



THE HEALING FOUNDATION

Rebuilding the bodies, minds and lives of people with disfigurements

THE ANNUAL REPORT & AUDITED ACCOUNTS

31 March 2011

Chairman of the Board of Trustees
Sir Stuart Rose

The Healing Foundation
at The Royal College of Surgeons of England
35-43 Lincoln's Inn Fields
London WC2A 3PE

Registered Charity No. 1078666

Registered Company No. 3831398

sayer vincent
consultants and auditors

OUR VISION

Our vision is a society where physical and emotional scarring is minimised, physical dexterity is maximised and no one is excluded because of their appearance.

OUR MISSION

To champion the cause of people living with disfigurements and loss of function by funding research into pioneering surgical and psychological healing techniques and, through research, raise awareness and provide information about the cause and sources of support.

The Healing Foundation

Reference and administrative details

For the year ended 31 March 2011

Status

The organisation is a charitable company limited by guarantee, incorporated on 25 August 1999 and registered as a charity on 17 December 1999.

Governing Document

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Summary of Investment Powers

To invest and deal with any money not immediately required for its objects in or upon any investments, securities, or property.

Company Number

3831398

Charity Number

1078666

Registered office and operational address

35-43 Lincoln's Inn Fields, London, WC2A 3PE

Honorary Officers

Sir Stuart Rose (Chairman)

Mr Hugh Twiss (Hon Treasurer)

Professor Sir John Temple (Chairman, Research Council)

Principal Staff

Mr Brendan Eley (Chief Executive)

Mrs Karla Conway (Development Director)

Mrs Gillian Ayres (Office and Finance Manager)

Principal Members of the Healing Foundation

British Association of Plastic Reconstructive and Aesthetic Surgeons (BAPRAS)

British Association of Aesthetic Plastic Surgeons (BAAPS)

British Burn Association (BBA)

British Psychological Society (BPS)

British Society for Surgery of the Hand (BSSH)

Craniofacial Society of Great Britain & Ireland (CFSGB&I)

The Healing Foundation

Report of the trustees

For the year ended 31 March 2011

The trustees present their report and the audited financial statements for the year ended 31 March 2011.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in March 2005).

Structure, governance & management

The organisation is a charitable company limited by guarantee, incorporated on 25 August 1999 and registered as a charity on 17 December 1999

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustee Recruitment, Appointment and Induction

There are fifteen places on the Board of Trustees of which fourteen are currently filled. Each of the six 'Principal Member' organisations of the Healing Foundation (British Association of Plastic and Reconstructive Aesthetic Surgeons, British Association of Aesthetic Plastic Surgeons, British Burn Association, British Psychological Society, British Society for Surgery of the Hand, Craniofacial Society of Great Britain and Ireland) nominates one of their members to serve on the Board (these are known as Nominated Trustees). The Armed Forces also recommends a representative (currently and usually the Deputy Chief of the Defence Staff – Personnel). The remaining eight places on the Board are 'co-opted' members nominated and elected by the Board. This includes the Chairman, the Honorary Treasurer and the Chairman of the Research Council.

On appointment, all Trustees undergo an induction consultation, usually with the Chief Executive and Honorary Treasurer, where their responsibilities and duties as a Trustee are formally outlined and an update on current business is provided. Charity Commission materials are provided offering further information as well as all copies of relevant documents such as the Memorandum & Articles of Association, the Management Plan, the Organisation Manual, Personnel Policy, the Financial Controls & Procedures Manual, the Manual for the Management of Research and the Appeal Strategy.

Further training is offered at quarterly Trustees' meetings and has included training in major donor fundraising and regular presentations by Healing Foundation grant-holders about work funded by the charity.

Organisational structure

The Patron of the Healing Foundation is HRH, The Countess of Wessex and a small number of individuals serve as Vice Presidents. The Patron and Vice Presidents serve no constitutional function.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2011

Following his retirement as founding Chairman in April 2011, Lord Patten was invited to adopt a new role, as President of the Healing Foundation, which he accepted. Trustees intend to 'establish' this new role, through an amendment to the Articles of Association, at the Annual General Meeting in 2011 and to invite Lord Patten to serve as President.

Only representatives of the six Principal Members of the Healing Foundation can vote at General Meetings of the charity.

Each year (usually in April) the Board of Trustees approves the Management Plan which is made up of three year and one year Corporate Objectives, Enabling Objectives and identifies Critical Success Factors. The Management Plan includes the annual budget.

Research activity is managed by the Research Council which meets three times a year and whose Chairman is currently a Trustee. Financial and general management matters are overseen by the Finance & General Purposes Sub-Committee, which meets at least quarterly and is chaired by the Honorary Treasurer (also a Trustee). The Executive Appeal Team drives fundraising activity. All decisions are made by the Board of Trustees guided by the recommendations made by any of these standing committees.

No trustee receives, or has received during the year being reported, payments other than incidental expenses incurred for attending meetings.

Objects and Aims of the charity

The objects of the charity are the relief of sickness and the protection and preservation of public health by;

- 1 Carrying out and funding research into the improvement of treatments for the benefit of people who suffer from physical, psychological, social, or emotional disadvantage as a result of physical disfigurement or functional impairment present at birth or acquired through accident, disease, or illness and into the prevention of accidents which may cause such conditions, and
- 2 Disseminating the useful results of such research and to help train health workers in appropriate treatments throughout the world, and
- 3 Informing people about the availability of such treatments.

Trustees are pleased to report that they have referred to the Charity Commission's guidance on public benefit in their annual review of aims and objectives and in all future planning of the charity's activities. We believe these benefits – to a broad 'public' of people and their families affected by disfigurement or visible loss of function both now and in the future – are clearly represented in our determination to deliver better understanding and improved treatments, through research. These benefits will be greatly enhanced in much work supported by the Foundation; for example, in burns and cleft research where the findings of our work could result in fewer incidents of serious accident or birth abnormality.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2011

The vision of the Healing Foundation is of a society where physical and emotional scarring is minimised, physical dexterity is maximised and no one is excluded because of their appearance. The charity's mission is to champion the cause of people living with disfigurement and visible loss of function by funding research into pioneering surgical and psychological healing techniques and, through research, raise awareness and provide information about the cause and sources of support available. Our aim is to fundraise in the most targeted and cost-effective way possible; to fund and manage research of the very highest quality in the UK and Ireland for the benefit of people and their families living with disfigurement and visible loss of function; and to manage the charity in a business-like and professional way.

Objectives for the year

The charity's objectives for the year can be broken down into three key areas and are;

Fundraising

To continue the Healing Foundation's fundraising drive, under the Appeal Chairmanship of Sir Stuart Rose, focusing on 'major donor' support from individuals, grant-makers and companies, developing long term relations to provide consolidated future income.

Research

To establish, manage and deliver research projects identified in the 'Research Strategy 2006'.

Financial management and corporate governance

To maintain a professionally led, efficiently run and financially sound organisation in support of all charitable activity.

Strategies

The strategies to achieve these objectives can be summarised as follows;

Fundraising

- (1) To maintain the primary fundraising focus on major support from high net worth individuals both through the networks of the Executive Appeal Team (EAT) and others.
- (2) To grow the charity's supporter base by securing gifts from individuals, trusts and companies.
- (3) To establish a broader base of support concentrated initially on Principal Member bodies and their members with a view to securing committed, regular giving from the surgical and patient focused community.
- (4) To support fundraising activity with professional, targeted communications aimed at growing the charity's positive reputation and developing an appropriate profile among target audiences.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2011

Research

- (1) To implement the approved plans to manage research through the Research Council.
- (2) To fund, establish and monitor projects within the research strategy, as funds become available.
- (3) To apply funds which become available outside the constraints of The Appeal, to selected areas of research or training.

Financial management and corporate governance

- (1) To maintain and support the Healing Foundation's Honorary Management structure and associated activities.
- (2) To maintain and review effective financial control processes, including the Healing Foundation's policies on investment and reserves.
- (3) To retain, manage and direct the executive team.

Significant activities

The year 2010-11 has seen progress in all of the Healing Foundation's key areas of fundraising and research.

Fundraising

The Healing Foundation's fundraising approach is built on the principles of major donor involvement and support and this proven method has continued during the year.

We are delighted that Sir Stuart Rose, despite enormous business pressures towards the end of his role at Marks & Spencer, maintained his commitment and enthusiasm for the role of Appeal Chairman. Sir Stuart continues to be helped in his task by a formidable Executive Appeal Team which includes;

- | | |
|--------------------------|---------------------------------|
| ▪ Mr Jeremy Darroch | Chief Executive, BSKyB Ltd |
| ▪ Lord Grade of Yarmouth | Non Executive Company Chairman |
| ▪ Mr Andrew Grant | Founder, Tulchan Communications |
| ▪ Mr David Ross | Co-Founder, Carphone Warehouse |
| ▪ Sir Martin Sorrell | Chief Executive, WPP Group plc |

The work of this team is to encourage and support other individuals of wealth and influence in their relationship with the Healing Foundation through one-to-one approaches, visits to research units and meetings with other senior volunteers and Ambassadors. This work continues to progress well.

Several fundraising events were held throughout the year. Sir Stuart Rose hosted his fourth, very well received drinks reception at Marks & Spencer Headquarters and Sir Martin Sorrell hosted his fourth winter dinner in aid of the Healing Foundation, at JWT, a WPP advertising agency, in Knightsbridge. David Ross generously hosted his second shoot at his property in North Yorkshire.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2011

Research

The Healing Foundation continues to fund a number of major research projects and programmes identified in our original and subsequent research strategies. Our arrangements for the management of this research have been tested and independently verified by the Association of Medical Research Charities.

Research Projects

The Research Council continues to oversee the implementation of the Foundation's approved Research Strategy.

The Healing Foundation Centre at the University of Manchester

Led by Professor Enrique Amaya, the team at the Healing Foundation Centre at the University of Manchester continues to progress well in all areas of research. The Centre now boasts more than 30 members of staff and is successfully pursuing its research agenda, addressing regenerative and wound healing issues throughout the life cycle (from "the womb to the tomb") and across a range of animal models and systems.

A recent addition to the Centre's work has been Dr Mat Hardman's group who are investigating the physiological role of gender hormones in regulating wound healing. During the year, Dr Hardman's work has been further, generously funded by The Moulton Charitable Foundation which is supporting a major, randomised controlled trial over 30 months testing the use of topically applied Tamoxifen in the treatment of diabetic foot ulcers. Additionally, supported through the Healing Foundation thanks to the generosity of The David Hammond Charitable Foundation, Dr Elaine Emmerson continues her work within the Hardman lab.

In the same period, work led by Dr Kim Mace within the Centre has also attracted significant support from The Charles Wolfson Charitable Trust. Thanks to a generous, three year commitment, Dr Mace will be studying how inflammatory cells from the bone marrow can also improve wound healing in people with diabetes.

The Healing Foundation Centres for Burns Research supported by VTCT

In September 2010, an Application Pack detailing up to three awards of up to £1.5m each, was made widely available with a closing date for submissions set at 16 December 2010. Ten applications were received. An expert Peer Review Panel was convened which consisted of;

- **Dr Rajeev Ahuja** - Secretary of ISBI Executive Committee, Head of Department of Burns and Plastic Surgery, Lok Nayak Hospital and Association Maulana Azad Medical College, New Delhi.
- **Colonel Janet Harris** - Director of Clinical and Rehabilitative Medicine Research Program, United States Army.
- **Professor Peter Maitz** - Chair for Burn Injury and Reconstructive Surgery, Concord Clinical School, Australia, Medical Director of the Burns Unit at Concord Hospital, Chairman of the Education Committee of ANZBA (Australian and New Zealand Burn Association).
- **Professor Dr Esther Middelkoop**, Professor of Skin Regeneration and Wound Healing, VU University Medical Centre, Amsterdam.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2011

- **Dr Tina Palmieri** - Director and Associate Professor (Department of Surgery) of the University of California Davis Regional Burn Centre, Assistant Chief of Burns at Shriners Hospitals for Children Northern California, Chair of the American Burn Association Research Committee.
- **Dr Steve Wolf** - Professor and Vice Chairman for Research Betty and Bob Kelso Distinguished Chair in Burn and Trauma Surgery, Chief of Clinical Research, United States Army Institute of Surgical Research.

At the same time, a Site Visit & Selection Panel was appointed which consisted of;

- **Professor Sir John Temple** – (Chairman of the Panel) Healing Foundation Research Council Chairman and Trustee.
- **Professor Tim Briggs** - Professor of Orthopaedic Surgery and Joint Medical Director at the Royal National Orthopaedic Hospital, Stanmore, President of the British Orthopaedic Oncology Society.
- **Professor Maggie Dallman** - Principal of the Faculty of Natural Sciences and Professor of Immunology at Imperial College London.
- **Dr David Mackie** - President of the International Society for Burn Injuries, Anaesthesiologist and intensivist at the Red Cross Hospital, Beverwijk, Netherlands.
- **Dr Mark Richardson** - Vice President, Research & Technology, Smith & Nephew plc.
- **Mr Tim Streatfeild** - Trustee, the Healing Foundation and a former burns patient.

Five bids were short-listed for Site Visit and Interview. Site visits were conducted during March, April and May 2011. Professors Dallman and Briggs were not involved in Site Visits but were present at the final interviews which were held at the Royal College of Surgeons of England on 23 May 2011.

The recommendation of the Selection panel was taken to the Research Council who met at the end of May 2011. The Research Council will make their recommendation to Trustees in June 2011.

The Healing Foundation UK Centre for Cleft Research supported by VTCT

Negotiations were pursued during the year to finalise the written agreements with the University of Manchester in respect of the establishment of the **Healing Foundation UK Centre for Cleft Research supported by VTCT** and the University of Bristol in respect of the establishment of the **Healing Foundation UK Cleft Gene Bank supported by VTCT**. By the end of the year, both agreements were complete and awaiting final agreement by the Universities concerned.

An Advisory Panel was convened which will oversee the Healing Foundations' significant investments in this area. The Panel is made up of representatives from both Universities, and also includes Mr Tim Goodacre – a Healing Foundation Trustee and cleft surgeon from Oxford – and Dr Tim Peakman – Executive Director of UK Biobank. It is Chaired by the Healing Foundation Research Chairman.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2011

The Healing Foundation is now working with both Centres to develop a concerted communications programme to ensure a coherent identity and brand for the cleft research programme as well as a national ‘media’ launch in the autumn of 2011.

Fellowship Programme

The Healing Foundation’s joint research fellowship with the BSSH concluded during the year with the submission of a final report, by Dr Liaquat Suleman Verjee on his three year funded project, “*Myofibroblasts and the pathophysiology of Dupuytren’s contracture*”. Trustees have decided not to proceed with further fellowships until specific funds can be raised to support them. This reflects the Board’s prudence in the use of unrestricted reserves during what remains a challenging fundraising environment and in the context of significant research commitments not yet funded.

The delivery of public benefit

The Healing Foundation exists for the benefit of people and their families – both now and in the future – affected by disfigurement and/or visible loss of function, whether caused by birth defect, trauma or disease. Medical research, often by definition, is long-term in its aspiration to deliver clinical benefits. However, at every turn, Healing Foundation Trustees emphasise the importance that such benefit – improved understanding, better treatments or preventative impact – must be delivered through our research to patients. Our portfolio of research projects and the make-up of our major centres of research will have this principal embedded whether that benefit be realised in 2 years, 5 years or indeed for future generations.

Management of Research

Research is the core business of the Healing Foundation. The Foundation has policies for the management of research and training, which comply with the guidelines set by the Association of Medical Research Charities (AMRC). They include:

- The structure to manage the process, which is provided by the Research Council.
- The arrangements for the development, review and maintenance of our research strategy, which is currently the projects in our appeal target.
- The provision of open and fair arrangements for the application and selection process for funding research projects, including the essential requirement of independent peer review by appropriately qualified professionals.
- The Foundation’s Rules and Conditions for the award of grants.
- The arrangements to identify and manage potential conflicts of interests.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2011

The Application and Selection Process

As a member of the Association of Medical Research Charities (AMRC), the Healing Foundation is committed to an open, independent and professionally administered peer review and selection process. A priority for projects to be funded, recommended by the Research Council, has been approved by the Board in our 'Research Strategy 2006'. When funding becomes available for an approved project, an 'application pack' is drawn up and approved by the Research Council. At the same time, an application and selection timetable is agreed and the project is advertised as widely as possible within the relevant research community. In preparation, a suitably qualified Peer-Review Panel is assembled, often of international standing, if the area of work so demands.

After the closing date for applications, the Management Group of the Research Council considers all applications to eliminate any proposals which fall outside the Foundation's charitable objects and/or endorsed areas of interest.

Following assessment by the external independent peer reviewers, the subsequent "long list" of candidate applications is then considered by the Research Council. Members of the Research Council consider the scientific and management merits of each application. Where appropriate, an interview panel is considered. Suitable safeguards have also been made to ensure impartiality, through the rotation of both Council members and Peer Reviewers, and no member takes part in the review of projects where a potential conflict of interest might exist.

For major awards, following Research Council discussion and consideration of the peer review assessments, a recommendation for funding is then made by the Research Council, to the Board of Trustees who approve an award for research or training, subject to the Foundation's established Rules and Conditions. For fellowships, the Board of Trustees delegates the selection of the successful candidates to the Research Council.

Volunteer help

The Healing Foundation relies on the help of volunteers in all aspects of its activities. This support is provided by members of the Board of Trustees, the Research Council and the Executive Appeal Team who all give their time freely, as well as our Ambassadors. The Foundation is also especially grateful for the continued support and advice of staff from Marks & Spencer plc and Huntsworth plc. Stuart Field has also maintained his generous support of our website for which we are grateful. During the year, we were also fortunate recipients of the expert and invaluable legal advice of Mr Bernhard Gilbey and colleagues from Hammonds LLP. Khalid Aziz also kindly donated his time and communications expertise on behalf of The Aziz Corporation. The Trustees are ever grateful for these selfless and important contributions.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2011

Achievements and performance

Fundraising performance

Despite the challenging economic context, the Healing Foundation continued to raise money in a cost effective way over the last year. The relative cost of generating our income has been kept as low as possible and during the year, each 'donated pound' cost the organisation less than 10p to raise.

Indeed, fundraised income was up on the previous year by 30% and our focus on securing unrestricted sources of support gave rise to an increase of 80% in this area from £350,323 in 2009/10 to £630,065 for this period.

In the year ahead, our attention will continue to focus on unrestricted income from a variety of new and existing sources, as well as raising funds for our on-going research programme.

Plans for future periods

The continuing priority of the Trustees is to continue the fundraising drive in order that all projects identified within the research strategy can be established.

The Rt Hon the Lord Patten of Barnes, on stepping down from the Board in April 2011, wrote to each of the charity's Principal Member bodies. He appealed to each Society and Association to contribute financially to the Healing Foundation and to support the charity's ambition to ask relevant surgeons, nurses and therapy staff to consider their own donations to the cause, through the Foundation. Discussions with each Principal Member will continue throughout 2011-12 and the Healing Foundation Executive Team is now working with an experienced agency to prepare a direct appeal to clinical team members throughout the UK, to enter into a long term giving commitment to the charity. It is hoped that over the next 3 to 5 years, this giving programme may expand to provide an important, unrestricted and more predictable source of funds for the charity.

Financial review

Reserves policy

The Healing Foundation has restricted funds which have been, and will be, generated through fundraising. These will be retained for use, depending on the specified restriction, either to create funding to establish and maintain our three major research programmes, or used directly, on particular research projects. Funds will be retained until sufficient money is available to fund these specific projects in full, unless there is considered to be a satisfactory prospect of obtaining funds to meet any shortfall within the timeframe of a particular project.

We continue to develop and retain sufficient unrestricted funds to meet ongoing core costs. The aim is to set aside sufficient unrestricted reserves to cover core costs for a twelve-month period and to meet redundancy costs should the Foundation ever have to be closed down.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2011

Investment policy

Arrangements for investment management are established with Sarasin Partners as our investment manager and advisor and utilises, as appropriate, their Alpha range of Common Investment Funds.

The Trustees have established an overall investment policy, which involves the Foundation's available funds being categorised in one of three ways, for each of which there is an appropriate investment policy. Namely:

Short term - in this category will be funds, which are budgeted for spending within an eighteen month period. These will be held in appropriate high interest bank accounts, term deposits or liquidity funds, with the maturity of the deposits being managed to match both the liabilities and maximize the interest earned on them.

Medium term - represents funds not needed within an eighteen month period, but available for spending within five years. They will be invested in the Alpha Common Investment Fund for Income and Reserves, whose portfolio combines Government and Corporate Bonds with about 20% in ordinary shares and has the aim of generating above average levels of immediate income, with a degree of capital appreciation and limited short to medium-term risk of capital loss.

Long term – represents the endowment funds, which are not required within five years. They will be invested in the Alpha Common Investment Fund for Endowments. This fund seeks long-term capital and income growth from a broadly diversified portfolio of which 70% would normally be in shares with the balance in bonds, cash, property and alternative assets. The central assumption here is that growth in dividends generates capital growth and that ordinary shares represent the best long-term store of value.

The use of Common Investment Funds enables the Foundation to access asset classes which might otherwise be closed to it at this stage of its development and to achieve appropriate diversification and a broad spread of risk. These Common Investment Funds are charities in their own right, pooling the funds of other charities with these similar objectives.

The Alpha funds will make substantial asset allocation changes when necessary to protect capital, reduce volatility and enhance long-term returns. The selection of individual shareholdings is guided by a global, thematic research process which incorporates an ethical screening process.

The Trustees regularly review with Sarasin Partners the Foundation's Investment Policy and the performance of these funds, and make any appropriate changes in light of the Foundation's development, changes in markets or any other relevant factors.

Risk Assessment

The Board maintains a risk assessment system which is based on a numerical assessment of risk, with an accompanying management commentary, and Trustees consider these reports regularly. The aim is to highlight and measure potential risks to the success of an activity or process, assess the impact and put in place appropriate management action. The system encompasses all areas of our activities, although, the continuing increased activity in research and development, marks this area out for ongoing development.

Accordingly, we can confirm that the major risks to which the Foundation is exposed have been reviewed and systems are in place to mitigate those risks.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2011

Responsibilities of the Trustees

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the incoming resources and application of resources, including the net income or expenditure, of the charitable company for that period.

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

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards (United Kingdom Generally Accepted Accounting Practice) have been followed, subject to any material departures disclosed and explained
- Prepare the financial statements on the “going concern” basis unless it is inappropriate to assume that the company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company’s transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the Trustees also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2011

The Trustees

Trustees, who are also Directors under company law, who served during the year and up to the date of this report were as follows:

The Rt Hon the Lord Patten of Barnes	<i>(Chairman to April 2011)</i>	<i>(resigned April 2011)</i>
Sir Stuart Rose	<i>(Chairman from April 2011)</i>	<i>(appointed April 2011)</i>
Mr Hugh Twiss	<i>(Hon Treasurer)</i>	
Professor Sir John Temple	<i>(Research Chairman)</i>	
Mr David Allen		
Mr Michael Brennen (BSSH)		
Mr Tim Goodacre (BAPRAS)		
Mr Douglas McGeorge (BAAPS)		
Mr Naiem Moiemem (BBA)		
Lt Gen Sir Bill Rollo		<i>(appointed October 2010)</i>
Lady (Jenny) Rose		
Professor Nichola Rumsey (BPS)		
Dr Jane Russell (CFSGB&I)		
Mr Jagtar (Jack) Singh		
Mr Tim Streatfeild		
Vice Admiral Peter Wilkinson		<i>(resigned October 2010)</i>

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2011 was 6 (2010 – 6). The Trustees have no beneficial interest in the charitable company.

Auditors

Sayer Vincent were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the Trustees on 29 June 2011 and signed on their behalf by

Sir Stuart Rose

Independent auditors' report

To the members of

The Healing Foundation

We have audited the financial statements of The Healing Foundation for the year ended 31 March 2011 which comprise the statement of financial activities, balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditors' 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 the trustees and auditors

As explained more fully in the Responsibilities of the Trustees' statement set out in the report of the Trustees, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditors' report

To the members of

The Healing Foundation

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Catherine L. Sayer Senior Statutory Auditor
for and on behalf of Sayer Vincent, Statutory Auditors

SAYER VINCENT
8 Angel Gate
City Road
LONDON
EC1V 2SJ

27 July 2011

The Healing Foundation

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2011

	Note	Restricted £	Unrestricted £	2011 Total £	2010 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	875,663	630,065	1,505,728	1,162,364
Activities for generating funds	3	-	18,486	18,486	-
Investment income		78,357	27,275	105,632	142,922
Total incoming resources		954,020	675,826	1,629,846	1,305,286
Resources expended					
<i>Costs of generating funds:</i>					
Costs of generating voluntary income	4	-	157,641	157,641	138,673
<i>Charitable activities</i>					
Research programmes		478,694	6,100	484,794	657,001
Research development		-	199,758	199,758	164,507
Governance		-	55,961	55,961	46,658
Total resources expended		478,694	419,460	898,154	1,006,839
Net incoming resources	5	475,326	256,366	731,692	298,447
Transfers	13	25,833	(25,833)	-	-
Realised Gains on Investments		1,048	1,012	2,060	-
Unrealised Gains on Investments	9	42,615	1,712	44,327	408,007
Net movement in funds		544,822	233,257	778,079	706,454
Reconciliation of funds					
Funds at 1 April 2010		3,618,881	354,863	3,973,744	3,267,290
Funds at 31 March 2011		4,163,703	588,120	4,751,823	3,973,744

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

The Healing Foundation

company number: 3831398

Balance sheet

31 March 2011

	Note	£	2011 £	2010 £
Fixed assets				
Tangible fixed assets	8		5,273	3,984
Investments	9		1,878,568	2,039,334
			<u>1,883,841</u>	<u>2,043,318</u>
Current assets				
Debtors	10	57,008		2,675
Short term deposits		2,344,130		1,934,632
Cash at bank and in hand		523,680		116,677
			<u>2,924,818</u>	<u>2,053,984</u>
Creditors: amounts falling due within one year	11	<u>56,836</u>		<u>123,558</u>
Net current assets			<u>2,867,982</u>	<u>1,930,426</u>
Net assets	12		<u>4,751,823</u>	<u>3,973,744</u>
Funds				
Restricted funds			4,163,703	3,618,881
Unrestricted funds				
Designated funds			213,500	26,300
General funds			374,620	328,563
Total funds	13		<u>4,751,823</u>	<u>3,973,744</u>

Approved by the trustees on 29 June 2011 and signed on their behalf by

Sir Stuart Rose

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2011

1. Accounting policies

a) The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investment assets and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).

b) Voluntary income is received by the way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Intangible income and gifts in kind are not included unless they represent goods or services which would have otherwise been purchased, in which case they are valued and brought in as income and the appropriate expenditure.

c) Revenue grants are credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless they relate to a specific period, in which case they are deferred.

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the Charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the Charity can meet such conditions the incoming resource is deferred.

d) Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation of fixed assets purchased with such grants is charged against the restricted funds.

e) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria are charged to the fund together with a fair allocation of management and support costs.

f) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

g) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT, which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the costs of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, are apportioned between activities as described in note 4.

i) The costs of generating funds relate to the costs incurred by the charity in raising funds for the charitable work.

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2011

1. Accounting policies (continued)

j) Governance costs include the management of the charity's assets, organisational management and compliance with constitutional and statutory requirements.

k) Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates in use are as follows:

Computer Equipment :	3 years
Office Furniture and Equipment :	3 years

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

l) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities in the year in which they fall due.

m) The charitable company makes contributions on behalf of its employees into their personal pension funds. The amounts charged in the Statement of Financial Activities represent the contributions payable to the funds in respect of the accounting period. Outstanding pension contributions at the year end are included in creditors.

n) Grants payable are charged to the Statement of Financial Activities in the year in which the offer is conveyed to the recipient, except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

o) Investments represents equity investments and is valued at market value at the balance sheet date. The gain in value is recognised on the Statement of Financial Activities.

p) Interest on term deposits is recognised at the end of the term when the Charity becomes entitled to the interest earned.

q) Transfers are made from unrestricted funds to establish designated funds, which are in turn used to cover the cost of Research Projects. These designations are agreed annually by the Board of Trustees. Transfers are made from designated funds to restricted funds where restricted funding is not sufficient to cover a particular project. Transfers from restricted funds to unrestricted funds are made with the prior consent of the donor.

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2011

2a Donations - unrestricted

	2011 Total £	2010 Total £
Anonymous	100,000	
The Barclay Foundation	100,000	-
Sir Stuart Rose	80,630	-
Anonymous	50,000	-
Marks & Spencer plc	40,000	-
PF Charitable Trust	25,000	25,000
The Zochonis Charitable Trust	25,000	-
KPMG (partners, staff and supporters)	21,971	-
The Charles Wolfson Charitable Trust	11,500	-
Paddington Families Fund	10,554	-
Mr Douglas McGeorge	10,000	10,000
Pricewaterhouse Coopers	10,000	-
Mr Andrew Newington	10,000	-
Mr Hamish Mackenzie	10,000	-
The Maurice Hatter Foundation	7,500	-
Lord Grade of Yarmouth	5,250	-
The Swire Charitable Trust	5,000	5,750
The 29th May 1961 Charitable Trust	5,000	-
Dr Naiem Moiemmen	5,000	-
Mrs Angelica Kavouni	5,000	-
Mr Marcus Agius	5,000	-
Bank of America/Merrill Lynch	3,188	-
Austin Reed	2,500	-
The Rothschild Foundation	2,500	-
Mr Andrew Sibbald	2,500	-
Mr Martin Clarke	2,500	-
Mr Robert Swannell	2,000	-
Mr Chris Masterson	2,000	-
Mr John Napier	1,000	-
The Worshipful Company of Tin Plate Workers	1,000	-
Mrs Jean Cary	1,000	-
The Rushbrook Charitable Trust	1,000	-
Ms Alison Carnwath	1,000	-
Anonymous	-	100,000
Anonymous	-	50,000
The Children's Charity (Mr Richard Caring)	-	50,000
Mr Jeremy Darroch	-	20,000
Total carried forward	<u>564,593</u>	<u>260,750</u>

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2011

2. Donations - unrestricted (continued)

	2011	2010
	Total	Total
	£	£
Total brought forward	564,593	260,750
Miss Jennifer Laing	-	10,000
Anonymous	-	10,000
Mr Richard Desmond	-	10,000
The Thornton Foundation	-	7,500
The Alliance Family Foundation	-	5,000
Anonymous	-	5,000
The Reuben Foundation	-	5,000
The Gerald Ronson Foundation	-	5,000
The Holbeck Charitable Trust	-	5,000
Gift Aid Claims	58,820	945
Sundry Donations	6,652	26,128
Total	<u>630,065</u>	<u>350,323</u>

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2011

2b Donations and Grants - Restricted

	2011	2010
	Total	Total
	£	£
Garfield Weston Foundation	200,000	-
The Moulton Charitable Foundation	171,346	-
British Burn Association - Margaret Miller Fund	125,031	-
Welsh Assembly Government	106,000	105,034
The Charles Wolfson Charitable Trust	80,000	-
Anonymous	78,386	-
The David Hammond Charitable Foundation	47,000	-
Dowager Countess Eleanor Peel Trust	25,000	25,000
BAAPS	25,000	25,000
BSSH	12,500	600
BAPRAS	3,600	3,000
CFSGB&I	1,800	1,200
The Vocational Training Charitable Trust (VTCT)	-	1,000,000
The Vocational Training Charitable Trust (VTCT) - repayment	-	(500,000)
Anonymous	-	80,607
Anonymous	-	50,000
ICAP	-	21,000
British Burn Association	-	600
Total	<u>875,663</u>	<u>812,041</u>

3. Activities for generating funds

	2011	2010
	Total	Total
	£	£
British Burns Association Service Level Agreement	<u>18,486</u>	<u>-</u>

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2011

4. Total resources expended

	Costs of generating voluntary income	Research Grants	Research Development	Support Costs	Governance	2011 Total	2010 Total
	£	£	£	£	£	£	£
Staff Costs (Note 6)	86,401	-	115,201	57,601	28,800	288,003	267,130
Other Staff Costs	2,356	-	3,141	1,570	785	7,852	1,680
Rent	12,596	-	16,794	8,397	4,199	41,986	24,350
Meeting Costs	694	-	925	463	231	2,313	850
Computer Costs	8,545	-	11,391	5,697	2,848	28,481	12,283
Consultancy	-	-	-	-	3,695	3,695	1,510
Photocopying	26	-	35	18	9	88	210
Postage	300	-	400	200	100	1,000	932
Printing	395	-	527	264	132	1,318	603
Other Office Costs	1,147	-	1,530	765	382	3,824	2,473
Stationery	591	-	788	394	197	1,970	2,610
Telephone/Fax	633	-	844	422	211	2,110	1,612
Legal Fees	-	-	-	-	37	37	22
Audit and Accountancy Fees	-	-	-	-	8,699	8,699	7,924
Training	-	-	-	-	-	-	2,360
Professional Association Fees	216	-	288	144	72	720	373
Staff Travel	521	-	694	347	174	1,736	1,012
Trustees' Travel Expenses	281	-	374	187	94	936	1,677
Depreciation	1,090	-	1,454	727	363	3,634	2,408
Recruitment	-	-	2,915	-	2,915	5,829	2,875
Appeal Costs	7,111	-	-	-	-	7,111	12,872
Insurance	-	-	-	-	2,018	2,018	2,072
Research Programmes							
- Chair of Tissue Regeneration	-	363,268	-	-	-	363,268	427,699
- Chair of Burn Injury	-	-	-	-	-	-	-
- Lead Psychological Project	-	13,457	-	-	-	13,457	31,559
- BBA Margaret Miller Prevention Award	-	63,791	-	-	-	63,791	-
- Support Projects	-	27,426	-	-	-	27,426	177,324
Research Support costs	-	-	-	16,852	-	16,852	20,419
Total resources expended	122,903	467,942	157,301	94,048	55,961	898,154	1,006,839
Support Costs	34,738	16,852	42,458	(94,048)	-	-	-
Total resources expended	157,641	484,794	199,758	-	55,961	898,154	1,006,839

Support costs have been allocated to each activity on the basis of staff time being 45% to costs of generating voluntary income and 55% to research grants and developments.

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2011

5. Net incoming resources for the year

This is stated after charging / crediting:

	2011	2010
	£	£
Depreciation	3,634	2,408
Trustees' remuneration	Nil	Nil
Trustees' expenses	1,931	1,677
Trustees' indemnity insurance	tba	1,040
Auditors' remuneration:		
▪ Audit	6,600	6,169
Operating lease rentals:		
▪ Property	41,985	24,349
	<u>41,985</u>	<u>24,349</u>

Trustees' expenses represents the reimbursement of travel costs to 3 (2010: 3) members relating to attendance at meetings of the trustees, and carrying out other duties relating to the activities of the Foundation

6. Staff costs and numbers

Staff costs were as follows:

	2011	2010
	£	£
Salaries and wages	233,709	218,416
Social security costs	25,775	24,335
Pension contributions	28,519	24,379
	<u>288,003</u>	<u>267,130</u>

The number of employees whose emoluments exceed £60,000 are:-

	2011	2010
£80,001 - £90,000	<u>1</u>	<u>1</u>

Employer's pension contributions of £10,009 (2010:£8,925) were made in respect of this employee.

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2011	2010
	No.	No.
Fundraising and Publicity	2.3	2.4
Research Development	1.4	1.5
Support Costs	0.5	0.6
Governance	0.6	0.7
	<u>4.8</u>	<u>5.2</u>

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2011

7. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

8. Tangible fixed assets

	Computer equipment £	Total £
Cost		
At the start of the year	9,435	9,435
Additions in year	4,923	4,923
	<u>14,358</u>	<u>14,358</u>
At the end of the year	<u>14,358</u>	<u>14,358</u>
Depreciation		
At the start of the year	5,451	5,451
Charge for the year	3,634	3,634
	<u>9,085</u>	<u>9,085</u>
At the end of the year	<u>9,085</u>	<u>9,085</u>
Net book value		
At the end of the year	<u><u>5,273</u></u>	<u><u>5,273</u></u>
At the start of the year	<u><u>3,984</u></u>	<u><u>3,984</u></u>

9. Investments

	2011 £	2010 £
Listed Investments		
Market value at the start of the year	2,039,334	1,631,327
Additions at historic cost	240,847	-
Disposals at book value	(445,940)	-
Net unrealised gain	44,327	408,007
	<u>1,878,568</u>	<u>2,039,334</u>
Market value at the end of the year	<u>1,878,568</u>	<u>2,039,334</u>
Total value at the end of the year	<u><u>1,878,568</u></u>	<u><u>2,039,334</u></u>
Historic cost at the year end	<u><u>2,075,000</u></u>	<u><u>2,075,000</u></u>
Investments comprise:		
UK Common investment funds	1,878,568	2,039,334
Investments representing over 5% by value of the portfolio comprise:		
Sarasin Alpha CIF for Incomes & Reserves	1,191,247	1,069,258
Sarasin Alpha CIF for Endowments	687,321	970,076
	<u><u>1,878,568</u></u>	<u><u>2,039,334</u></u>

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2011

10. Debtors

	2011 £	2010 £
Other debtors	30,507	-
Accrued income	23,758	-
Prepayments	2,743	2,675
	<u>57,008</u>	<u>2,675</u>

11. Creditors: amounts due within 1 year

	2011 £	2010 £
National Insurance & PAYE	6,906	8,996
Creditors	13,016	-
Accruals and Deferred Income	36,914	114,562
	<u>56,836</u>	<u>123,558</u>

12. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	5,273	5,273
Investments	1,615,747	-	262,821	1,878,568
Net current assets	2,547,956	213,500	106,526	2,867,982
Net assets at the end of the year	<u>4,163,703</u>	<u>213,500</u>	<u>374,620</u>	<u>4,751,823</u>

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2011

13. Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Gains on investments & Transfers £	At the end of the year £
Restricted funds:					
Research Projects - Chair of Tissue	997,664	437,002	(363,268)	22,342	1,093,740
Research Projects - Burns Research	230,417	25,881	-	31,370	287,668
Research Projects - Cleft Research	2,055,920	217,206	-	1,951	2,275,077
Research Projects - Lead Psychological Project	-	-	(13,457)	13,457	-
Research Projects - Aesthetic Plastic Surgery	78,914	25,000	(8,178)	(12,000)	83,736
Research Projects - Wales Office for R & D (Burns)	105,034	106,000	-	-	211,034
Support Projects - BSSH Fellowship	5,124	12,500	(25,000)	7,376	-
Support Projects - RCSEd Fellowship	35,553	-	-	-	35,553
AB Wallace Award	-	-	(5,000)	5,000	-
Medical Elective Awards	-	5,400	-	-	5,400
Michael Brough Research Fund	110,255	-	-	-	110,255
BBA Margaret Miller Burn Prevention Awards	-	125,031	(63,791)	-	61,240
Total restricted funds	3,618,881	954,020	(478,694)	69,496	4,163,703
Unrestricted funds:					
<i>Designated funds:</i>					
Fellowships	17,500	-	-	(12,500)	5,000
Medical Elective Awards	8,800	-	(6,100)	5,800	8,500
Healing Foundation Centre	-	-	-	70,000	70,000
Cleft Research Programme	-	-	-	70,000	70,000
Burns Research Programme	-	-	-	60,000	60,000
<i>Total designated funds</i>	26,300	-	(6,100)	193,300	213,500
General funds	328,563	675,826	(413,360)	(216,409)	374,620
Total unrestricted funds	354,863	675,826	(419,460)	(23,109)	588,120
Total funds	3,973,744	1,629,846	(898,154)	46,387	4,751,823

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2011

13. Movements in funds (continued)

Research Projects - Appeal

The Appeal target includes three major lead projects. These are funded as monies become available. The money may be restricted by the donor or where it is not, the Foundation will designate funds to particular projects.

The Healing Foundation Centre at the University of Manchester - Chair of Tissue Regeneration

The Centre's work is progressing well. In 2010-11 the team at the University of Manchester were joined by Mat Hardman's group and significant funds were secured for a range of work relevant to his group's interest in the role of hormones in chronic wound healing. This included major contributions from the Moulton Charitable Foundation, The Charles Wolfson Charitable Trust, The David Hammound Foundation and others.

The Healing Foundation Burns Research

In 2005-6, an individual donor committed £250,000 for research in burn care and a further £250,000 for research in memory of Michael Brough. It has been agreed with the donor that this total gift of £500,000 be used to support the Chair of Burn Injury Study. In 2007 The Healing Foundation received a £1 million commitment over four years in support of the Chair of Burn Injury Study from the VTCT. The first installment of this commitment was received in May 2007 and the second in May 2008. In 2009, as progress in establishing this Centre halted, the Healing Foundation returned £500,000 to this donor. Following the development of a new model for burns research and a second application and selection process in 2010-11, VTCT have renewed their commitment to this initiative and agreed to commit £1,000,000 to burns research during 2011-12.

In March 2009, the first payment of £80,000, towards a four year £284,000 commitment by the Wales Office of Research & Development (WORD), was received and in March 2010 £25,034 was received followed by £106,000 in March 2011. This money is being provided to support Research Fellowship and PhD Studentship programmes in burns, in Wales. Despite withdrawing our burns research programme, WORD - now the National Institute of Social Care and Health Research (NISCHR) - have agreed to maintain their support in the hope that a successful bid to host one of the Healing Foundation Burns Research Centres will be forthcoming from Wales or a consortium that includes a Welsh based element.

The Healing Foundation UK Centre for Cleft Research supported by VTCT

A contribution of £200,000 from the Garfield Weston Foundation was received during the year towards the Cleft Research programme. This combines with the £2,000,000 previously donated by VTCT towards this research.

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2011

13. Movements in funds (continued)

Support Projects

The Healing Foundation/BSSH Surgical Research Fellowship - Mr Liaquat Suleman-Verjee held a fellowship awarded in partnership with the British Society for the Surgery of the Hand (BSSH). Mr Suleman-Verjee undertook a project entitled 'Tenascin-C and the pathogenesis of Dupuytren's disease' and was granted a six month extension supported by BSSH and the Healing Foundation. Mr Suleman-Verjee concluded his work in August 2010.

The Healing Foundation/BAAPS Surgical Research Fellowship - the Healing Foundation continues to hold a £25,000 contribution from BAAPS to support a clinical fellowship/project award in Aesthetic Surgery. Further funds allowing, it is hoped this award could be made available in the near future.

In 2010-11 the Healing Foundation again made Medical Elective Awards in partnership with BAPRAS, BBA, BSSH and CFSGB&I. These are small project grants awarded to medical students. The awards will again be advertised later in 2011.

14. Operating lease commitments

The charity had annual commitments at 31 March 2011 under operating leases expiring as follows:

	Property	
	2011	2010
	£	£
1-3 Years	<u>41,985</u>	<u>24,349</u>
	<u><u>41,985</u></u>	<u><u>24,349</u></u>