



Annual Business Meeting

Thursday 20 June 2013 at 13.30 hours
Fintry Room (Level 3),
Edinburgh International Conference Centre,
The Exchange, Edinburgh EH3 8EE

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General Secretary's Notices

NOMINATION OF CANDIDATES FOR ELECTION TO THE SOCIETY

Attention is drawn to Rules 12, 13 and 18 concerning applications for membership of the Society, which are considered by the Committee for acceptance without a ballot by the Society. Application forms are available from the Society's website. Applications submitted to the Society's office before **31 May 2013** will be considered at the June 2013 Committee Meeting.

CHANGE OF ADDRESS

Members are requested to send notices of any changes of permanent address, degrees or titles, to the Society's office without delay. The *'Update Your Details'* facility on the Society's website must be used for this purpose.

Society Lectures and Awards

Visit the Society's website for full details: www.pathsoc.org

CL OAKLEY LECTURE

Applications are invited for the 32nd Oakley Lecture to be given at the Joint Meeting with the European Society of Pathology in 2014. Application/Nomination deadline is **1 December 2013**.

GOUDIE LECTURE AND MEDAL

Nominations are requested for The Goudie Lecture. These are normally given at the Winter Meetings however as there is no Winter Meeting in 2014 we are hoping to include this during the Joint Meeting with the European Society of Pathology in 2014. Any Member may submit nominations to the General Secretary using the nomination form available from the Society's website. The holder of the Lectureship shall normally be aged 40 years or more. Such individuals may or may not be Members of the Society. If not, they may be proposed for Honorary Membership. Nominations should be received in the Society's office by **1 December 2013** for the 2014 award.

DONIACH LECTURE AND AWARD

Nominations are requested for The Doniach Lecture to be given at the Joint Meeting with the European Society of Pathology (30 August – 3 September 2014). Any Member may submit nominations to the General Secretary using the nomination form available from the Society's website. The holder of the Lectureship shall be a Senior Member of the Society. Nominations should be received in the Society's office by **1 December 2013** for the 2014 award.

RITCHIE MEDAL

The Ritchie Medal will be given to a Member of the Society for distinguished services to Pathology. This will include services to the Society, the promotion of Pathology in the Medical and Scientific community and/or to the wider community.

The Ritchie Medal was founded in 2006, to mark the Centenary of the Society and in honour of the first General Secretary of the Society. The objective of the Ritchie Medal is to recognise a Member of the Society who has given long-term and outstanding service to Pathology, or to the Society,

or who has promoted the art and science of Pathology to the wider community. Nominations may be made at any time.

Grant Schemes

Visit the Society's website for full details and application forms: www.pathsoc.org

EDUCATION GRANTS

BURSARIES FOR UNDERGRADUATE ELECTIVE VACATION STUDIES

The Pathological Society of Great Britain & Ireland offers a number of bursaries to undergraduate students of medicine, veterinary medicine, dentistry or biomedical science to enable them to work for elective or vacation periods in departments of pathology in universities, medical schools, NHS laboratories or research institutes in the United Kingdom or overseas.

Proposals for work on research projects in any branch of pathology or for the acquisition of experience in diagnostic departments are eligible for consideration. Such work should normally be sponsored by a Member of the Society. Application deadlines: **28 February and 10 May each year**.

EDUCATIONAL GRANT SCHEME

The Educational Grant Scheme supports a range of activities in the performance, development and assessment of undergraduate and postgraduate education in pathology. Such activities may include:

- (a) Organisation of educational meetings
- (b) Promotion of pathology in undergraduate and postgraduate education, both medical and non-medical
- (c) Development of educational tools, for example e-learning software / databases
- (d) Support for networks of pathologists involved in pathology education

Salaries and support of specific research proposals are excluded from this scheme. **Applications are invited from Members of the Society of at least 12 months standing.** Applications deadlines: **1 April and 1 October each year.**

INTERCALATED DEGREES IN PATHOLOGY

The Society provides an annual sum for up to ten (increased from six in 2013) medical, dental or veterinary undergraduates who wish to take an Intercalated Degree (either BSc or MRes/MSc) but who are unable to do so because of lack of local education authority funding. Offers must be taken up either in the year allocated or in the succeeding year. Application deadline: **31 March each year.**

SEMINARS FOR STUDENTS

This Scheme aims to provide specific support for the promotion of the understanding of pathology amongst medical, dental, biomedical and other students. The scheme will do this by providing funds to allow student societies to invite pathologists of national and international repute to address their societies. Application deadlines: **1 June and 1 December each year.**

UNDERGRADUATE ESSAY PRIZE

Essays of up to 3,000 words are invited to be submitted by any undergraduate medical or dental student. This year's title is: "How personalized is personalized medicine? What are the challenges for pathology in delivering this for patients?" Application deadline: **28 June 2013**.

RESEARCH GRANTS

CAREER DEVELOPMENT FELLOWSHIP

The Pathological Society's 'Career Development Fellowship' is designed to offer support for continuing research over a 2-year period by academic trainee pathologists following the award of a PhD or MD, when progressing through the final stages of their histopathological training leading up to the award of CCT. Bridging this period from completion of PhD/MD to completion of CCT, the Pathological Society can offer research support by way of one Fellowship per year. Application deadline: **1 April 2014**.

EQUIPMENT SCHEME

The Pathological Society of Great Britain & Ireland has established an award of up to a **maximum of £10,000** for part-purchase of items of equipment.

The purpose of this grant is to support pathologists actively engaged in research. It is expected that the equipment will be of benefit to multiple users and will increase research capacity through either expanding currently available facilities for higher throughput or implementation of new methods. Applications for renewal of equipment will also be considered although *project specific* applications are not encouraged. Application deadlines: **1 April and 1 October each year**.

INTERNATIONAL COLLABORATIVE AWARD

The Pathological Society of Great Britain & Ireland has established an annual award to promote collaboration in scholarly pathological activities between Members of Pathology Institutions from any country outside of Great Britain and Ireland together with Members of the Pathological Society (*there are separate collaborative awards available for pathologists from China, Hong Kong or Japan*).

This International Collaborative Award is designed to promote meaningful and long-term collaborations in any area of pathological research or scholarship (including undergraduate education). *Applications in the area of postgraduate training in pathological diagnosis and practice are, however, not eligible*. Application deadline: **1 October each year**.

PATHOLOGICAL SOCIETY AND JEAN SHANKS FOUNDATION PATHOLOGICAL RESEARCH TRAINING FELLOWSHIP

The Pathological Society of Great Britain & Ireland together with the Jean Shanks Foundation will award a Pathological Research Training Fellowship to trainee Pathologists intent on an academic career.

This scheme is designed to increase the research skills, ability and interest of those medically qualified trainees working in pathology, with a view, in the long-term, to expand the capacity in academic pathology by increasing the number of suitably trained young pathologists in Great Britain or Ireland.

There are two elements to the Fellowship: (a) formal training in research methods; and (b) the execution of an original piece of research (leading to a doctorate, normally a PhD). Awards will be for a maximum of three years on a full-time or part-time basis, and will cover the appropriate salary, university higher degree fees and up to £10,000 bench costs per year.

Applications will be judged by a peer-review process which will focus on the personal qualities and motivation of the candidate, the relevance and quality of the research training programme, the originality and quality of the proposed research project, the strength of the supervision arrangements, the research infrastructure, as well as the benefits to the individual, to the Pathological Society and to the Jean Shanks Foundation. This peer-review process will involve Members of the Pathological Society Research Sub-Committee, nominees of the Jean Shanks Foundation and invited reviews from selected external reviewers (coordinated by the Chair of the Pathological Society Research Sub-Committee).

The next application deadline: **1 October 2013**.

PHD STUDENTSHIPS

The Society provides a PhD sponsorship scheme. Applications are invited from **established Members of the Society (membership of minimum 12 months) who wish to act as supervisors** of a project which will lead to the award of a PhD for the student carrying out the work under their supervision. Applications deadline (for commencement of a project in 2014): **1 November 2013**.

SINO-EUROPEAN COLLABORATIVE AWARD

The Society has established an annual award to promote collaboration in scholarly pathological activities between Chinese or Hong Kong Academic Institutions and Members of the Pathological Society. This Collaborative Award is designed to promote meaningful and long-term collaborations in any area of pathological research or scholarship (including undergraduate education).

Applications in the area of postgraduate training in pathological diagnosis and practice are, however, not encouraged. Application deadline: **1 October each year**.

SMALL GRANTS SCHEME

This scheme has been established to encourage Specialist Registrars (or Honorary Specialist Registrars) in Histopathology or Immunology to undertake investigative research. The grant is intended to be used for reagents or contribute towards a piece of equipment for research to underpin a project(s). The Society will support research which will lead to publications in peer-reviewed journals and/or to the award of a higher degree. Applications deadlines: **1 April and 1 October each year**.

VISITING FELLOWSHIPS

The Society sponsors a number of Fellowships to enable members of the medical and allied professions working in the UK or Ireland in pathologically-related biomedical research to travel to other institutions for periods of up to 12 months to learn new techniques of value in their clinical and/or laboratory research. Application deadlines: **1 April and 1 October each year**.

OTHER GRANTS

OPEN SCHEME

This scheme supports a range of additional activities, all of which share one common aim, namely to support the Society's Mission Statement. **Applications are invited from Members of the Society of at least 12 months standing.** Application deadlines: **1 March, 1 June, 1 October and 1 December each year.**

PATHOLOGICAL SOCIETY MEETINGS BURSARIES

A number of bursaries will be made available to cover the cost of registration fees for Society Members who are post-graduate students (PhD, MD or MSc) and wish to present their research at Society meetings. An applicant whose work is/has been selected for presentation in a plenary session will be favoured. Application deadlines: **1 June and 1 November each year.**

PUBLIC ENGAGEMENT SCHEME

The Public Engagement scheme aims to provide specific support for activities related to the promotion of public awareness and understanding of pathology, including public lectures and public awareness schemes. *Support for salaries is excluded from this scheme.* Application deadlines: **1 March, 1 June, 1 September and 1 December each year.**

TRAVEL AND CONFERENCE BURSARY

This scheme encourages and promotes scientific communications at major international meetings. *The Society meetings are excluded from these awards.*

Applications are invited from established Members of the Society (**minimum membership of 12 months**). *Members who are in substantive NHS consultant, academic or similar permanent positions are **ineligible** for this Scheme.* Applications are reviewed on an on-going basis and may therefore be submitted at any time.

Society's Office

Pathological Society of Great Britain & Ireland
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Email: admin@pathsoc.org

All enquiries should be addressed to the Administrator.

Annual Business Meeting

to be held on Thursday 20 June 2013 at 13.30 hours
Fintry Room (Level 3), Edinburgh International Conference Centre,
The Exchange, Edinburgh EH3 8EE

AGENDA

1. Minutes of the Annual Business Meeting of 5 July 2012.
2. Matters arising from the Minutes.
3. Elections:
 - 3.1 Meetings Secretary.
 - 3.2 Chair-Elect, Education and Training Sub-Committee.
 - 3.3 Ordinary Committee Members.
 - 3.4 Trainees' Sub-Committee Members.
4. **President's Report*** (*Prof IO Ellis*)
 - 4.1 Links with other Professional Bodies.
 - 4.2 ACCEA.
5. **General Secretary's Report*** (*Prof CS Herrington*)
 - 5.1 Amendment to Rule No 5 (*following notice given at the July 2012 Annual Business Meeting the following changes to the Rule come into effect today*):

This change relates to incorporation of the Society's Trustees to ensure that the assets will be held by the incorporated Trustees.

Rule No 5 – Current wording

The Treasurer shall collect the subscriptions of Members and shall notify the Committee the cases of any Members whose subscriptions are one year in arrears. He/she shall pay accounts due by the Society and shall cause to be circulated to the Members before the Annual Business Meeting the audited accounts and balance sheet. In the case of any expenditure the advisability of which he/she doubts, he/she shall take the opinion of the Committee. The assets will be held by Trustees who shall be the General Secretary and the Treasurer for the time being of the Society, which Trustees shall be entitled to any indemnity from the Society and its Members in respect of any obligations which the Trustees may lawfully enter into for the Society.

Rule No 5 – New wording from today (*changes are italicised*)

The Treasurer shall collect the subscriptions of Members and shall notify to the Committee the cases of any Members whose subscriptions are one year in arrears. He/she shall pay accounts due by the Society and shall cause to be circulated to the Members before the Annual Business Meeting the audited accounts and balance sheet. In the case of any expenditure the advisability of which he/she doubts, he/she shall take the opinion of the Committee. *The assets will be held by the Incorporated Trustees in the name "Trustees of the Pathological Society". Any Trustees of the Society from time to time shall be entitled to any indemnity from the Society and its Members in respect of any obligations which the Trustees may lawfully enter into for the Society.*
 - 5.2 Society Lectures, Medals and Awards:

Call for nominations:

 - 5.2.1 2014 Goudie Lecture and Medal – *deadline 1 December 2013.*
 - 5.2.2 2014 Doniach Lecture and Award – *deadline 1 December 2013.*
 - 5.2.3 Ritchie Medal – *deadlines 1 November 2013 and 1 May 2014.*
 - 5.2.4 2014 CL Oakley Lecture – *deadline 1 December 2013.*
 - 5.3 Membership.
 - 5.4 Website and Publications Strategy.
 - 5.5 Other matters.

6. **Treasurer's Report and Appointment of Auditors*** (*Dr N Rooney*).
 - 6.1 Review of the Year 2012.
 - 6.2 Investment Management.
 - 6.3 Grant Scheme budgets.
 - 6.4 2014 Membership Subscriptions Proposal.
 - 6.5 Accounts for the year ended 31.12.12 – to seek acceptance and approval.
 - 6.6 To re-appoint Alliotts as Accountants and Auditors.
 - 6.7 Pathology London 2014 Ltd.
 - 6.8 Charitable Status – proposal to move to becoming a *Charitable Company Limited by Guarantee* from 1 January 2014 and seek approval for the trustees to register for incorporation (see the 'Report on Legal Structures' on pages 18 and 19).
7. **Meetings' Secretary's Report*** (*Prof IO Ellis, Acting Meetings Secretary*).
 - 7.1 2012: Summer Meeting, Sheffield.
 - 7.2 2012: Winter Meeting, Joint Meeting with the Dutch Pathological Society (NVVP), Utrecht.
 - 7.3 Future meetings.
8. **Sub-Committees – Chairs' Reports***
 - 8.1 Education and Training Sub-Committee (*Dr JWM Chow*).
 - 8.2 Research Sub-Committee (*Prof M Ilyas*).
 - 8.3 Trainees' Sub-Committee (*Dr NP West*).
9. **Editor's Report *** (*Prof CS Herrington on behalf of Prof PA Hall*).
 - 9.1 Review of the year.
 - 9.2 The Jeremy Jass Prize for Research Excellence.
10. **Election Results**
11. **Any Other Business**

* In order to improve the timeliness of the meeting, brief verbal reports will be given at the Business Meeting. A detailed report: 'Overview of the Year' will be available to Members on our website: www.pathsoc.org — from Monday 20 May 2013.

Minutes

**Minutes of the Annual Business Meeting
of the Pathological Society of Great Britain & Ireland
held in the Students Union Auditorium, University of Sheffield, Sheffield, UK
at 13.30 hours on Thursday 5 July 2012.**

The Annual Business Meeting Agenda document and ballot papers had been circulated to most Members electronically this year and sent by mail to those Members without e-mail addresses and who had indicated a preference for paper mailings. With the aim of achieving a timelier meeting, a full briefing document ("Overview of the Year") had been posted only on the Society's website. In future this document would also be posted to those Members who requested it. The Society will do everything possible to support its Members.

1. Minutes of the Annual Business Meeting of 12 May 2011.

The minutes were accepted by the meeting. Proposed by Prof AH Wyllie, Cambridge and seconded by Dr JJ Going, Glasgow.

2. Matters arising from the Minutes.

There were none.

3. 2011 Committee Away-Day.

In October 2011 a *Journal of Pathology* Strategy day and a Committee Away-Day were held. The outcome of these discussions was included in the *Overview of the Year* which had been posted on the Society's website and was available today if required. (Appendix A).

Most of the actions arising from the Away-Day had been completed and many of the issues would be covered during the remainder of the meeting.

Questions were invited – there were none.

4. Elections.

The results were announced at the end of the meeting (see item 11 on page 12).

One nomination had been received for the post of General Secretary. There were four vacancies for the Committee and five people had put themselves forward. Ballot papers had been circulated to Members and those present who hadn't yet voted were asked to hand their votes to the Deputy Administrator before the end of the meeting. This also gave the opportunity for any members to raise objections, should they wish.

5. President's Report. (Prof AH Wyllie)

The Society was in a healthy state, sustaining two meetings yearly and with statistics showing that many trainees were happy to continue their membership as they progressed to consultant status. Another marker of health was the spectrum of grants available from the Society to support aspiring young pathologists, from vacation bursaries and the funding of undergraduate student seminar programmes, through start-up research funding for specialist registrars, and further, to clinical academic fellowships, short-term visiting fellowships, equipment grants and the career development

fellowships that make possible the appointment of research assistants to sustain senior trainees' research momentum through the post-PhD, pre-CCT years. In parallel, the Society funded non-clinical PhD studentships. Some of these grants were of long standing, but others had come into existence very recently, and it was heartening to see the high quality of the applicants.

For the freedom to make these investments, the Society was particularly grateful to the energetic editorial team in the Society's *Journal*. *J Path* had climbed and retained its place high in the citation ranking of pathology journals, with correspondingly strong income, despite the effects of global recession. One did not need to look far to see why: high quality refereeing, rapid turn-around times, a presence at international meetings, and beautiful (and decent-sized!) histology images all contributed. The authors of the accepted papers worked in the same niche as the Society: the unravelling of the nature of disease. They were international. They exploited many new technologies. Most of these authors worked in multi-disciplinary environments. Whether in human tissue or in carefully crafted animal models, the questions to which they sought answers had to do with the complex interactions between cells in living tissues. In many respects, they represented the research world for which the Society sought to prepare its young grantees.

The President thanked the General Secretary and all other Committee members for the exciting and stimulating experience of working with them and indicated that it had been a privilege and an honour to be President of the Society and that he had enjoyed it very much. The President wished his successor, Professor Ian Ellis, a successful and enjoyable time during his period in office as President.

Questions were invited – there were none.

The General Secretary thanked the President for his report and thanked him again for his contribution to the Society over the last three years.

6. General Secretary's Report. (Prof CS Herrington)
6.1 Amendment to the Rules.

Following notice given at the May 2011 Annual Business Meeting the following changes to the Rules will come into effect from today:

Rule No 9 – New wording (*changes are italicised*)
Each year the ordinary Members of the Committee whose terms of office have expired shall retire from office and shall not be eligible for re-election until one year has elapsed after their demission from office. There shall be up to 12 Ordinary Committee Members in office each year. Names of Members to serve on the Committee may be proposed by any Member who has obtained the written consent of the nominee, such nominations to be sent to the General Secretary at least three months before the Annual Business Meeting.

Rule No 9 – Previous wording

Each year the four ordinary Members of the Committee, senior in order of election, shall retire from office after a 3-year term and shall not be eligible for re-election till one year has elapsed after their demission from office. Names of Members to serve on the Committee may be proposed by any Member who has obtained the written consent of the nominee, such nominations to be sent to the General Secretary at least three months before the Annual Business Meeting.

Rule No 11 – New wording (*changes are italicised*)

The Society shall, from the names submitted to it, select by ballot *Members to fill the vacant places*. In the case of any incidental vacancy occurring in the Committee this shall be filled up at the next Annual Business Meeting by the election of another Member. This Member shall only hold office for the remainder of the period of office of the Member whose place he/she takes and shall be eligible for re-election.

Rule No 11 – Previous wording

The Society shall, from the names submitted to it, select by ballot four Members to fill the vacant places. In the case of any incidental vacancy occurring in the Committee this shall be filled up at the next Annual Business Meeting by the election of another Member. This Member shall only hold office for the remainder of the period of office of the Member whose place he/she takes and shall be eligible for re-election.

6.2 Proposal to amend Rule 5.

Also refer to item 7.7 under ‘Treasurer’s Business’. This proposal (see below) relates to incorporation of the Society’s Trustees to ensure that the assets will be held by the incorporated Trustees. The Treasurer will talk about this during his report. We hereby give one year’s notice for the rule to be amended from July 2013.

Rule No 5 – Current Wording

The Treasurer shall collect the subscriptions of Members and shall notify to the Committee the cases of any Members whose subscriptions are one year in arrears. He/she shall pay accounts due by the Society and shall cause to be circulated to the Members before the Annual Business Meeting the audited accounts and balance sheet. In the case of any expenditure the advisability of which he/she doubts, he/she shall take the opinion of the Committee.

The assets will be held by Trustees who shall be the General Secretary and the Treasurer for the time being of the Society, which Trustees shall be entitled to any indemnity from the Society and its Members in respect of any obligations which the Trustees may lawfully enter into for the Society.

Rule No 5 – Proposed new wording (*changes are italicised*)

The Treasurer shall collect the subscriptions of Members and shall notify to the Committee the cases of any Members whose subscriptions are one year in arrears. He/she shall pay accounts due by the Society and shall cause to be circulated to the Members before the Annual Business Meeting the audited accounts and balance sheet. In the case of any expenditure the advisability of which he/she doubts, he/she shall take the opinion of the Committee. *The assets will be held by the Incorporated Trustees in the name “Trustees of the Pathological Society”. Any Trustees of the Society from time to time shall be entitled to any indemnity from the Society and its Members in respect of any obligations which the Trustees may lawfully enter into for the Society.*

6.3 Society Lectures, Medals and Awards.

6.3.1 2013 Goudie Lecture/Medal.

The Society Committee considered three nominations at its meeting this week and the Lecture was awarded to Prof M-Q Du, Cambridge.

6.3.2 2013 Doniach Lecture/Award.

– nomination deadline 1 December 2012

6.3.3 Ritchie Medal.

– nominations accepted at anytime

The only award made since its introduction was to Prof Sir NA Wright in 2007.

6.3.4 2013 CL Oakley Lecture.

– application/nomination deadline 1 December 2012
Members were encouraged to submit nominations for the above awards.

6.4 Membership.

- Figures are relatively stable and we currently have almost 1500 members.
- The recent upward trajectory in numbers is expected to plateau as we now have the majority of UK trainees in membership.
- We must not become complacent and the benefits of membership are under regular review.
- The benefits of membership should be given greater prominence on the website.

6.5 Website and Publications Strategy Group.

- The website has undergone a revamp over the past 3–4 years.
- The Educational Portal was discussed by the Committee earlier this week and it was agreed that we should make the content more relevant for undergraduates to encourage them to become interested in pathology. The Education Sub-

Committee will be considering ways of how we might achieve this.

- We are currently contracted with PathXL (formerly i-PATH) to manage the website but we have discussed different ways to do so from next year. We are currently considering a joint appointment with the BDIAP for an individual to manage this.

6.6 Other matters.

Questions were invited – there were none.

7. Treasurer's Report and Appointment of Auditors. (Dr N Rooney)

7.1 Review of the Year 2011.

The Treasurer referred to his report which had been published on the website prior to the meeting.

- The previous Treasurer had stepped down six months early, i.e. in January 2012 due to conflict of interests following his appointment as Editor of *Histopathology*. Dr Rooney had taken over from that time.
- Prof Burt has left the Society's finances in a very good state.
- When elected all Trustees are given a copy of the Charity Commission document "*The Essential Trustee*". This in particular raised the question of having budgets for all Society costs and with the help of Ros Pitts and Julie Johnstone annual budgets for running expenses are being prepared.
- Another issue that has arisen during review of the lease for the office at 2 Carlton House Terrace is that the signatories on the lease, namely Prof PA Hall and Prof AD Burt are no longer Trustees. Our solicitors advised us to make a move to incorporate the Trustees in order that they become an entity and with Committee's approval we have put this in place with the Charity Commission. This now means any Trustee can sign on behalf of the Society, whereas until now the responsibilities have laid with the Trustees individually.
- The Administrators had worked hard to make the installation of the new servers and associated equipment as smooth as possible.
- The 2-page accounts are published in the Agenda document. A copy of the full accounts is available to all Members on request.

Questions were invited – there were none.

7.2 Investment Management.

We employ Cazenove Capital Management to manage our investments for which they deliver a return of 5% of the capital. Their performance has been successful over the past year, in comparison with other investment brokers and we propose to retain their services.

7.3 Grant Scheme Budgets.

- No major changes had been made to the 2012 budgets.
- Some schemes were underspent last year and we carried forward a £182,600 underspend into this

year's grant pot. This allows us to award extra grants.

Questions were invited – there were none.

7.4 2013 Membership Subscriptions Proposal.

- The Society's major income is derived from the *Journal of Pathology* profit-share which for 2011 was £643,000.
- Investment income was approximately £160,000.
- An increase in subscriptions would not generate a significant additional income stream.
- We plan to retain current fees for 2013 given the current economic climate.
- Wiley-Blackwell will increase subscriptions for libraries but will not be increasing the charges for our Members' copies.

The current fees are:

- Ordinary subscription £53
- Ordinary Members with Concessionary status £10

The current subscription rates are:

- *Journal of Pathology* £53
- *Diagnostic Histopathology* £100

7.5 Accounts for the year ended 31 December 2011 – to seek acceptance and approval.

- The accounts at the end of our financial year showed a balance of £6.7 million although this represented a loss of £2,107 on the previous year's accounts. Although we made an operating profit this was offset by a slight loss on the valuation of the investments.
- The proposal to accept the accounts was made by Prof S Fleming, Dundee and seconded by Prof M Wells, Sheffield.

7.6 New Accountants/Auditors/Reappointment

- We have found Alliot's service to be better than the previous accountants.
- We will be meeting with Alliot's later this month.
- The proposal to re-appoint Alliot's as accountants and auditors for a further year was proposed by Dr SS Cross, Sheffield and seconded by Prof S Fleming, Dundee.

7.7 Charitable Status.

– *move to being an Incorporated Charity.*
(Also see 7.1)

- As an unincorporated Society, we don't exist in legal terms which means that the Trustees are exposed to any risk of litigation on behalf of the Society.
- Our solicitors were surprised that we were still an unincorporated charity as most others are, e.g. Royal College of Pathologists, British Society for Haematology are incorporated.
- If the Society became incorporated we would need to operate under Company Law as well as Charity Law. We currently operate effectively as a company in accounting and VAT so incorporation would make very little difference to the way things are currently run. There may be other differences or disadvantages to being incorporated which we have yet to explore.

- The Committee will discuss this and will bring a formal proposal to the Annual Business Meeting next year with a view to this coming into effect in 2014.

The General Secretary thanked the Treasurer for his report and his sterling work in taking this forward in such an efficient way.

- 8. Meetings Secretary's Report.** (*Prof IO Ellis*)
Details of future meetings were given in the website document: '*Overview of the Year*'.
- 8.1 2011 – Ghent Pathology.**
Feedback indicated this was a very successful meeting in a convivial setting and the programme was excellent. Thanks were given to Professor Claude Cuvelier and his team for hosting this meeting.
- 8.2 2012 – Winter Meeting, London.**
This was a successful meeting held for the first time at the Guoman Tower Hotel which is being considered as a fixed venue for future Winter Meetings. The feedback during the meeting and subsequently was that most people were very happy and we found it fit for purpose. Thanks were given to Prof JE Martin and her colleagues for hosting the meeting.
- 8.3 Current and Future Meetings.**
- 8.3.1 2012 – Summer Meeting, Sheffield (3–5 July).**
We are here in Sheffield for which has been a great meeting and thanks were given to Dr SS Cross and Professors M Wells and TJ Stephenson for organising the meeting.
- 8.3.2 2013 – Winter Meeting, Utrecht (8-9 January), Joint Meeting with the Dutch Path Society (NVVP).**
Prof P van Diest has put together an excellent programme and this meeting looks to be good fun as well as scientifically very rewarding.
Utrecht is only a 30 minute train journey from Amsterdam Schipol airport and is easy to reach and we would like to encourage Members and their colleagues to attend.
The programme includes breast, gastrointestinal and a trade sponsored satellite meeting on molecular diagnostics is being organised by the local team for Monday 7 January.
- 8.3.3 2013 – Edinburgh Pathology (18–21 June), Joint Meeting with the BDIAP.**
The programme is now well advanced and sessions include educational, diagnostic and good science topics. This will be held at the Edinburgh International Conference Centre and we believe it will be an excellent meeting.
- 8.3.4 2014 – London (31 Aug–3 Sep), Joint Meeting with the European Society of Pathology.**
This will replace the Society's Summer Meeting in 2014 and a joint planning committee meeting was held this week. Formal committee meetings for programme and organisational planning will also be

held in the coming months.

The style of ESP meetings is very different from our normal Summer Meetings with eight parallel sessions – this is the first time that the ESP has run a meeting as a joint format and we are looking forward to working with them.

8.3.5 2015 – Dublin (23–25 June), Joint Meeting with the BDIAP.

We have just agreed with the BDIAP that this meeting will be held in Dublin.

Questions were invited – there were none. The General Secretary thanked the Meetings Secretary for his report and for all his efforts over the past 5 years and looked forward to working with him as President of the Society. Dr R Liebmann was welcomed as successor to Prof Ellis.

9. Sub-Committees – Chair's Reports.

9.1 Education and Training Sub-Committee
(*Dr JWM Chow*)

Dr Chow thanked the Members of the Sub-Committee for their hard work during the year.

Ultimately we wish the education grants to stimulate and promote interest in pathology amongst undergraduates and will work together with the Research and Trainees Sub-Committees to support and attract our future pathology trainees.

The deadline for this year's Undergraduate Essay Competition has been moved to 7 September to avoid a clash with exam dates. Members were asked to encourage their students to submit essays. This year's title is: "*Pathology has been called 'The hidden science that saves lives'. Discuss how pathology direct impacts on patients, and compare the past, present and possible future effects of pathology on a patient's journey*".

Questions were invited – there were none. The General Secretary thanked Dr Chow for her report.

9.2 Research Sub-Committee.
(*Prof M Ilyas on behalf of Dr MJ Arends*)

The schemes were summarised:

• **Small Grants Scheme.**

Grants up to £10,000 are available for trainees wishing to undertake a project – we funded 8 applications in the past year.

At its last meeting the Finance and General Purposes Committee was asked to consider whether Members could apply for this award more than once. Following consideration by the Sub-Committee and the Main Committee it was agreed that Members could re-apply after a period of one year, as long as they had provided evidence of their first project and submitted a report.

• **PhD Studentships.**

This funds an academic pathology supervisor to have a PhD student in their lab and remains popular. We have funded two this year, with the Treasurer's agreement.

- **Pathological Society and Jean Shanks Foundation Pathological Research Training Fellowship.**

This was introduced in 2011 to fund trainees who wish to pursue an academic career. This award is the equivalent of MRC and Wellcome Fellowships in Pathology. Four applications were received and an award was made this year.

- **Career Development Fellowship.**

This scheme funds trainees who have come through a PhD to continue their research activity and covers employment of a technician for two or three years. A number of very good applications were received and the Finance and General Purposes Committee generously agreed that we could fund two applications this year.

Overseas Collaboration:

- **Sino-European Collaborative Award.**

Supports collaborations between the UK and China up to £10,000.

- **Japanese Collaborative Award.**

Started in 2010 this supports collaborations of up to £5,000 and is co-funded 50/50 with the Japanese Society. Due to lack of applications there are mixed feelings on whether this scheme will continue given the introduction of the International Collaborative Award.

- **International Collaborative Award.**

This supports collaborative projects between the UK any other country of up to £10,000 to cover travel, laboratory costs and costs of sending specimens to other laboratories.

- **Equipment Scheme.**

Will fund up to £10,000 to part-purchase of equipment.

- **Travelling Fellowship.**

This supports people wishing to travel to another institution to learn new techniques.

Dr Arends thanked the Members of the Sub-Committee for their help in evaluating the grant applications. For grant schemes with awards greater than £20,000 for the governance purposes applications are also sent out for external review.

Questions were invited – there were none.

Dr Arends now steps down as Chair of the Sub-Committee and Professor Ilyas thanked him for all his hard work. He also thanked Professors Wyllie and Carey for their assistance with Sub-Committee tasks.

The General Secretary thanked Prof Ilyas for giving this report on behalf of Dr Arends and welcomed him as the new Chair of the Sub-Committee.

9.3 Trainees' Sub-Committee. (Dr NP West)

- We have had a very busy year with five new Sub-Committee Members who joined us last year, which now gives us an excellent geographic representation, including one Member from Dublin.
- The trainees recognise that the number of benefits available for trainees far outweigh the £10/year subscription fee.

- With a concessionary membership of 460 this will include the majority of UK trainees and number remains stable.

- **Meetings.**

We organised a very interesting Head and Neck session at the Winter Meeting and three very good sessions this week in Sheffield. For the Utrecht Meeting Prof Hans Clever will give a session on stem cells and for Edinburgh there will be sessions on post-mortem histology and renal pathology.

- **Grant Schemes.**

On the research side the Sub-Committee are encouraged by the number of strong applications which have been submitted for the Career Development and Path Society/Jean Shanks Awards.

- **Education and Website.**

We continue to develop some material in particular the *Case of the Month* which trainees seem to find very useful.

Dr West thanked the Members of the Sub-Committee for their input over the last year.

Questions were invited – there were none.

The General Secretary thanked Dr West for his report.

10. *Journal of Pathology*, Editor's Report.

(Prof R Poulson on behalf of Prof PA Hall)

10.1 Review of the year.

Please refer to the website document: 'Overview of the Year'.

In summary:

- The 2011 Impact Factor had been announced – there has been a small fall to 6.318 but we have maintained our ranking of being third and, overall, are still on an upward trend.
- A numerical drop has been seen across all pathology journals, we suspect as a result of the global economic situation.
- *The American Journal of Pathology* Impact Factor level is at its lowest for 15 years at 4.89.
- Information on the *Journal's* activities is presented in the annual 'Overview of the Year'.

10.2 The Jeremy Jass Prize for Research Excellence.

- The 3rd Award was presented in 2012 to Dr B Weigelt at the Society's 2012 Winter Meeting.
- The 4th Award will be presented to Dr MF Amary at the 2013 Winter Meeting of the Society.
- The first named author receives an award and all other authors receive a certificate and a photograph of the team will be published in the *Journal*.

Questions were invited – there were none.

The General Secretary thanked Prof Poulson for his report and offered congratulations to everybody involved in the continued success of the *Journal*.

11. Election Results.

A call for nominations for the following positions was sent to all Members in February 2012:

4.1 General Secretary.

Prof Herrington will retire as General Secretary in July 2013. One nomination had been received for this post from Dr RJ Byers, Manchester. Dr Byers was duly elected by ballot. His 5-year term will commence in July 2013 but he will act as General Secretary-Elect from July 2012.

4.2 Ordinary Committee Members.

Four vacancies existed following the retirement of Dr AC Bateman, Prof FA Carey, Prof M Ilyas (as Committee Member) and Dr RD Liebmann (as Committee Member) with effect from 5 July 2012. Five nominations had been received and the following four people were duly elected to the Committee by ballot:

Dr TC Diss, London
Prof M-Q Du, Cambridge
Dr M Rodriguez-Justo, London
Dr BS Wilkins, London

12. Any Other Business.

There being no further business the meeting terminated at 14.50 hrs.

CS Herrington
25 October 2012

New Members

Since the July 2012 Annual Business Meeting

Dr AW Barrett BDS, FDS, FRCPath, MRCPPath, MSc, PhD
Queen Victoria Hospital, East Grinstead

Dr A Cala FRCPA
Newcastle, Australia

Prof NMF El Deeb MD
Alexandria, Egypt

Prof R Goldschmeding MD, PhD
UMC, Utrecht, The Netherlands

Dr GH Leeming BVetMed, DipRCPath, FRCPath, MPhil, PhD
University of Liverpool

Dr S Monostori MD, FRCPA Australia
Dorevitch Pathology, Bendigo, Australia

Dr S McDonald BSc(Hons), PhD
Barts and the London School of Medicine & Dentistry,
London

Dr AR Shahid MBBS, DCPPath
Rehman Clinic, Mirpur, Pakistan

Prof C Womack FRCPath, MBBS, FRCPath, MBBS
Astrazeneca, Macclesfield

*The following Ordinary Members have also been accepted into membership
since July 2012 with concessionary membership fees.*

Dr JA Agboola MBChB, PhD
Olabisi Onabanjo University, Sagamu, Nigeria

Dr J Aird BAO, MBBCh, MRCP(K)
Beaumont Hospital, Dublin

Dr M Akhlaq MBBS, Mphi
Queen's Medical Centre, Nottingham

Dr KC Akpobi MBBS
Ahmadu Bello University Teaching Hospital, Zaria, Nigeria

Dr DM Alexe MD, PhD
Queen's Hospital, Romford

Dr A Ali MBBCh, MRCS, MSc
St George's Hospital, London

Dr S Appukutty FRCPath, MBBS, MD
John Radcliffe Hospital, Oxford

Dr A Azam BSc, MBBS
University Hospitals Coventry & Warwickshire

Dr U Azhar MBBS
Wirral University Teaching Hospital

Dr T Balamurugan MBBS
Royal Liverpool University Hospital

Dr SPR Beavers BSc, MBChB
Southmead Hospital, Bristol

Dr C Beggan BAO(Hons), MBBCh
Beaumont Hospital, Dublin

Dr K Benton BSc, MBChB, MRCP
Royal Victoria Infirmary, Newcastle-upon-Tyne

Dr IM Borghol MBBCh
Royal Oldham Hospital, Oldham

Dr S Brockmoller MD
Cotman Center, Cambridge

Dr V Bryant MBBS
Royal Sussex County Hospital, Brighton

Dr R Culpin PhD
Newcastle University

Dr J Cunningham MBBS
Wycombe Hospital, High Wycombe

Dr S Dandona BMedSci, MBBS
Charing Cross Hospital, London

Dr M Davie BSc, MBChB
Aberdeen Royal Infirmary, Aberdeen

Dr O Dotsenko MD, PhD
Royal Hallamshire Hospital, Sheffield

Dr A Downing MBChB
Norwich & Norfolk University Hospital, Norwich

Dr C Egan BAO, MBBCh
University Hospital, Galway

Dr K Elliott BAO, MBChB
Southampton General Hospital, Southampton

Miss E Ewart MBChB
Stoke Mandeville Hospital, Aylesbury

Dr MSM Farroha MBChB
Kings College Hospital, London

Dr V Fitzpatrick-Swallow BSc, MBBS
St Thomas's Hospital, London

Dr A Forbes MBChB
Southern General Hospital, Glasgow

Dr R Gahlaut MBBS, MD
St James's University Hospital, Leeds

Dr NM Gamage MBBS, MD
London

Dr IK Garbett BSc, MBChB, MRCP(UK)
Bristol Royal Infirmary, Bristol

Miss SM Gawthorpe BSc, MSc
Russells Hall Hospital, Dudley

Dr AR Gilbert MBChB
Arrowe Park Hospital, Upton

Dr M Giwa BSc, MBBS
St Thomas's Hospital, London

Dr AV Grundy BSc, MBBS
Royal London Hospital, London

Dr H Haynes BSc(Hons), MBChB
Frenchay Hospital, Bristol

Dr N Heatley MBChB
Maidstone Hospital, Maidstone

Dr HK Helin BSc, MBBS
St Thomas's Hospital, London

Dr R Hussain FRCPath, MBChB
Royal Victoria Infirmary, Newcastle-upon-Tyne

Dr R Hutchinson BSc(Hons)
Belfast City Hospital, Belfast

Dr DA Jerjees MBChB, MSc
University of Nottingham

Dr A John MBBS
St James's Hospital, Leeds

Dr MM Lacle MD
University Medical Centre Utrecht,
The Netherlands

Dr U Laggner MD, PhD
University College London

Dr JYM Lee MBBS
St Mary's Hospital, London

Mrs P Lovell HNC MLS
Charing Cross Hospital, London

Dr PS Macklin MBChB
Wycombe Hospital, High Wycombe

Dr S Mahalingam MBBS
Leicester Royal Infirmary, Leicester

Dr LM Mahamada Kalapuwage MBBS, MD
William Harvey Hospital, Ashford

Dr A Mahmoud MD
Leicester Royal Infirmary, Leicester

Ms AJ Malbon BSc(Hons), BVSc
University of Liverpool

Dr OA McKinney MBBS
St George's Hospital, London

Miss T McNamee MBChB
Royal Victoria Hospital, Belfast

Dr F Monk MBBS
St Thomas' Hospital, London

Dr L Mulcahy BSc, MBChB
Southampton General Hospital, Southmap

Dr A Nasir MBBS
Maidstone Hospital, Maidstone

Dr A Oakley MBChB
Wishaw General Hospital, Wishaw

Dr IM Onwubuya MBBS
Obafemi Awolowo University Teaching Hospital Complex,
Ife-Ife, Nigeria

Dr CO Onwuka MBBS
University of Uyo Teaching Hospital, Uyo, Nigeria

Dr A Paterson BA, MA, PhD
Queen's College, Cambridge

Dr G Pitiyage BDS, PhD
University College London

Dr S Raman MBBS, MRCP(UK)
Royal Victoria Infirmary, Newcastle-upon-Tyne

Mrs. CB Ranasinghe MBBS, MD
Kings College Hospital, London

Dr P Rao MBBS
St James University Hospital, Leeds

Dr MB Raza BSc, MBChB
Royal Blackburn Hospital, Blackburn

Dr A Sadera MBBS
Wirral University Teaching Hospital, Wirral

Dr S Sajid MBBS
Queen's Medical Centre, Nottingham

Dr SA Samarakoon MD, HTP
Norfolk & Norwich University, Norwich

Dr S Saunders BSc, MBChB
Derriford Hospital, Plymouth

Dr T Sekar MBBS
Royal Free Hospital, London

Dr M Sengodan MBBS
St James University Hospital, Leeds

Dr S Simon BSc, MBChB, MRCS
Glasgow Royal Infirmary, Glasgow

Dr APT Smith MBChB
Wycombe Hospital, High Wycombe

Dr AVM Speller MBChB
St Mary's Hospital, London

Dr B Staunton BM BCh
University College London

Dr N Stefanos MBChB
Norwich and Norfolk University Hospital, Norwich

Dr T Thippeswamy BVSc, MVSc, PhD
University of Liverpool

Mr P Thompson MSc
St James's University Hospital, Leeds

Dr C Trayers MBBS
Cotman Centre, Norwich

Dr A Torres Rendon MSc, PhD
University of Sheffield

Dr MA Tullett BChD, MFDSRCS, BMBS
St Richards Hospital, Chichester

Dr A Vargiamidou MBBS
Royal Liverpool University Hospital

Dr K Vroobel MBBS
St Thomas' Hospital, London

Dr E Walding BMedSci, MBBS
Darent Valley Hospital

Dr O Wise MBBS
Royal Sussex County Hospital, Brighton

Dr D Zardo MD
William Harvey Hospital, Ashford

Financial Statement 2012

PATHOLOGICAL SOCIETY OF GREAT BRITAIN AND IRELAND

SUMMARY FINANCIAL STATEMENTS - STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2012

	Unrestricted Funds	
	2012	2011
	£	£
INCOMING RESOURCES		
Incoming resources from generating funds:		
Voluntary income	73,882	73,096
Activities for generating funds	637,322	643,924
Investment income	178,325	163,643
Other incoming resources	<u>110,570</u>	<u>114,208</u>
TOTAL INCOMING RESOURCES	<u>1,000,099</u>	<u>994,871</u>
RESOURCES EXPENDED		
Charitable activities	(910,742)	(739,887)
Governance costs	<u>(8,250)</u>	<u>(7,860)</u>
TOTAL RESOURCES EXPENDED	<u>(918,992)</u>	<u>(747,747)</u>
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES	81,107	247,124
OTHER RECOGNISED GAINS AND LOSSES		
(Losses)/Gains on investment assets	(948)	(1,612)
Unrealised gains/ (losses) on investments	<u>412,894</u>	<u>(247,616)</u>
NET MOVEMENT IN FUNDS	493,053	(2,104)
RECONCILIATION OF FUNDS		
Total funds brought forward	<u>6,706,073</u>	<u>6,708,177</u>
TOTAL FUNDS CARRIED FORWARD	<u>7,199,126</u>	<u>6,706,073</u>

Financial Statement 2012

PATHOLOGICAL SOCIETY OF GREAT BRITAIN AND IRELAND

SUMMARY FINANCIAL STATEMENTS – BALANCE SHEET

YEAR ENDED 31 DECEMBER 2012

	2012		2011	
	£	£	£	£
FIXED ASSETS				
Tangible assets		218,823		223,853
Investments		<u>6,155,937</u>		<u>5,719,919</u>
		6,374,760		5,943,772
CURRENT ASSETS				
Debtors	785,289		745,045	
Cash at bank	<u>207,645</u>		<u>136,853</u>	
	992,934		881,898	
CREDITORS: Amounts falling due within one year	<u>(168,568)</u>		<u>(119,597)</u>	
NET CURRENT ASSETS		<u>824,366</u>		<u>762,301</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,199,126</u>		<u>6,706,073</u>
NET ASSETS		<u>7,199,126</u>		<u>6,706,073</u>
FUNDS				
Unrestricted income funds		<u>7,199,126</u>		<u>6,706,073</u>
TOTAL FUNDS		<u>7,199,126</u>		<u>6,706,073</u>

STATEMENT BY THE TRUSTEES

These Summarised Financial Statements, comprising the Statement of Financial Activities and Balance Sheet, have been extracted from the full Report and Financial Statements for the year ended 31 December 2012. These Summarised Financial Statements are not the full statutory Financial Statements of the Society and may not contain sufficient information for a full understanding of the financial affairs of the Society. The full Financial Statements have been externally audited and an unqualified Audit Report issued. To obtain a copy of the full Report and Financial Statements, which includes the Report of the Auditors on those Financial Statements and the Trustees' Annual Report, please contact the Administrator at 2 Carlton House Terrace, London, SW1Y 5AF.

The full Report and Financial Statements for the year ended 31 December 2012 were approved by the Trustees on the 26 of April 2013 and a copy will be submitted to the Charity Commission after the Annual Business Meeting.

Nick Rooney

Treasurer for and on behalf of the Trustees of the Society

26 April 2013

INDEPENDENT AUDITOR'S STATEMENT TO THE TRUSTEES OF THE PATHOLOGICAL SOCIETY OF GREAT BRITAIN AND IRELAND

We have examined the Summarised Financial Statements, comprising the Statement of Financial Activities and Balance Sheet of the Pathological Society of Great Britain and Ireland for the year ended 31 December 2012.

Respective Responsibilities of the Trustees and Auditors

The Trustees are responsible for preparing the Summarised Financial Statements in accordance with applicable United Kingdom law and the recommendations of the Charities SORP. Our responsibility is to report to you our opinion on the consistency of the Summarised Financial Statements with the full Financial Statements and Trustees' Annual Report. We also read the other information contained in the Treasurer's Report and consider the implications for our report if we become aware on any apparent misstatements or material inconsistencies with the Summarised Financial Statements.

Basis of Opinion

We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practices Board.

Opinion

In our opinion the summarised financial statements are consistent with the full Financial Statements and the Trustees' Annual Report of the Pathological Society of Great Britain and Ireland for the year ended 31 December 2012.

Alliotts

Chartered Accountants & Statutory Auditor
26 April 2013

Friary Court, 13-21 High Street
Guildford, Surrey GU1 3DL

Report on Legal Structures

1. PURPOSE OF REPORT

- 1.1 The Pathological Society of Great Britain and Ireland ('the Society') is currently a charitable unincorporated association and is considering incorporating into a charitable company limited by guarantee. There is also a proposed new legal structure called a Charitable Incorporated Organisations – (CIO).
- 1.2 This report outlines the features of each structure along with their advantages and disadvantages and our recommendations for the future.

2. UNINCORPORATED ASSOCIATION – CURRENT LEGAL STRUCTURE

- 2.1 An unincorporated association does not have a formal legal structure, and is formed of a group of people bound by a common purpose. The body will be governed by its constitution. The advantage is that it is flexible, as the constitution is drawn up by those persons. A non-charitable unincorporated association also has the advantage of privacy and absence of external accountability. The Society cannot take advantage of this as it is charitable and is regulated by the Charity Commission.
- 2.2 The overwhelming disadvantage is that the trustees can be held personally liable for the organisation's debts. Whilst the Society has incorporated the trustee body, it does not mean that their liability is limited and they still remain personally liable.
- 2.3 If a person, including any Society employees, suffers loss or damage, and wants to bring a legal claim against the Society, a lawsuit will be brought against some or all of the trustees, or other individuals who authorised or carried out the activities which caused the loss.
- 2.4 Any legal agreements, or property and investments must be held or entered into by individuals on behalf of the Society. Therefore, they can be held personally liable if there was, for example, a breach of contract. It is important to note that even where an individual ceases to be a trustee it does not end their legal liability unless the legal agreement they have signed is transferred to a new signatory.

3. CHARITABLE COMPANY LIMITED BY GUARANTEE

- 3.1 A company limited by guarantee is the structure that is often used by not-for-profit organisations. This kind of company does not have share capital and rather than shareholders it has a number of members who each guarantee that they will contribute (usually £1) towards any debts of the company on its winding up.
- 3.2 Members of a charitable company have the right to attend, speak and vote at general meetings of the company, and to make certain decisions such as the appointment and removal of directors and the approval of any changes to the governing document. Members are free to vote as they please and do not have a statutory duty to act in a way that they

believe in good faith will further the purposes of the company.

- 3.3 The directors of the charitable company are one and the same as the charity trustees. If for any reason a person should be removed as a director of the company, for example were they to be made bankrupt, they would automatically also be removed as trustees of the charity.
- 3.4 Directors would be subject to duties as laid out in company legislation as well as the rules they are already subject to as charity trustees and a charitable company director must act in a way he considers, in good faith, would be most likely to achieve the purposes of the company.
- 3.5 A company is governed by its Articles of Association. We can retain the current features of the Society's current governance structure, such holding a Summer Business Meeting (which would be called an Annual General Meeting) and retain the elected positions such as Treasurer. The range of subscription categories and committee structure could also be retained and set out in Bye-Laws.
- 3.6 The key advantage is that a company has a separate legal entity with limited liability, for both the trustees and the members. A company can enter into contracts, rent or own property and take or defend legal action in its own name. It is considered to be a legal person and within the bounds of common sense can do anything that a person can do.
- 3.7 A company is liable for its own debts, the people to whom it owes money can take legal action against the organisation itself. Very occasionally, they may be able to take action against the trustees if the trustees fail to comply with their statutory obligations, e.g. continuing to operate when the organisation is insolvent or breaching trustee duties. However, if the trustees have acted reasonably then they are unlikely to be found liable.
- 3.8 A disadvantage is the dual registration and the extra external accountability as the Society would be registered with and regulated by the Registrar of Companies, (also known as Companies House) in addition to the Charity Commission to which annual returns and accounts must be submitted, and the details of directors' appointments and resignations and mortgages and debentures must be filed. However, only one set of accounts would need to be drawn up, you would just need to ensure it was filed at both Companies House and the Charity Commission.

4. CHARITABLE INCORPORATED ORGANISATION (CIO)

- 4.1 A CIO will be governed by its Constitution, A CIO has a legal structure that has been designed specifically with charities in mind. It will not be a company and will not be subject to company legislation. However, like a company it does have its own legal personality.
- 4.2 An advantage is that a CIO is registered and

- regulated by the Charity Commission only and the Society would avoid dual registration. Also, in a CIO the members would also have a statutory duty to act in a way that they believe in good faith will further the purposes of the CIO (it is not yet clear how this would be enforced for members).
- 4.3 A disadvantage is that it is likely that permitted amendments to the model will be quite restricted. Therefore, the governance structure will be less flexible to suit a particular organisation than that of a charitable company.
- 4.4 Also, the legal standing and the regulations applicable to the CIO are new and remain untested. It is also not yet well-known to the wider business community.
- 4.5 The Charity Commission propose to allow unincorporated associations to convert to CIOs in phases depending on the income size of organisations from March 2013. There are likely to be significant teething issues and a steep learning curve for the Charity Commission, trustees and advisers alike. CIOs will also be entirely serviced by the Charity Commission which has undergone severe funding cuts.

5. RECOMMENDATION

- 5.1 Our recommended legal structure is that of a charitable company limited by guarantee. This is a reliable, well-known and established and uncontroversial structure. The Society holds significant assets, leases a significant property, employs staff and undertakes some significant commercial activities. These are long term financial commitments and/or commercial ventures. Trustees having personal liability for those is a lot to ask.
- 5.2 The limited liability for trustees that comes with the Society being a charitable company far outweighs the disadvantages of the burden of extra regulation attached to being a company.
- 5.3 The Society would continue to operate for the same charitable purpose and all activities would continue, meaning that the ethos and character of the Society would be unchanged.
- 5.4 If you decide to take this structure forward, as an initial outline the following steps will be required:
- 5.4.1 We would provide you with a new governing document in the form of Articles of Association and an explanatory note. The articles would be in a form that reflects the requirements of company law and we would discuss with you which elements of your existing constitution and membership arrangements need to be preserved.
- 5.4.2 Incorporating the company at Companies House.
- 5.4.3 We would provide you with a form for the purposes of the Charity Commission application, and written advice on the process, and apply electronically to register the charity on your behalf.
- 5.4.4 We would provide a transfer agreement to govern the transfer of assets and liabilities from the unincorporated charity to the new charitable company. This particular part of process will require some detailed planning as there would be a transfer of specific assets such as property, and contracts. Contracts of employment would transfer under the

‘TUPE’ (Transfer of Undertakings (Protection of Employment) Regulations) and we would advise you on the steps required under TUPE.

- 5.4.5 We would also provide you with documentation required in order to transfer any contracts with third parties from the unincorporated association to the company.
- 5.4.6 We would provide draft minutes for the trustees for both organisations to assist you in the decision making process.
- 5.4.7 Registering the incorporation on the Charity Commission’s merger register.
- 5.4.8 Winding up the existing unincorporated charity.
- 5.4.9 We also recommend a governance review and further training for trustees to explain the additional responsibilities of being a company.
- 5.4.10 We understand that the Society’s financial year end is 31 December. As previously discussed with Nick Rooney, it may be sensible to effect any incorporation and transfer on 31 December 2013 as it provides for a clean break and also gives plenty of planning and run in time. It would also give the trustees time to inform members of the change.

David Mears and I look forward to hearing from you following the consideration of this report.

Victoria Slater
November 2012

RUSSELL-COOKE SOLICITORS

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