Board, in accordance with SORP.

Proposals for Sub-Committees and Working Groups have to be made in writing by the parent Committee/Sub-Committee to the Executive Committee and funding is only provided for groups established in this way. Wherever possible, proposals are required sufficiently far in advance to allow for inclusion in the annual budget cycle. The Executive Committee formally reviews the output of all Sub-Committees and Working Groups at least annually and determines whether their continuance is justified.

There are currently six Sub-Committees reporting to the Executive Committee.

All Officer vacancies (apart from the President, which is covered elsewhere) and key appointments are advertised to the membership and appointment is by open competition. Recommendations for appointments are made by panels of the Board, which include a lay member, and are for the Board’s approval. With the increasing workload of the Faculty, Deputies to Officers are appointed where required.

**Risk Management**

The Board is responsible for the management of the risks faced by the Faculty 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. Detailed consideration of risk is delegated to the Executive Committee. A formal review of the charity’s risk management processes is undertaken on an annual basis by the trustees, and the Executive Committee reviews progress on the additional action required to mitigate the major risks.

The key controls used by the charity include:

- 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.
OBJECTIVES AND ACTIVITIES

Charitable objects
The Faculty’s objects, as set out in its Standing Orders, 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.

Objectives for the year
For the purposes of this report, the objectives for 2006, together with impact reports and objectives for 2007 are set out under the following five headings: external work; policy, publications and events; education and training; professional development; and membership.

EXTERNAL WORK

Contributing to the Government’s Health and Work Agenda
Health and work issues have enjoyed a high profile in Government in 2006. Both the Department of Health (DH) and the Department for Work and Pensions (DWP) produced important consultation documents (referred to in ‘Policy, publications and events’).

Following the launch of the Government’s Health, Work and Well-Being strategy in 2005, A new deal for welfare: empowering people to work, published by DWP in January 2006, set out the case for reforming the welfare system and encouraging more people to enter into, and to remain in, work. This was followed by the publication, in September, of Is work good for your health and wellbeing? This detailed evidence review by Gordon Waddell and Kim Burton concluded that ‘There is a strong evidence base showing that work is generally good for physical and mental health and wellbeing’.

Enabling more people to achieve and retain the benefits of work, by ensuring proper assessments of employees and potential employees, and adaptations of workplaces, and by avoiding or minimising unnecessary and potentially damaging absence from work, is a core part of occupational medicine, and much of the Faculty’s externally focused work, set out below, has been promoting and supporting the Government’s initiatives on this front.

The President of the Faculty is a member of the Government’s Health and Work Advisory Group.

Developing occupational health awareness in general practice and secondary care
Occupational medicine is a relatively small specialty in the UK. There are fewer than 1000 working specialists – 582 fully qualified and registered and a further 332 partly qualified. Given a UK working population of over 30 million, it is unrealistic for all working adults to have access to an occupational physician. Recognising this, the Faculty has devoted energy not only to encouraging new recruits into the specialty, but also to promoting occupational health awareness among employers, general practitioners and other specialties, with a view to creating a wider base of knowledge and expertise.
Hence, the Faculty began the year with the publication and launch of *Creating a healthy workplace*, aimed at enabling employers to be aware of, and to address, occupational health issues. It also published a position paper on services for small businesses.

For general practitioners (GPs), the Faculty continued to promote and disseminate the *Health and Work Handbook*. It also continued to offer and to promote the Diploma in Occupational Medicine to GPs. In addition to this, the Faculty has been in discussions with the Department for Work and Pensions (DWP) and the Royal College of General Practitioners on raising awareness of occupational health among GPs.

The Faculty has worked with DWP on a potential project to develop occupational health awareness in other specialties during postgraduate training and on a project to promote awareness of occupational health in all medical undergraduates.

**Work with other bodies**

The Faculty has worked with a range of other organisations including the Society of Occupational Medicine, the Royal College of Psychiatrists, the British Medical Association, the Health and Safety Executive and the Faculty of Public Health. In autumn 2006, the Faculty approached the Society of Occupational Medicine with a proposal to integrate the two organisations and to establish a working party to that end. The Society Council responded to say that it did not support the principle of a single merged organisation at that time, but did agree that a working group should be set up to explore ways of achieving a closer working relationship. The Faculty has representatives on many other bodies, including the Academy of Medical Royal Colleges, the European Union of Medical Specialists Section of Occupational Medicine and the National Patient Safety Agency. It is also a member of POOSH, ‘Professional Organisations in Occupational Safety and Health’. Towards the end of the year discussions were held about the Faculty taking over the administration of POOSH, jointly with the Society of Occupational Medicine, and it is anticipated that this will occur early in 2007. A full list of representatives can be found in Annex 2 of the expanded web-based version of this report, together with their reports and those from the constituency-elected trustees (although this annex does not itself form part of the Trustees’ report).

**Objectives for 2006:**

- Contribute to the Government Health and Work Agenda
- Help to develop occupational health awareness in general practice and secondary care
- Promote occupational health competencies in medical undergraduates
- Increase website traffic

**Impact:**

- Progress was made on all these fronts with work still ongoing on many
- The Faculty has appointed a representative to the national awareness programme for GPs and further work in this area is planned
- The competencies for undergraduates are on the Faculty website and champions to promote them in medical schools are actively being sought
- Website traffic increased nearly threefold to an average of 945 visitors per day

**Objectives for 2007:**

- Continue to work with Government on health and work groups and projects
- Progress work on occupational health awareness for GPs and other specialties
- Promote a new bank of training materials in occupational health for medical undergraduates
- Seek opportunities for sharing education and good practice work with colleagues overseas
- Seek to publish articles to promote occupational health awareness
- Establish a joint working group with the Society of Occupational Medicine to explore ways of achieving a closer working relationship
POLICY, PUBLICATIONS AND EVENTS

Position papers
The Faculty continued its plan to develop a suite of position papers on health and work subjects, building on its previous papers on work and the ageing population and on smoking in the workplace. In 2006, the Faculty produced: *The interaction of health inequalities and work status and the potential for work and occupational health services to help reduce inequalities* and *The provision of occupational health services to small and medium size businesses*.

The former included consideration of work status as a health determinant, the impact of unemployment on health and the impact of working conditions on health inequalities, and the latter considered a range of models of occupational health services in small and medium size businesses and called for an increase in provision.

Publications
2006 opened with the launch, at Rolls-Royce in Derby, of *Creating a healthy workplace*, written in conjunction with the Faculty of Public Health. Aimed at employers, this covered rehabilitation, mental well-being and healthy eating, amongst other core health and work topics.

In May 2006, the Faculty published the sixth edition of *Guidance on Ethics for Occupational Physicians*. This publication is widely recognised as providing the ethical foundation for occupational medicine, and this edition includes new sections on confidentiality and consent, clinical records, health screening and genetic testing.

July 2006 saw the publication of *Guidance on Alcohol and Drug Misuse in the Workplace*. This guidance, which covers policies, testing, treatment and rehabilitation, won the prestigious BUPA Health at Work Award for 2006, bringing with it £10,000 for the Faculty’s future research and guidance work.

Conferences
The Faculty’s Annual Scientific Meeting in May was addressed by Rt Hon Rosie Winterton MP, Minister of State for Health Services, and the programme included sessions on fitness and sickness absence in an offshore workforce, novel chemical causes of occupational asthma, and diabetes and road traffic accidents.

The July conference on alcohol and drug misuse covered the epidemiology of alcohol use, ethical considerations for testing in the workplace and the implementation of alcohol and drug policies in the armed forces.

In November, the Faculty ran a conference entitled, *Employers’ liability and occupational health – is there a better way?* This conference was aimed at both occupational health professionals and the insurance industry. Topics included the fundamental principles of insurance practice as applied to occupational disease and injury, the legal perspective on risk management and assessing incapacity for work.

Consultations
The Faculty responded to the Health and Safety Commission consultation documents, *Improving worker involvement – improving health and safety* and *Proposals for a workplace exposure limit for respirable crystalline silica*, to the Department for Work and Pensions document, *A new deal for welfare; empowering working people*, to the Postgraduate Medical Education and Training Board paper on training standards, to the Department of Health document, *Good doctors, safer patients* and to the General Medical Council consultation on supplementary guidance to *Good Medical Practice*. Most of these submissions were made in conjunction with the Society of Occupational Medicine.
Objectives for 2006:

- Produce position papers on Inequalities and Small and Medium Size Enterprises
- Publish the sixth edition of *Guidance on Ethics for Occupational Physicians*, new guidance on alcohol and drug misuse and the fourth edition of *Fitness for Work*
- Run conferences on alcohol and drug misuse and employers’ liability as well as the Annual Scientific Meeting

Impact:

- All were achieved, with the exception of the publication of *Fitness for Work*, which was delayed until February 2007.
- 50,000 *Creating a healthy workplace* leaflets were distributed. 1,150 copies of the ethics guidance and 528 copies of the alcohol and drug guidance were sold or otherwise disseminated. The latter won the BUPA Health at Work Award.
- The conferences between them attracted 350 delegates

Objectives for 2007:

- Publish the fourth edition of *Fitness for work*
- Run launch conferences for *Fitness for work* in London and Edinburgh
- Run an Annual Scientific Meeting
- Establish, in conjunction with the Royal College of Physicians, an occupational health clinical effectiveness unit
- Produce updated guidance on the management of back pain
- Publish *Good Occupational Medicine Practice*
- Consider the need for a publication on quality and audit
- Produce a new careers leaflet
- Respond to consultation documents, and contribute to associated work of other bodies such as the National Institute for Health and Clinical Excellence (NICE)
EDUCATION AND TRAINING

New curriculum
The overriding priority for education and training for 2006 has been the review of our curriculum and its successful submission to PMETB (the Postgraduate Medical Education and Training Board). Previous annual reports have described this on-going process and the importance of PMETB, as the statutory body for all medical postgraduate training in the United Kingdom. The review of training and assessment of occupational physicians is essential to ensure that the Faculty’s activities are relevant to current practice and to meet our charitable aim to develop and maintain the practice of occupational medicine for the benefit of the public. Our new curriculum will embrace the principles set out by PMETB and, as such, will describe not only the core competencies for specialist occupational physicians, but also the rationale for the curriculum, how it has been developed, its links to Good Medical Practice, how we will assess competencies, how we will give feedback to trainees and how the curriculum will be implemented and managed.

An objective for 2006 was to consult with stakeholders about the curriculum. We circulated the document Occupational physicians for the twenty-first century: a proposed revision of specialist training in occupational medicine to members and others, setting out our proposals and the rationale behind them. We received over thirty replies, many of which were detailed. These replies confirmed that we were on the right track and helped us to refine our thinking.

New Assessment Framework
Alongside the work on the development of the new curriculum has been running a parallel workstream on how trainees should be assessed during their specialist training. The new means of assessing specialist trainees will include two Faculty examinations, the introduction of workplace-based assessments and the preservation of the dissertation, albeit with some changes in the nature of alternative, eligible research. The framework is based on the premise that a range of assessment tools is necessary to sample competencies in different ways and at different times during specialist training. An assessment “blueprint” shows which assessment tools are appropriate for the respective competencies. The aim is to revisit competencies at different times during training, linked to the implementation of the spiral curriculum. At the end of training there will be a portfolio of evidence supporting the award of the certificate of completion of training (CCT), which gives eligibility for inclusion onto the specialist register. This, in turn, will provide a basis for future assessment, as may be required for revalidation purposes.

Occupational medicine training posts are many and varied, providing a wider range of learning and training environments than are encountered within the NHS. This is now recognised by PMETB. The challenge for our specialty is to build on the strengths of this heterogeneity whilst ensuring that, irrespective of the location of training, all trainees achieving the award of a CCT have demonstrated the range of core competencies that we expect of a specialist occupational physician. The addition of workplace-based assessments will assist the assessment process by facilitating on-the-job assessments of competencies and providing an insight into trainee performance. These types of assessment are new to medicine in general, as well as to occupational medicine. New Faculty posts have been created to assist the implementation of workplace-based assessments and the delivery of the curriculum. The Chief Examiner (Workplace–based Assessments) will lead a group which will adapt these assessment tools for our specialty and provide advice about their use. New educational supervisor roles will be developed with a specific remit to support trainees and to monitor the delivery of training against educational objectives. Deaneries will be responsible for managing training at a local level. Occupational medicine specialty training committees will work with trainers, educational supervisors and Regional Specialty Advisers in the delivery of training and the quality assurance of training and assessment. The Faculty Specialist Advisory Sub-Committee will continue to input into quality assurance at a higher level, via the
specialty training handbook (the updating of which will be a major task for 2007) and providing advice and support to Regional Specialty Advisers. The Faculty is also improving the quality assurance of assessments, led by the Chief Examiner (Quality Assurance). The role of proposed new postgraduate schools in the management of training remains unclear. They are proposed organisational structures at deanery level that will, perhaps, coordinate and manage the role and performance of specialist training committees.

Implementation
With the approval of the new curriculum and assessment framework by PMETB, in 2007, the Faculty will be able to present a clear vision of training for the next decade. Submission to PMETB will take place in January 2007 and March 2007 for the curriculum and assessment training framework, respectively. The Faculty will play a key role in leading a change management process and ensuring that the required structures and processes are in place in time for the start of the new curriculum in August 2007.

Managing the transition to the new training curriculum will present challenges to the Faculty, running two sets of training arrangements with a dwindling number of trainees under the old arrangements. The degree of difficulty in achieving this is not underestimated and this is seen as the highest risk on the Faculty risk register.

Specialist training programme
As well as the significant changes to the curriculum and assessment, as set out above, PMETB has required a new approach to the running of the specialist training programme. This has included an alteration to the process for the approval of training posts, the responsibility for which now lies with PMETB, and not the Colleges and Faculties. The Faculty’s Regional Specialty Advisers remain central to the process of processing post applications, however, with deanery support. Since the new system went live in August 2006, 33 posts have been processed and the process is working smoothly. It continues to be the case that there are occupational medicine posts not only in the NHS but also in the private sector and in the defence forces.

Work has continued on the new training database as planned, with the aim of collecting, and being able to analyse in greater detail, statistics about the training programme. At the end of 2006, there were 154 trainees in occupational medicine, compared with 150 in 2005.

Recruitment into training underwent a major change at the end of 2006. Modernising Medical Careers established a new national system, the Medical Training Appointment Service (MTAS), which was set up to recruit all trainees through one central process. The Faculty was concerned that this might result in fewer training posts in the private sector, which, together with the defence services, constitute two thirds of Faculty posts, and so arranged for occupational medicine posts outwith the NHS to be recruited directly, rather than through the MTAS system.

Article 14
Under Article 14 of the General and Specialist Medical Practice (Education, Training and Qualifications) Order 2003, doctors who have not completed a UK specialist training programme can ask to be considered for entry onto the specialist register, on grounds of other qualifications, training and experience. In 2005, the Faculty wrote its specialty specific guidance for such doctors wishing to register as a specialist in occupational medicine. This was further refined in 2006 in time for the Faculty’s first Article 14 application.
Hand Arm Vibration Syndrome Qualification

In late 2004, the Faculty launched a new qualification in the assessment of Hand Arm Vibration Syndrome (HAVS). This was different from previous Faculty qualifications in that it was based on a short, two to three day, course, it was open to nurses as well as doctors, and the responsibility for assessing candidates lay with the course centre. This model was regarded as a pilot, which might herald the introduction of other short courses run on the same lines. A number of teething problems were identified during the first year of operation and during 2006, the Faculty worked with course centres to improve the model. A key change has been the establishment of a quality-assured, nationally-overseen examination, which will be taken and marked within the course centre. This new system will be made operational during 2007.

The Faculty is indebted to the many Faculty members, listed in Annex 2 of the expanded web-based version of this report, who have assisted with this work, and also to the Education and Training staff: Louise Heyes, Jean Whaley (who covered for Louise’s maternity leave), Jane Davies and Charlotte Pedersen (who left during the year) and the three newcomers David Greening, Eleanor Lawton and Gillean Sinckler.

Objectives for 2006

• Produce new curriculum and assessment framework for specialist training, ready for August 2007
• Ensure that trainees and others involved in training are informed and consulted
• Finalise transition arrangements
• Refine competencies
• Develop a post approval process that is efficient, quality-assured and acceptable to PMETB
• Develop written administrative processes for all examinations
• Develop a system for assessing Article 14 applications
• Review and improve examiner quality assurance
• Improve the short course model on which the HAVS qualification is based
• Ensure that workplace-based assessments, which will impact on RITAs (records of inservice training and assessment), are successfully developed and introduced
• Update Specialist Training Handbook
• Explore potential for extending training to non-medical disciplines
• Develop modular training
• Consider the potential for refresher and mid-career training/mentoring
• Consider the potential for working more closely with occupational health nursing
• Consider the potential for international and on-line sales

Impact

• The first nine aims have all been accomplished
• Good progress has been made on workplace-based assessments, in readiness for implementation in 2007
• The handbook update has awaited the publication of the ‘Gold Guide’ from Modernising Medical Careers
• The final four aims have not yet been progressed

Objectives for 2007

• Present a clear vision of the changes required to implement the new curriculum
• Set out the structural and procedural changes required for implementation of the curriculum
• Project-manage the changes to ensure effective and efficient use of available resources within the required timescale
• Appoint and train educational supervisors
• Develop workplace-based assessments, appoint Chief Examiner and train assessors
Develop new Faculty specialist examinations and prepare for their administration
Revise the arrangements for the dissertation
Revise and distribute the specialty training handbook and prepare trainers for the new training arrangements
Inform, prepare and support Regional Specialty Advisers
Develop and maintain excellent communication links with deanery specialist training committees
Maintain excellent communication links with PMETB, MMC and the Academy of Medical Royal Colleges specialist training sub-committee
Launch the new model of HAVS assessment and attendant changes
Develop and maintain excellent working arrangements with the Society of Occupational Medicine to assist the delivery of training and assessment
PROFESSIONAL DEVELOPMENT

Participation in the Faculty’s Continuing Professional Development scheme
- In 2005, there were 416 CPD returns. There were 368 returns in 2004. This represents an increase of 13% in participation by specialists.
- However, this still means that we have only 71% participation, whereas our aim is for 100%.

GMC and Revalidation
- The Faculty, like all other Colleges and Faculties, is taking an increasingly strong line about the need for all members to undertake Continuing Professional Development, and to submit annual returns. The new White Paper, *Trust, assurance and safety – the regulation of healthcare professionals in the 21st century* makes it clear that CPD compliance will be a central and necessary part of revalidation in the future.
- In the early days of the CPD scheme, it was considered a “voluntary” scheme, but this can no longer be the case. The public will expect us to be able to demonstrate continuing standards through at least a “mandatory” CPD scheme.
- The Faculty has a central role in the setting and maintenance of standards for occupational physicians. Full participation in its CPD scheme is essential for it to demonstrate that it is fulfilling this role.

Professional Development Plan (PDP) input into future courses
The Faculty is represented on the Society of Occupational Medicine’s Educational Panel. Anonymised information regarding PDP requirements from CPD returns (on the Faculty’s Form CPD 6) and the Society’s Quality Assured Appraisal Scheme are brought to this panel. It will help the Faculty, Society, and the Royal Society of Medicine’s Occupational Medicine Section (also represented on the Panel) to plan CPD events that members will have indicated are relevant to their PDP.

Objectives for 2006:
- Increase participation in CPD

Impact:
- CPD participation increased by 13%.

Objectives for 2007:
- Increase participation in CPD by a further 15%
- Encourage members to recognise that CPD participation is becoming a mandatory, not a voluntary, activity
- Use information from CPD 6 returns to offer more relevant CPD events, in conjunction with the Society of Occupational Medicine and Royal Society of Medicine Occupational Medicine Section
MEMBERSHIP

Occupational health is experiencing a high profile and occupational physicians are much in demand. We are a relatively small specialty in the UK, with fewer than 1000 working specialists (582 fully qualified and 332 partly qualified), and so the Faculty sees it as part of its remit to grow the specialty, as well as to spread knowledge and awareness more widely about occupational health. The latter project is explained further under ‘External work’. With regard to growing the specialty, the Faculty now exhibits regularly at careers fairs and is also working with Department for Work and Pensions (DWP) to encourage the teaching of occupational health in medical schools. In 2006, we exhibited at the BMJ Careers Fair in December and members also used the Faculty exhibition stand at the Gloucestershire Hospital NHS Foundation Trust Careers Fair for junior doctors, medical students and sixth formers.

The number of trainees entering occupational medicine is growing. In 2006 there were 154 trainees, which is the highest number so far in a steady trend of growth, compared with 150 in 2005, and 129 back in 2000. This is encouraging, because there had been a slight but steady decline in the number of full Members since 2000, although 2006 halted this trend, with a small upturn in Members (that is members who have gained the Membership qualification, MFOM) to 392. Our total membership dipped for the first time since 2000 to 1,597. This is accounted for almost entirely by a reduction, not in specialists, but in the affiliating Diplomates, most of whom are general practitioners who take the Diploma in Occupational Medicine qualification. This would seem to indicate that the Faculty is not offering sufficient support and services to its Diplomates and reviewing this must be part of our task for 2007.

We reviewed our new processes for the appointment of Fellows, and again refined these in 2006, with a view to making the system as transparent and robust as possible. The process is undoubtedly strengthened by the presence of two lay members on the Fellowship Committee.

2006 was the first year of a new Faculty prize, which was established to commemorate an esteemed colleague, Dr Wilf Howe, who died in 2003. The first Wilf Howe Memorial Prize, for innovative practice, was awarded to Dr Jayne Moore for work on identifying and addressing occupation-related skin problems in a chemical industrial site. Our thanks are due to Mrs Lyn Howe for her committed work in raising funds for this.

2006 also saw the long-term establishment of another prize. The Mobbs Travelling Fellowship had been funded for a period of three years, in the Silver Jubilee Year of 2003, through the generosity of Corporate Health and Sir Nigel Mobbs. Following the death of Sir Nigel in October 2005, Corporate Health offered the award in perpetuity, in his memory. This was gratefully accepted by the Faculty and the 2006 prize was awarded to Dr Karen Pratt to enable her to present an evidence-based guideline on Chronic Fatigue Syndrome to the International Congress on Occupational Health in Milan.

Lists of those elected to Fellowship and those awarded qualifications during 2006, together with all the prizewinners, can be found at Annexes 3-8 of the expanded web-based version of this report (although these annexes do not in themselves form part of the Trustees’ report).
Objectives for 2006:
- Improve member recruitment and retention
- Improve services to members

Impact:
- Recruitment of new trainees increased but there was a loss of affiliating Diplomates
- There was a focus on improved communications with members, with seven electronic updates being despatched, compared with two in 2005

Objectives for 2007:
- Produce a new careers leaflet, to encourage recruitment into the specialty
- Attend at least one medical careers fair
- Renew exhibition stands
- Review ways of improving services to affiliating Diplomates
FINANCE REVIEW AND SPONSORSHIP

The format of this year’s report and accounts is substantially different from that of previous years in compliance with the Statement of Recommended Practice ‘Accounting and Reporting by Charities’ (SORP 2005). One of the purposes of the revised SORP is to ensure greater transparency and accountability. The Faculty has also moved towards impact reporting, which is a new way of reporting for the voluntary sector.

Alongside these regulatory modifications, the changes in postgraduate medical education continue at an extraordinary pace. As a result Faculty workloads continue to increase with 2006 seeing the first Article 14 application, more work for Postgraduate Medical Education and Training Board (PMETB) submissions and significant input for Medical Training Appointment Service (MTAS) activities. At the same time the Government strategy to improve the health of the working age population continues to require significant amounts of our time. All these activities, of course, cost monies.

The full audited accounts for 2006 are set out at Annex 1. The Trustees are pleased to report an overall healthy position for the financial year ended 31 December 2006. The Faculty’s income has increased by £92,000 to £702,000, whilst total net assets have increased by £161,000 to £783,000. The Faculty’s charitable expenditure for 2006 was £522,000, which equates to 74% of the income.

The Trustees had agreed a balanced budget for the Faculty for 2006 with a planned surplus of £44,000 (on general funds, that is, excluding restricted and designated funds and capital growth; this best reflects the day to day running of the Faculty), which is very small in the context of a £660,000 plus budget (for general funds). In the event, careful management of resources has led to an overall surplus of £161,000 (or £72,000 on general funds). The surplus on general funds has largely been achieved as a result of an increase in subscriptions, two well attended conferences and excellent sales of the Faculty Ethics document, allied with close control of expenditure. As would be expected this has included a close scrutiny of returns to ensure Faculty rules for travel and subsistence are followed, and a targeted approach to those whose subscription payments are late. In addition we have challenged, with mixed success, the various bodies whose subscriptions or fees we must meet, to demonstrate the need for any increase.

Reserves policy
The policy of the Trustees is to accumulate a free reserve equivalent to six months expenditure. The reserve will allow unexpected circumstances to be faced without the risk of financial ruin.

At 31 December 2006, the Faculty’s total reserves stood at £783,000, compared with £622,000 in 2005, the difference being due to both an increase in income, and strong capital growth on investments. Of the total reserves, £402,000 is in a designated fund set aside to fund new premises arrangements, when the present lease runs out in 2010 and £131,000 is in restricted funds. The remainder, that is the Faculty’s free reserves, therefore stood at £250,000 (compared with £178,000 in 2005). The Faculty has budgeted for expenditure (in general funds) in 2007 of £675,000, which means that its free reserves currently constitute 4.5 months running costs. The Faculty still therefore needs to continue to build on its free reserves to achieve the six months expenditure as set out in the reserves policy.

For 2007 the Board has again agreed a small surplus of £11,000 on general funds to continue to accumulate this free reserve. The Trustees continue to monitor annually the adequacy of the level of reserves in the light of future plans.
Investment policy
In 2000 the Trustees designated the amounts equivalent to the value of the investment portfolio and the related accrued income, as a capital fund. This capital reserve is invested for capital growth on a medium risk basis with the intention of allowing appropriate provision to be made for the cost of accommodation, once the current arrangements generously provided by the Royal College of Physicians terminate in 2010. At 31 December 2006, the capital fund was valued at £402,000 against an original investment of £250,000. The Treasurer has been asked to review the adequacy of this fund and, as part of the Faculty’s stated objective to promote closer working with the Society of Occupational Medicine whose lease terminates at the same time as the Faculty’s, the Treasurer hopes to consider this with the Society’s Honorary Treasurer. Cash balances in excess of immediate requirements are deposited in higher interest rate accounts.

In the meantime the Trustees are cautiously confident that the strategic aims of the Faculty are being matched by appropriate levels of funding. The Trustees are grateful to the outgoing Treasurer, Paul Litchfield, for his prudent approach over the last nine years and welcome his successor Simon Sheard who took over in May 2006. Finally, the Trustees wish to thank the staff, Nicky Wilkins, Frances Quinn and Graham Whittal, in the Faculty office, for their unremitting efforts throughout the year, together with the sponsors and supporters, who give their services to the Faculty voluntarily and on whom the Faculty is increasingly reliant.

Sponsorship
Activities in the Faculty during the last 12 months have proceeded at a frenetic pace with the delivery of high profile projects to maintain and improve standards. This has required support at an unprecedented level from the membership and Chris Sharp, Sponsorship Co-ordinator, is pleased to report that this has been matched with much-appreciated financial support from our sponsors. Echoing last year, the Board wishes to thank Chris Sharp and all the organisations listed below who have worked willingly with the Faculty to make the Faculty’s year such a success.

Adastral Health
Capita Health Solutions
Corus
Grosvenor Health
Rolls-Royce (for work now deferred to 2007 and beyond)
UNUM Provident
WorkFit UK

The Sponsorship Co-Ordinator is already in negotiation with a number of organisations to support the coming year’s work, but is still in search of further funds as the challenges for the Faculty develop.
STATEMENT OF TRUSTEES’ RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice applicable to charities.

The Charities Act 1993 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 Faculty and of its financial position for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Faculty will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Faculty and ensure that the financial statements comply with the applicable laws. The Trustees are also responsible for safeguarding the assets of the Faculty and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that the Report of the Trustees (and other information in the annual report) is prepared in accordance with charity law in the United Kingdom.

APPROVED by the Trustees on 4 April 2007 and signed on its behalf by:

President: Dr D C Snashall MSc FRCP FFOM(1) FFTM(Glas) LLM
ANNEX 1:
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006

INDEPENDENT AUDITORS’ REPORT TO THE MEMBERS OF THE FACULTY
OF OCCUPATIONAL MEDICINE

We have audited the financial statements of The Faculty of Occupational Medicine for the year ended 31 December 2006 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity’s trustees, as a body, in accordance with regulations made under section 43 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charitable company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees’ responsibilities for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees’ Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees’ Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees’ remuneration and other transactions is not disclosed.

We read the Trustees’ Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

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

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

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity’s affairs as at 31 December 2006 and of its incoming resources and application of resources in the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

Kingston Smith LLP
Chartered Accountants and Registered Auditors
Devonshire House
60 Goswell Road
London
EC1M 7AD
Date: 10 April 2007
### STATEMENT OF FINANCIAL ACTIVITIES

**Year ended 31 December 2006**

<table>
<thead>
<tr>
<th>Notes</th>
<th>Unrestricted funds</th>
<th>Designated Funds</th>
<th>General Funds</th>
<th>Restricted Funds</th>
<th>Total 2006</th>
<th>Total 2005 (restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

#### INCOMING RESOURCES

**Incoming resources from generated funds**
- Voluntary income
  - Voluntary income: £1,000 (2006), £1,582 (2005)

**Incoming resources from charitable activities**


#### RESOURCES EXPENDED


**Unrealised gains on investments**: £36,723 (2006), £36,723 (2005)


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All income has been generated from continuing operations.

All recognised gains are included in the Statement of Financial Activities.
## FACULTY OF OCCUPATIONAL MEDICINE

### ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006

### BALANCE SHEET

**31 December 2006**

<table>
<thead>
<tr>
<th>Notes</th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>9</td>
<td>1,581</td>
</tr>
<tr>
<td>Investments</td>
<td>10</td>
<td>391,699</td>
</tr>
<tr>
<td><strong>TOTAL FIXED ASSETS</strong></td>
<td></td>
<td>393,280</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks</td>
<td>11</td>
<td>15,655</td>
</tr>
<tr>
<td>Debtors</td>
<td>12</td>
<td>47,596</td>
</tr>
<tr>
<td>Cash on deposit</td>
<td></td>
<td>429,921</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>81,160</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td></td>
<td>574,332</td>
</tr>
<tr>
<td><strong>CREDITORS: amounts falling due within one year</strong></td>
<td></td>
<td>(184,807)</td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS</strong></td>
<td></td>
<td>389,525</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td>782,805</td>
</tr>
<tr>
<td><strong>REPRESENTED BY:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General funds</td>
<td>17</td>
<td>250,010</td>
</tr>
<tr>
<td>Designated funds</td>
<td>15</td>
<td>401,699</td>
</tr>
<tr>
<td><strong>TOTAL UNRESTRICTED FUNDS</strong></td>
<td></td>
<td>651,709</td>
</tr>
<tr>
<td>Restricted funds</td>
<td>16</td>
<td>131,096</td>
</tr>
<tr>
<td><strong>TOTAL FUNDS</strong></td>
<td></td>
<td>782,805</td>
</tr>
</tbody>
</table>

**APPROVED** by the Trustees on 4 April 2007 and signed on their behalf by:

**President:** Dr D C Snashall MSc FRCP FFOM FFOM(I) FFTM(Glas) LLM

**Treasurer:** Dr S C Sheard MB ChB MMedSci FFSEM FFOM
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2006

1 ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements of the Faculty are described below:

(a) Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and follow the recommendations in ‘Accounting and Reporting by Charities: Statement of Recommended Practice’ issued in 2005 (SORP 2005).

Comparative figures have been restated to comply with changes following the introduction of SORP 2005.

(b) Fixed assets

Individual fixed assets costing £1,000 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% straight line

(c) 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.

(d) Stock

Stock is stated at the lower of cost and net realisable value.

(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 account at 31 December 2006.

(g) Pensions

Contributions are made on behalf of certain employees into their individual personal pension plans. Amounts are charged to the Statement of Financial Activities as incurred.

(h) 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.
(i) 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.

(j) 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 company 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.

2 GRANTS AND DONATIONS

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2006</td>
<td>2005</td>
</tr>
</tbody>
</table>

Voluntary income
- Wilf Howe Fund (various donations) 1,000 1,432
- Astra Zeneca - 150

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.

<table>
<thead>
<tr>
<th>Grants for publications and training</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Health - Training grant</td>
<td>8,197</td>
<td>18,114</td>
</tr>
<tr>
<td>BT - Annual report</td>
<td>-</td>
<td>2,500</td>
</tr>
<tr>
<td>DWP - Health and Work Handbook</td>
<td>-</td>
<td>10,000</td>
</tr>
<tr>
<td>- Fitness for work</td>
<td>-</td>
<td>20,000</td>
</tr>
<tr>
<td>Society of Occupational Medicine - Donald Hunter Lecture</td>
<td>-</td>
<td>3,700</td>
</tr>
<tr>
<td>Corporate Health - Mobbs Travelling Fellowship</td>
<td>20,000</td>
<td>-</td>
</tr>
<tr>
<td>ATOS Origin - Annual Dinner</td>
<td>-</td>
<td>2,000</td>
</tr>
<tr>
<td>Adastral Health - Annual Dinner</td>
<td>3,000</td>
<td>-</td>
</tr>
<tr>
<td>Rolls-Royce – backpain guidelines</td>
<td>10,000</td>
<td>-</td>
</tr>
<tr>
<td>BUPA Health at Work Award</td>
<td>10,000</td>
<td>-</td>
</tr>
</tbody>
</table>

Gifts in kind
- Grosvenor Health & Workfit UK – SpRs time at BMJ Careers Fair 1,400 -
- BT - Annual Reception for volunteers - 2,500
- Royal Mail - Trustees Away day - 3,500
- Corus – Trustees Away day 6,000 -

Total grants 58,597 62,314
3 INVESTMENT INCOME

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Bank interest</td>
<td>20,380</td>
<td>15,007</td>
</tr>
<tr>
<td>Dividends</td>
<td>12,087</td>
<td>9,329</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32,467</strong></td>
<td><strong>24,336</strong></td>
</tr>
</tbody>
</table>

4 ANALYSIS OF COSTS

<table>
<thead>
<tr>
<th></th>
<th>Direct Costs</th>
<th>Direct Salaries</th>
<th>Support Costs</th>
<th>Total 2006</th>
<th>Total 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Qualification and training</td>
<td>48,698</td>
<td>88,940</td>
<td>73,740</td>
<td>211,378</td>
<td>229,535</td>
</tr>
<tr>
<td>Members services</td>
<td>85,545</td>
<td>34,434</td>
<td>28,549</td>
<td>148,528</td>
<td>127,800</td>
</tr>
<tr>
<td>Publication costs</td>
<td>18,653</td>
<td>9,295</td>
<td>7,706</td>
<td>35,654</td>
<td>24,590</td>
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<tr>
<td>Meeting costs</td>
<td>34,649</td>
<td>27,627</td>
<td>22,906</td>
<td>85,182</td>
<td>73,296</td>
</tr>
<tr>
<td>Research fellowship</td>
<td>3,390</td>
<td>1,085</td>
<td>899</td>
<td>5,374</td>
<td>31,214</td>
</tr>
<tr>
<td>Conferences and events</td>
<td>23,177</td>
<td>7,144</td>
<td>5,923</td>
<td>36,244</td>
<td>27,203</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>214,112</strong></td>
<td><strong>168,525</strong></td>
<td><strong>139,723</strong></td>
<td><strong>522,360</strong></td>
<td><strong>513,638</strong></td>
</tr>
</tbody>
</table>

Governance costs

<table>
<thead>
<tr>
<th></th>
<th>£</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance costs</td>
<td>19,791</td>
<td>19,591</td>
<td>16,243</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>233,903</strong></td>
<td><strong>188,116</strong></td>
<td><strong>155,966</strong></td>
</tr>
</tbody>
</table>

5 BREAKDOWN OF SUPPORT COSTS

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Staff costs</td>
<td>66,250</td>
<td>57,825</td>
</tr>
<tr>
<td>Training and other staff costs</td>
<td>4,816</td>
<td>6,490</td>
</tr>
<tr>
<td>Communication</td>
<td>3,036</td>
<td>2,457</td>
</tr>
<tr>
<td>Printing, postage and stationery</td>
<td>16,638</td>
<td>12,621</td>
</tr>
<tr>
<td>Premises costs</td>
<td>22,791</td>
<td>30,743</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>17,644</td>
<td>16,908</td>
</tr>
<tr>
<td>Advertising and recruitment</td>
<td>10,235</td>
<td>7,343</td>
</tr>
<tr>
<td>Accountancy fees</td>
<td>6,512</td>
<td>5,848</td>
</tr>
<tr>
<td>Depreciation</td>
<td>3,575</td>
<td>2,440</td>
</tr>
<tr>
<td>Other costs</td>
<td>4,469</td>
<td>7,462</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>155,966</strong></td>
<td><strong>150,137</strong></td>
</tr>
</tbody>
</table>

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

6 GOVERNANCE COSTS

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Salaries</td>
<td>19,591</td>
<td>18,185</td>
</tr>
<tr>
<td>Support costs allocation</td>
<td>16,243</td>
<td>16,157</td>
</tr>
<tr>
<td>Audit fees</td>
<td>4,542</td>
<td>3,850</td>
</tr>
<tr>
<td>Meeting costs</td>
<td>11,389</td>
<td>9,021</td>
</tr>
<tr>
<td>AGM costs</td>
<td>1,260</td>
<td>916</td>
</tr>
<tr>
<td>Annual report costs</td>
<td>2,600</td>
<td>4,440</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>55,625</strong></td>
<td><strong>52,569</strong></td>
</tr>
</tbody>
</table>
7 REMUNERATION OF TRUSTEES

The Trustees did not receive remuneration or any benefits during the year for their services (2005: nil)

15 Trustees were reimbursed for expenses incurred in relation to Faculty business amounting to £5,024 (2005: 15 Trustees - £6,113).

8 STAFF COSTS

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and Salaries</td>
<td>219,853</td>
<td>196,186</td>
</tr>
<tr>
<td>Social security costs</td>
<td>23,113</td>
<td>20,867</td>
</tr>
<tr>
<td>Pension costs</td>
<td>11,400</td>
<td>9,749</td>
</tr>
<tr>
<td></td>
<td>254,366</td>
<td>226,802</td>
</tr>
</tbody>
</table>

The average number of full-time equivalent employees during the year was:

8

No members of staff earned more than £60,000 in the year (2005 – the same).

9 TANGIBLE FIXED ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Fixtures and fittings</th>
<th>Office equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2006</td>
<td>14,331</td>
<td>29,761</td>
<td>44,092</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>2,371</td>
<td>2,371</td>
</tr>
<tr>
<td></td>
<td>14,331</td>
<td>32,132</td>
<td>46,463</td>
</tr>
<tr>
<td>At 1 January 2006</td>
<td>13,204</td>
<td>28,103</td>
<td>41,307</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>1,127</td>
<td>2,448</td>
<td>3,575</td>
</tr>
<tr>
<td></td>
<td>14,331</td>
<td>30,551</td>
<td>44,882</td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2006</td>
<td>13,204</td>
<td>28,103</td>
<td>41,307</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>1,127</td>
<td>2,448</td>
<td>3,575</td>
</tr>
<tr>
<td></td>
<td>14,331</td>
<td>30,551</td>
<td>44,882</td>
</tr>
<tr>
<td>Net Book Value</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 December 2005</td>
<td>-</td>
<td>1,581</td>
<td>1,581</td>
</tr>
<tr>
<td></td>
<td>===========</td>
<td>===========</td>
<td>===========</td>
</tr>
<tr>
<td>At 31 December 2005</td>
<td>1,127</td>
<td>1,658</td>
<td>2,785</td>
</tr>
<tr>
<td></td>
<td>===========</td>
<td>===========</td>
<td>===========</td>
</tr>
</tbody>
</table>

10 INVESTMENTS

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Quoted investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 January 2006</td>
<td>342,889</td>
<td>282,788</td>
</tr>
<tr>
<td>Additions</td>
<td>12,087</td>
<td>9,479</td>
</tr>
<tr>
<td>Unrealised gain on revaluation of investments</td>
<td>36,723</td>
<td>50,622</td>
</tr>
<tr>
<td></td>
<td>391,699</td>
<td>342,889</td>
</tr>
<tr>
<td>Historical cost</td>
<td>296,672</td>
<td>284,585</td>
</tr>
</tbody>
</table>

Investments consist of 86,851 units in Schroders Charity Fund.
11 STOCKS

<table>
<thead>
<tr>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Stocks comprise:</td>
<td></td>
</tr>
<tr>
<td>Publications for resale</td>
<td>15,655</td>
</tr>
</tbody>
</table>

12 DEBTORS

<table>
<thead>
<tr>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Accrued income</td>
<td>27,165</td>
</tr>
<tr>
<td>Other debtors</td>
<td>2,155</td>
</tr>
<tr>
<td>Prepayments</td>
<td>18,276</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>47,596</td>
<td>82,812</td>
</tr>
</tbody>
</table>

13 CREDITORS:
amounts falling due within one year

<table>
<thead>
<tr>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>32,487</td>
</tr>
<tr>
<td>Accruals</td>
<td>44,466</td>
</tr>
<tr>
<td>Deferred income - examination fees received in advance</td>
<td>20,195</td>
</tr>
<tr>
<td>- subscriptions in advance</td>
<td>84,452</td>
</tr>
<tr>
<td>Tax and social security due (PAYE)</td>
<td>-</td>
</tr>
<tr>
<td>VAT due</td>
<td>3,207</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>184,807</td>
<td>167,988</td>
</tr>
</tbody>
</table>

14 DEFERRED INCOME

<p>| Examination fees | Subscriptions | Total |</p>
<table>
<thead>
<tr>
<th>£</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2006</td>
<td>15,240</td>
<td>79,884</td>
</tr>
<tr>
<td>Amounts released to incoming resources</td>
<td>(15,240)</td>
<td>(79,884)</td>
</tr>
<tr>
<td>Amount deferred in the year</td>
<td>20,195</td>
<td>84,452</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Balance at 31 December 2006</td>
<td>20,195</td>
<td>84,452</td>
</tr>
</tbody>
</table>

15 DESIGNATED FUNDS

<table>
<thead>
<tr>
<th>As at 1 January 2006</th>
<th>Incoming Resources £</th>
<th>Gains on Investments £</th>
<th>Resources expended £</th>
<th>As at 31 December 2006 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital fund</td>
<td>342,889</td>
<td>12,087</td>
<td>36,723</td>
<td>-</td>
</tr>
<tr>
<td>BUPA Award</td>
<td>-</td>
<td>10,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>342,889</td>
<td>22,087</td>
<td>36,723</td>
<td>-</td>
<td>401,699</td>
</tr>
</tbody>
</table>

The Capital Fund was designated in 2000 and represents an amount equivalent to the value of the investment portfolio. These investments are held to ensure the future of the Faculty.

The BUPA Award money has been set aside towards the production of publications and guidance.
16 **RESTRICTED FUNDS**

<table>
<thead>
<tr>
<th>Good Practice Guidelines Funds</th>
<th>As at 1 January 2006</th>
<th>Incoming Resources £</th>
<th>Interest Allocation £</th>
<th>Outgoing Resources £</th>
<th>As at 31 December 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Esso Publications Fund</td>
<td>14,257</td>
<td>-</td>
<td>412</td>
<td>-</td>
<td>14,669</td>
</tr>
<tr>
<td>UNUM Fund</td>
<td>6,516</td>
<td>-</td>
<td>189</td>
<td>-</td>
<td>6,705</td>
</tr>
<tr>
<td>DWP- Fitness for Work</td>
<td>9,000</td>
<td>-</td>
<td>264</td>
<td>-</td>
<td>9,264</td>
</tr>
</tbody>
</table>

**Lecture Funds**

| Donald Hunter Lecture          | 10,223              | -                    | 234                  | 730                  | 9,727                  |
| Ernestine Henry Lecture        | 2,598               | -                    | 75                   | -                    | 2,673                  |

**Other Funds**

| Esso Research Fellowship Funds | 36,872              | -                    | 1,049                | 1,502                | 36,419                 |
| William Taylor Memorial Fund  | 3,084               | -                    | 47                   | 184                  | 2,947                  |
| Shell Fellowship               | 795                 | -                    | 23                   | -                    | 818                    |
| Department of Health - Training grants | 8,197           | -                    | -                    | -                    | -                      |
| Wilf Howe Fund                 | 4,730               | 1,000                | 130                  | 558                  | 5,302                  |
| Mobbs Travelling Fellowship    | 13,307              | 20,000               | 369                  | 1,104                | 32,572                 |
| Rolls-Royce – backpain guidelines | -                | 0,000                | -                    | -                    | 10,000                 |

\[101,382 + 39,197 + 2,792 + 12,275 + 131,096\]

---

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

**UNUM Fund** provides resources to fund the production of advice on rehabilitation.

**Department for Work and Pensions (DWP)** provided funds to publish *Fitness for Work*.

**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, received up to 2001, which have been pooled to fund one or more projects. The trustees continue to assess applications for suitable projects to fund.

**The William Taylor Memorial Fund** is for a specific award.

**Shell Fellowship** provides for the implementation of training facilities.

**Department of Health Training Grant** provides funding towards the Faculty’s costs in supporting Higher Specialist Training in Occupational Medicine.

**Wilf Howe Fund** was set up to provide a memorial to Dr Wilf Howe.

**Mobbs Fellowship Fund** was set up to provide travelling fellowships.

**Rolls-Royce** provided funds towards the costs of back pain guidance and leaflets which will be produced in 2007.

17 **UNRESTRICTED FUNDS**

<table>
<thead>
<tr>
<th>As at 1 January 2006</th>
<th>Incoming Resources £</th>
<th>Unrealised Gain £</th>
<th>Outgoing Resources £</th>
<th>As at 31 December 2006 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated funds</td>
<td>342,889</td>
<td>22,087</td>
<td>36,723</td>
<td>401,699</td>
</tr>
<tr>
<td>General Fund</td>
<td>177,838</td>
<td>637,882</td>
<td>-</td>
<td>250,010</td>
</tr>
</tbody>
</table>

\[520,727 + 659,969 + 36,723 + 565,710 + 651,709\]
18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Designated</td>
<td>General</td>
<td>Restricted</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td></td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>-</td>
<td>1,581</td>
<td>-</td>
<td>1,581</td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>391,699</td>
<td>-</td>
<td>-</td>
<td>391,699</td>
<td></td>
</tr>
<tr>
<td>Net current assets</td>
<td>10,000</td>
<td>248,429</td>
<td>131,096</td>
<td>389,525</td>
<td></td>
</tr>
<tr>
<td></td>
<td>401,699</td>
<td>250,010</td>
<td>131,096</td>
<td>782,805</td>
<td></td>
</tr>
</tbody>
</table>

19 OPERATING LEASE COMMITMENTS

The Faculty had an annual commitment in respect of operating leases as follows:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expire within one year (office equipment)</td>
<td>638</td>
<td>-</td>
</tr>
<tr>
<td>Expire between 2 and 5 years (office equipment)</td>
<td>-</td>
<td>915</td>
</tr>
<tr>
<td>Expire between 2 and 5 years (land and buildings)</td>
<td>2,108</td>
<td>2,108</td>
</tr>
<tr>
<td>Expire after 5 years (land and buildings)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>2,746</td>
<td>3,023</td>
</tr>
</tbody>
</table>

20 CONNECTED CHARITY

The Faculty of Occupational Medicine is an independent registered charity responsible for its own administration and financial management. As a Faculty of the Royal College of Physicians, it enjoys close working and professional ties with the College which generously provides the Faculty with premises, part of which are rent-free.