



THE HEALING FOUNDATION

Rebuilding the bodies, minds and lives of people with disfigurements

THE ANNUAL REPORT & AUDITED ACCOUNTS

31 March 2009

Chairman of the Board of Trustees
The Rt Hon the Lord Patten of Barnes

*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

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 2009

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

The Rt Hon the Lord Patten of Barnes (Chairman)

Mr Hugh Twiss (Hon Treasurer)

Professor Sir John Temple (Chairman, Research & Development Council)

Principal Staff

Mr Brendan Eley (Chief Executive)

Mrs Karla Conway (Development Manager)

Miss Jasbeer Kaur (Company Secretary)

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)

Patron

HRH, The Countess of Wessex

The Healing Foundation

Report of the trustees

For the year ended 31 March 2009

The trustees present their report and the audited financial statements for the year ended 31 March 2009.

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.

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

The Healing Foundation

Report of the trustees

For the year ended 31 March 2009

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 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, one member of which is also a serving Trustee, 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 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.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2009

Objectives for the year

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

The Appeal

To continue the Healing Foundation Appeal, under the Chairmanship of Sir Stuart Rose, to raise £12 million, 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;

The Appeal

- (1) To maintain the primary fundraising focus on major support from high net worth individuals through the networks of the Executive Appeal Team (EAT).
- (2) To support and steward existing donors and to engage further high-level and committed individual, trust, and corporate donors.
- (3) To support fundraising activity with a professional, targeted Communications Strategy aimed at increasing the charity's reputation and developing an appropriate profile among target audiences.

Research

- (1) To implement the approved plans to manage research through the Research Council.
- (2) The primary strategic research objective is 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.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2009

Significant activities

The year 2008-09 has seen progress in all of the Healing Foundation's key areas of fundraising and research.

Fundraising

The Healing Foundation continues to pursue a comprehensive and proven strategy built on the firm foundations of major donor fundraising at the highest level.

Sir Stuart Rose has continued his role as Appeal Chairman with energy and commitment despite the extreme pressures associated with running one of the UK's biggest and best known companies and during what has been an extremely turbulent time for the UK and global economies. Sir Stuart is supported by his Executive Appeal Team, a committee of individuals of outstanding corporate and individual calibre. The Team includes;

- Mr Jeremy Darroch Chief Executive, BSkyB Ltd
- Mr Andrew Grant Founder, Tulchan Communications
- Mr Jón Ásgeir Jóhannesson Chief Executive, Founder, Baugur Group
- Lady (Jenny) Rose Trustee, Healing Foundation
- Mr David Ross Co-Founder, Carphone Warehouse & Chairman, National Express Group
- Sir Martin Sorrell Chief Executive, WPP Group plc
- Mr Simon Withey Consultant Plastic Surgeon

The work of Sir Stuart Rose and this team, in line with our strategy, is to identify other individuals of wealth and influence and engage them in the cause of the Healing Foundation through carefully planned one-to-one approaches, visits to plastic surgery units and meetings with Ambassadors. This work continues to progress well.

During the year, the second instalment (of £250,000) of the four year, £1 million commitment from the Vocational Training Charitable Trust (VTCT) was received. This is in support of the VTCT Professor of Burn Injury Study within the proposed Healing Foundation UK Centre for Burns Research. Despite challenges during the year in establishing this important research initiative, Trustees are confident that a major research programme in this area of work will be established and have maintained a very close communication with VTCT Trustees on all relevant matters. VTCT also contributed the first instalment (of £1 million) of their two year, £2 million commitment in support of the proposed Healing Foundation UK Centre for Cleft Research supported by VTCT. Trustees acknowledge the very important partnership with VTCT and thank them for their continued and much valued support.

The announcement, in March 2009, that Baugur Group had gone into bankruptcy, was of great disappointment to Trustees. The Icelandic company had pledged, in 2007 a donation of £450,000 over three years. The first payment of £150,000 was received in January 2008. The Healing Foundation is now in touch with the Reykjavik based administrators.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2009

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 as excellent.

Research Projects

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

The Chair of Tissue Regeneration

Professor Enrique Amaya, the Healing Foundation Professor of Tissue Regeneration, continues to build his research team within the Healing Foundation Centre at the University of Manchester, as well as making exciting progress in research. Three additional Chinese national students, graduates of the University of Beijing, joined the Centre during the year. Of outstanding academic ability, they are Jingjing Li, Siwei Zhang and Yanan Zhao. During the year, Dr Ricardo Costa was also successful in securing a Healing Foundation grant worth £169,319 to study the Regeneration of the vasculature in Xenopus. This project is supported from restricted monies already received.

The Healing Foundation is particularly grateful to the University of Manchester for the cooperation, shared vision and commitment to this important area of our work.

The Chair of Burn Injury Study

In November 2006 the Healing Foundation announced that Cardiff University, in partnership with Swansea NHS Trust (later, The ABM University NHS Trust) and Swansea University, were to host the Healing Foundation UK Centre for Burns Research. This decision followed an internationally reviewed and independently assessed national, competitive, bidding process. Approximately £5 million was to be made available by the Healing Foundation, over a ten year period, to establish the UK's largest academic centre for burns research.

The agreement, which was signed by all parties in October 2007, stipulated that the lead academic to be funded by the Healing Foundation was to be in post by October 2008. In June 2008, following two unsuccessful recruitment attempts, the Healing Foundation extended the time by which the Professor was to be appointed and in post, to the end of April 2009.

Despite an excellent short-list of candidates, the most recent recruitment process was also unsuccessful in appointing the all-important, full-time, academic lead. Consequently, the Healing Foundation decided not to proceed with the establishment of the Healing Foundation UK Centre for Burns Research in Cardiff and Swansea.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2009

Research (continued)

The Chair of Burn Injury Study (continued)

In so doing, Healing Foundation Trustees recognised the efforts of Cardiff University, the excellent facilities provided by ABM University NHS Trust and the cooperation and developing excellence of Swansea University. However, it had become apparent that the Healing Foundation's vision of a centre of scientific excellence in burns research, linked to a clinical facility and driven by a lead academic of international standing in burns, was not possible in these circumstances.

The Healing Foundation understands that Cardiff University will continue to invest in this important area of work and will maintain clinical cooperation with the Welsh Centre for Burns and Plastic Surgery at Morriston Hospital. The Healing Foundation welcomes this and wishes this endeavour success.

The Healing Foundation will now work closely with the British Burn Association and will continue discussions with the National Institute for Health Research (in England), the National Institute for Social Care and Health (in Wales), the UK Armed Forces and others to develop the most appropriate way forward to achieve, as quickly as possible, the Healing Foundation's goal of a UK-wide, clinical burns research initiative to develop our understanding and deliver improved treatments for burn survivors in the UK and throughout the world.

The Healing Foundation UK Centre for Cleft Research supported by VTCT

During the year, the Vocational Training Charitable Trust generously committed £2 million, over two years, to support the establishment of a major centre of research in the UK for cleft lip and/or palate. One of the world's most common congenital abnormalities 1 in every 600 – 700 live births in the UK are affected. Modern surgical and therapeutic interventions are good and the UK has one of the best organized clinical settings for treatment and care, in the world. However, for the children and families involved, it remains a distressing and life-long issue. The Healing Foundation's ambition is to support the establishment of world's largest 'DNA biobank' of cleft patients (and families) and establish a major, multi-disciplinary, clinical research programme.

The first instalment of £1 million from VTCT was received in October 2008. This allowed the Healing Foundation to publish, in January 2009, the application pack "Invitation to Submit a Proposal to Host The Healing Foundation UK Centre for Cleft Research supported by VTCT" with a closing date of 23 April 2009.

Three strong applications have been received and Peer Review and Selection panels have been appointed. Trustees look forward to a competitively fought selection process during 2009 led by the Research Chairman, Professor Sir John Temple. We anticipate this will culminate in a decision where to house the Healing Foundation research programme(s) later in 2009.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2009

Research (continued)

The Lead Psychological Research Project

This multi-centred project, valued at £500,000 over three years, began in September 2005 and is set to conclude, following an extension granted by Trustees, by October 2009.

Professor Nichola Rumsey of the University of the West of England, is directing this major programme of research. This award was made in FY 2004/05. At the time, Professor Nichola Rumsey's pending trusteeship was deferred until after the Trustees had considered the award and, as reported at the time, all relevant measures to avoid a conflict of interest in this matter, were diligently pursued.

This remains the largest project of its type in the area of 'disfigurement psychology' and sets out to 'identify the factors that predict successful psychological adjustment in people with disfigurement and visible loss of function'.

The Patient Information Project

This research, funded by the GUS Charitable Trust and conducted by the Picker Institute, Europe, reported in the summer of 2007. The findings have been made freely available on both the Healing Foundation and Picker Institute websites. In September 2007, the Healing Foundation Patient Information Working Group was convened, under the Chairmanship of Dr Richard Maxwell, as a sub committee of the Research & Development Council. The working group, expertly qualified with membership drawn from involved professionals and patient representatives within this field, met four times to consider the report and advise the Council. The final report of the working group was presented in the autumn of 2008. Responding directly to a key recommendation within the report, the Healing Foundation supported the Appearance Matters 3 Conference in Bristol in July 2008. This conference, organised by the Centre for Appearance Research and aimed at health professionals and academics involved in the psychology and care of people with appearance issues, contained a specific session dedicated to issues relevant to information.

Continuing Fellowship Programmes

The Healing Foundation continues to enjoy research partnerships with a number of key organisations including, the Royal College of Surgeons of Edinburgh, the British Association of Plastic, Reconstructive and Aesthetic Surgeons (BAPRAS), the British Association of Aesthetic Plastic Surgeons (BAAPS), the British Society for Surgery of the Hand (BSSH), the British Burn Association (BBA), the Craniofacial Society of Great Britain and Ireland (CFSGB&I) and the Wales Office for Research & Development (WORD).

The Healing Foundation

Report of the trustees

For the year ended 31 March 2009

Research (continued)

Continuing Fellowship Programmes (continued)

Of particular note during the year was the publication of the Healing Foundation/WORD funded project, “Media coverage and audience reception of people with disfigurement or visible loss of function” in March 2009. A culmination of two year’s research, this highly regarded project received much media attention. Working in partnership with our ‘sister charity’ Changing Faces, the Healing Foundation was pleased to support an evening event, in London, where senior professionals from the broadcast media outlets were able to discuss, amongst an invited audience, the important issues and lessons raised by the work. Changing Faces have now adopted the task of continuing this ‘dialogue’ with the intention of developing realistic ‘guidelines’ for programme makers involved in portraying or representing disfigurement on television. We are particularly grateful for the important support of the Welsh Assembly Government, through WORD, for making this research possible.

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 realized 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 & Development 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 2009

Research (continued)

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 & Development 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 & Development 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 Huntsworth plc and Marks & Spencer plc. In particular, we were grateful beneficiaries during the year of the expertise of Mrs Alison Clarke, Group Business Development Director of the Huntsworth plc. Mrs Clarke facilitated a one day training seminar in high impact presentation skills for Healing Foundation researchers. Stuart Field also continues to support the Healing Foundation with pro-bono website design and support services. Mrs Johanna Waterous, formerly a senior Director of McKinsey & Company continues to provide much valued ad-hoc advice and support, as does Vicky Brown and Bernhard Gilbey of Hammonds LLP. The Trustees are ever grateful for these selfless and important contributions.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2009

Achievements and performance

Fundraising performance

Fundraised income for the year increased on the previous year by almost 17%. The relative cost of generating that income was also restricted; during the year, each ‘donation pound’ cost the organisation around 11p to raise.

However, the global economic climate and natural caution among donors has taken its toll and unrestricted funds this year have been severely hit, with voluntary falling from almost £300,000 in the previous year to a little over £100,000. With the express, written permission of the donor, restricted monies were ‘unrestricted’ to provide for essential core costs (and a guarantee provided to supplement this restriction later, if needed) and in the Management plan for 2009/10 a renewed emphasis has been placed on the raising of unrestricted gifts. This has no effect on the organisation’s ability to operate as normal nor on any of our current research programmes.

Plans for future periods

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

This includes conducting the selection process during 2009/10, to identify the host(s) for the Healing Foundation UK Centre for Cleft Research supported by VTCT. Following the termination of the agreement to establish the Healing Foundation UK Centre for Burns Research in South Wales, Trustees will also address, with urgency, the need to move forward with the planned investment in burns research either through a different method or with an alternative academic/clinical host.

Financial review

Reserves policy

The Healing Foundation has restricted funds which have been, and will be, generated in the appeal. These will be retained for use, depending on the specified restriction, either to create funding to establish and maintain the two Chairs in the appeal, or used directly, to fund particular research projects. Where it is considered prudent, 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. Any unrestricted funds, which are not required to meet short-term core-cost requirements or are dedicated to reserves, will be considered for designation to a particular project.

We continue to develop and retain sufficient unrestricted funds to meet ongoing core costs. The intention is to set aside sufficient unrestricted reserves to meet any potential shortfall in income to cover core costs – providing a twelve-month cushion against unforeseen contingencies – 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 2009

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.

The Healing Foundation

Report of the trustees

For the year ended 31 March 2009

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.

Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing these financial statements which give a true and fair view, the Trustees should follow best practice and:

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

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy, at any time, the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985.

The Trustees 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 confirm that to the best of their knowledge there is no information relevant to the audit of which the auditors are unaware. The trustees also confirm that they have taken all necessary steps to ensure that they themselves are 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 2009

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 (*Chairman*)
Professor Sir John Temple (Research Chairman)
Mr Michael Brennen (BSSH)

Mr Roger Green (BAPRAS)
Mr Douglas McGeorge (BAAPS)

Lady (Jenny) Rose
Dr Jane Russell (CSGB&I)
(Appointed June 2008)
Mr Tim Streatfeild

Vice Admiral Peter Wilkinson

Mr Hugh Twiss (*Hon Treasurer*)
Mr David Allen
Mr Peter Dziejwulski (BBA)
(*resigned April 2009*)

Mr Naiem Moiemman (BBA)
(*Appointed March 2009*)
Professor Nichola Rumsey (BPS)

Mr Jagtar (Jack) Singh
Mr Adrian Sugar (CSGB&I)
(Resigned June 2008)

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 2009 was 6 (2008 – 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 26 June 2009 and signed on their behalf by

The Rt Hon the Lord Patten of Barnes, CH

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 2009 which comprise the statement of financial activities, balance sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The responsibilities of the trustees (who are also the directors of The Healing Foundation for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), are set out in the statement of responsibilities of the trustees.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the annual report of the trustees is consistent with the financial statements. In addition, we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the trustees' remuneration and other transactions is not disclosed.

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

Basis of opinion

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

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

Independent auditors' report

To the members of

The Healing Foundation

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the charitable company's state of affairs as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985;
- the information given in the report of the trustees is consistent with the financial statements.

7 July 2009

SAYER VINCENT
Chartered accountants & registered auditors
London

The Healing Foundation

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

For the year ended 31 March 2009

	Note	Restricted £	Unrestricted £	2009 Total £	2008 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	-	104,521	104,521	294,907
Investment income		136,103	20,899	157,002	126,230
<i>Incoming resources from charitable activities</i>					
Research programmes	3	<u>1,533,195</u>	<u>-</u>	<u>1,533,195</u>	<u>1,106,959</u>
Total incoming resources		<u>1,669,298</u>	<u>125,420</u>	<u>1,794,718</u>	<u>1,528,096</u>
Resources expended					
<i>Costs of generating funds:</i>					
Costs of generating voluntary income	4	-	138,456	138,456	168,905
<i>Charitable activities</i>					
Research programmes		727,652	-	727,652	550,086
Research development		-	163,797	163,797	150,659
Governance		<u>-</u>	<u>52,101</u>	<u>52,101</u>	<u>40,019</u>
Total resources expended		<u>727,652</u>	<u>354,354</u>	<u>1,082,006</u>	<u>909,669</u>
Net incoming/(outgoing) resources		941,646	(228,934)	712,712	618,427
Transfers		(210,516)	210,516	-	-
Unrealised (Losses)/Gains on Investments	9	<u>(396,847)</u>	<u>(65,655)</u>	<u>(462,502)</u>	<u>18,829</u>
Net movement in funds		334,283	(84,073)	250,210	637,256
Reconciliation of funds					
Funds at 1 April 2008		<u>2,579,591</u>	<u>437,489</u>	<u>3,017,080</u>	<u>2,379,824</u>
Funds at 31 March 2009		<u><u>2,913,874</u></u>	<u><u>353,416</u></u>	<u><u>3,267,290</u></u>	<u><u>3,017,080</u></u>

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

Balance sheet

31 March 2009

	Note	£	2009 £	2008 £
Fixed assets				
Tangible fixed assets	8		3,596	1,545
Investments	9		1,631,327	1,868,829
			1,634,923	1,870,374
Current assets				
Debtors	10	2,621		3,314
Short term deposits		1,668,931		1,075,292
Cash at bank and in hand		193,808		125,473
		1,865,360		1,204,079
Creditors: amounts falling due within one year	11	232,993		57,373
Net current assets			1,632,367	1,146,706
Net assets	12		3,267,290	3,017,080
Funds				
Restricted funds			2,913,874	2,579,591
Unrestricted funds				
Designated funds			166,613	347,748
General funds			186,803	89,741
Total funds	13		3,267,290	3,017,080

Approved by the trustees on 26 June 2009 and signed on their behalf by

The Rt Hon the Lord Patten of Barnes, CH

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2009

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 1985. 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.
- j) Governance costs include the management of the charity's assets, organisational management and compliance with constitutional and statutory requirements.

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2009

1. Accounting policies (continued)

- 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 2009

2. Donations

	Restricted	Unrestricted	2009 Total	2008 Total
	£	£	£	£
Baugur Group	-	-	-	150,000
PF Charitable Trust	-	20,000	20,000	20,000
Mr William Rucker	-	-	-	15,000
Mr Aidan Barclay	-	-	-	25,000
Mr Lloyd Dorfman	-	-	-	10,000
Miller Group	-	-	-	10,000
Mr Charles Martyn Hemphill	-	1,250	1,250	5,000
Mr Philip Harris	-	33,500	33,500	-
Mr Douglas McGeorge	-	10,000	10,000	-
Mr Richard Desmond	-	10,000	10,000	-
Ms Alison Carnwath	-	10,000	10,000	-
Gift Aid Claims	-	3,159	3,159	10,527
Intangible Income	-	-	-	29,700
Sundry Donations	-	16,612	16,612	19,680
Total	-	104,521	104,521	294,907

3. Activities in furtherance of the charity's objects: Research Programmes

	2009 Total	2008 Total
	£	£
The Vocational Training Charitable Trust (VTCT)	1,250,000	250,000
The George Davies Charitable Trust	99,600	-
Anonymous	126,745	450,519
BSSH	26,800	25,000
BAPRAS	25,600	27,400
Sir Samuel Scott of Yews Trust	2,000	-
CFSGB&I	1,800	-
Ms Pamela Thorpe	500	-
Welton Foundation	-	250,000
National Assembly for Wales	-	44,433
Freemasons Grand Charity	-	30,200
GUS Charitable Trust	-	16,607
Mrs Jane Durgan	-	7,800
Jane Hodge Foundation	-	5,000
Sundry Donations	150	-
Total	1,533,195	1,106,959

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Notes to the financial statements

For the year ended 31 March 2009

4. Total resources expended

	Costs of generating voluntary income	Research Grants	Research Development	Support Costs	Governance	2009 Total	2008 Total
	£	£	£	£	£	£	£
Staff Costs (Note 6)	82,923	-	110,564	55,282	27,641	276,410	240,856
Other Staff Costs	721	-	961	480	240	2,402	2,862
Rent	7,259	-	9,678	4,839	2,420	24,196	22,977
Meeting Costs	291	-	388	194	97	970	1,530
Computer Costs	3,620	-	4,827	2,413	1,207	12,067	12,027
Consultancy	-	-	-	-	2,085	2,085	975
Photocopying	3	-	4	2	1	10	147
Postage	271	-	362	181	90	904	1,148
Printing	244	-	325	163	81	813	1,422
Other Office Costs	532	-	710	355	177	1,774	2,036
Stationery	531	-	708	354	177	1,770	1,926
Telephone/Fax	628	-	837	418	209	2,092	1,780
Legal Fees	-	-	-	-	881	881	-
Audit and Accountancy Fees	-	-	-	-	6,695	6,695	7,203
Training	187	-	250	125	62	624	2,180
Professional Association Fees	183	-	244	122	61	610	996
Staff Travel	97	-	129	64	32	322	1,117
Trustees' Travel Expenses	448	-	598	299	149	1,494	2,033
Depreciation	340	-	453	227	113	1,133	1,250
Recruitment	-	-	-	-	7,584	7,584	5,035
Appeal Costs	7,419	-	-	-	-	7,419	47,873
Insurance	-	-	-	-	2,099	2,099	2,210
Research Programmes							
- Chair of Tissue Regeneration	-	261,746	-	-	-	261,746	210,061
- Chair of Burn Injury	-	19,154	-	-	-	19,154	3,591
- Lead Psychological Project	-	138,476	-	-	-	138,476	179,257
- Support Projects	-	286,739	-	-	-	286,739	147,299
- Patient Information Project	-	-	-	-	-	-	2,258
Research Support costs	-	-	-	21,537	-	21,537	7,620
Total resources expended	105,697	706,115	131,038	87,055	52,101	1,082,006	909,669
Support Costs	32,759	21,537	32,759	(87,055)	-	-	-
Total resources expended	138,456	727,652	163,797	-	52,101	1,082,006	909,669

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

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2009

5. Net incoming resources for the year

This is stated after charging / crediting:

	2009	2008
	£	£
Depreciation	1,133	1,251
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	1,494	2,033
Trustees' indemnity insurance	585	570
Auditors' remuneration:		
▪ Audit	5,200	5,993
Operating lease rentals:		
▪ Property	24,195	22,977
	<u>24,195</u>	<u>22,977</u>

6. Staff costs and numbers

Staff costs were as follows:

	2009	2008
	£	£
Salaries and wages	233,130	202,401
Social security costs	25,073	21,828
Pension contributions	18,207	16,627
	<u>276,410</u>	<u>240,856</u>

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

	2009	2008
£80,001 - £90,000	<u>1</u>	<u>1</u>

Employer's pension contributions of £8,925 (2008:£7,350) were made in respect of this employee.

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

	2009	2008
	No.	No.
Fundraising and Publicity	2.4	2.3
Research Development	1.0	1.4
Support Costs	0.7	1.1
Governance	0.7	0.9
	<u>4.8</u>	<u>5.7</u>

7. Taxation

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

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2009

8. Tangible fixed assets

	Computer equipment £	Total £
Cost		
At the start of the year	8,672	8,672
Additions in year	3,184	3,184
Disposals in year	(1,033)	(1,033)
At the end of the year	<u>10,823</u>	<u>10,823</u>
Depreciation		
At the start of the year	7,127	7,127
Charge for the year	1,133	1,133
Disposals in year	(1,033)	(1,033)
At the end of the year	<u>7,227</u>	<u>7,227</u>
Net book value		
At the end of the year	<u><u>3,596</u></u>	<u><u>3,596</u></u>
At the start of the year	<u>1,545</u>	<u>1,545</u>

9. Investments

	2009 £	2008 £
Listed Investments		
Market value at the start of the year	1,868,829	1,300,000
Additions at historic cost	225,000	550,000
Disposals at book value	-	-
Net unrealised (loss) /gain	(462,502)	18,829
Market value at the end of the year	<u>1,631,327</u>	<u>1,868,829</u>
Total value at the end of the year	<u><u>1,631,327</u></u>	<u><u>1,868,829</u></u>
Historic cost at the year end	<u><u>2,075,000</u></u>	<u><u>1,850,000</u></u>
Investments comprise:		
UK Common investment funds	1,631,327	1,868,829
Investments representing over 5% by value of the portfolio comprise:		
Sarasin Alpha CIF for Incomes & Reserves	897,109	1,027,943
Sarasin Alpha CIF for Endowments	734,218	840,886
	<u><u>1,631,327</u></u>	<u><u>1,868,829</u></u>

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Notes to the financial statements

For the year ended 31 March 2009

10. Debtors

	2009 £	2008 £
Other debtors	-	389
Prepayments	<u>2,621</u>	<u>2,925</u>
	<u><u>2,621</u></u>	<u><u>3,314</u></u>

11. Creditors: amounts due within 1 year

	2009 £	2008 £
National Insurance & PAYE	6,184	-
Accruals and Deferred Income	<u>226,809</u>	<u>57,373</u>
	<u><u>232,993</u></u>	<u><u>57,373</u></u>

12. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	3,596	3,596
Investments	1,305,714	166,613	159,000	1,631,327
Net current assets	<u>1,608,160</u>	<u>-</u>	<u>24,207</u>	<u>1,632,367</u>
Net assets at the end of the year	<u><u>2,913,874</u></u>	<u><u>166,613</u></u>	<u><u>186,803</u></u>	<u><u>3,267,290</u></u>

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2009

13. Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
Restricted funds:					
Research Projects - Chair of Tissue	1,710,328	190,938	(523,021)	(300,000)	1,078,245
Research Projects - Chair of Burn Injury	362,290	379,881	(167,960)	-	574,211
Research Projects - Cleft Research	-	1,000,911	-	-	1,000,911
Research Projects - Lead Psychological Project	97,757	9,060	(142,480)	35,663	-
Research Projects - Patient Information Project	14,301	-	-	-	14,301
Research Projects - Aesthetic Plastic Surgery	106,127	9,836	(11,612)	-	104,351
Research Projects - Wales Office for R & D	84,348	7,817	(90,388)	-	1,777
Support Projects - BSSH Fellowship	45,341	31,520	(49,726)	-	27,135
Support Projects - RCSEd Fellowship	55,682	5,161	(12,744)	-	48,099
Support Project - BAPRAS Flexible Research Award	27,054	29,824	(105,267)	49,021	632
Medical Student Elective Awards	2,400	4,200	(7,443)	4,800	3,957
Michael Brough Research Fund	73,963	150	(13,858)	-	60,255
Total restricted funds	2,579,591	1,669,298	(1,124,499)	(210,516)	2,913,874
Unrestricted funds:					
<i>Designated funds:</i>					
Fellowships	91,135	-	-	(49,021)	42,114
Medical Student Elective Awards	5,000	-	-	(4,800)	200
Lead Psychological Project	251,613	-	-	(127,314)	124,299
<i>Total designated funds</i>	<i>347,748</i>	<i>-</i>	<i>-</i>	<i>(181,135)</i>	<i>166,613</i>
General funds	89,741	125,420	(420,009)	391,651	186,803
Total unrestricted funds	437,489	125,420	(420,009)	210,516	353,416
Total funds	3,017,080	1,794,718	(1,544,508)	-	3,267,290

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Notes to the financial statements

For the year ended 31 March 2009

13. Movements in funds (continued)

Research Projects - Appeal

The Appeal target now includes four major lead projects. These will be funded as monies become available (see annual report). 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

The Centre is now well established and work is progressing well. In 2008-09 the team at the University of Manchester were joined by three new PhD students each funded by the Healing Foundation and all graduates of the University of Beijing. Initial funding for the Professor came from a single donor however, fundraising continues through the Appeal for the various individual research projects.

The Healing Foundation UK Centre for 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 a single donor. The first installment of this commitment was received in May 2007 and the second in May 2008. In March 2009, the first payment of £80,000, towards a four year £284,000 commitment by the Wales Office of Research & development, was received. This money is being provided to support Research Fellowship and PhD Studentship programmes in burns, in Wales. Following the decision by Trustees to withdraw support from Cardiff/Swansea for the BUrnS Research Centre, all donors to this initiative have been informed and are being proactively engaged in the Foundation's future plans for burns research in the UK.

The Healing Foundation UK Centre for Cleft Research supported by VTCT

The first instalment of £1 million, of VTCT's two-year £2 million contribution towards the establishment of the Healing Foundation UK Centre for Cleft Research, was received in the year. During 2009/10, the process to identify the host institution for this 10 year programme of research will be conducted, to be concluded by December 2009.

The Lead Psychological Research Project - University of the West of England

The Psychological Project is now approaching its conclusion with a final report expected in September 2009. 50% of the costs for the project have been secured from a single donor, The Welton Foundation. Other support, for Dr Alex Clarke's work within this project, has been kindly provided by The Worshipful Company of Tin Plate Workers. Other support has been designated from unrestricted funds raised in the Appeal.

Patient Information Project - Picker Institute Europe, Oxford

This project considered the information needs of patients with disfiguring conditions and was fully supported by the GUS Charitable Trust. The project was completed in September 2006 and a Patient Information Working Group has been established to consider the recommendations from the final report.

The Healing Foundation

Notes to the financial statements

For the year ended 31 March 2009

13. Movements in funds (continued)

Support Projects

The Healing Foundation Fellowship in Aesthetic Surgery - Mr Hussam (Sam) Bella research, jointly funded by the British Association of Aesthetic Plastic Surgeons, for a study which aims to identify 'susceptibility genes' relevant to debilitating Keloid scarring continues. This research has been generously supported by ICAP.

The two project awards supported by the British Association of Plastic Reconstructive and Aesthetic Surgery (BAPRAS) also continued this year. Both Mr Fabrice Rogge, studying 'In vivo engineering of contractile innervated skeletal muscle' and Mr Erh-Hsui Lim's project "Growing cartilage - Smart biomimetic nanofibrous scaffolds for tissue regeneration", have been granted a six month extension. Final reports are now expected early in 2010.

The Healing Foundation/WORD Research Fellowships - Two projects, supported by the Wales Office for Research & Development, also continued during 2008-09. Mr Joseph Hardwick's project studying 'impaired wound healing in humans' at the University of Cardiff concluded in April 2009. Dr Tammy Boyce and Dr Claire Wardle's study, 'audience perceptions of disfigurement on British television' also produced its final report which was well received by the Healing Foundation Research Council and the Board of Trustees.

The Healing Foundation/BSSH Surgical Research Fellowship - Mr Liaquat Suleman-Verjee was awarded a fellowship in partnership with the British Society for the Surgery of the Hand (BSSH). Mr Suleman-Verjee is undertaking a project entitled "Tenascin-C and the pathogenesis of Dupuytren's disease, due to complete later in 2009.

In 2008-09 the Healing Foundation Student Elective Awards in partnership with BAPRAS, BBA, BSSH and CFSGB&I. These are small project grants awarded to medical students. In total seven electives were awarded. The awards will again be advertised later in 2009.

14. Operating lease commitments

The charity had annual commitments at the 31 March 2009 under operating leases expiring as follows:

	Property	
	2009	2008
	£	£
1-3 Years	<u>24,195</u>	<u>22,977</u>
	<u><u>24,195</u></u>	<u><u>22,977</u></u>