Annual Report 2021

Dentists' Provident

Protecting your lifestyle. Securing your future.

Dentists' Provident is a leading provider of income protection insurance to dental professionals in the UK and Ireland. We are a not for profit mutual organisation, owned by and managed solely for the benefit of our members.

Contents

Strategic report

Performance summary

Group financial summary	2021 £m	2020 £m	2019 £m	2018 £m	2017 £m
Membership premium income	13.6	13.6	14.1	14.1	14.2
Income and gains on investments	28.0	6.1	29.4	(1.3)	24.4
Benefit claims paid	(5.4)	(5.9)	(5.0)	(4.8)	(4.8)
Exceptional item – Coronavirus support payment	–	(0.9)	–	–	–
Net operating expenses before depreciation	(3.4)	(3.5)	(3.8)	(4.2)	(3.8)
Bonuses to members	(6.9)	(7.3)	(7.4)	(7.7)	(7.3)
Total investment assets and cash	340.7	315.3	314.2	285.9	289.6
Members' bonus accounts	90.9	89.7	89.5	88.4	87.5
Operating expenses before depreciation to premium income ratio	25.1%	25.7%	27.3%	29.8%	26.7%
Benefit claims paid to premium income ratio	39.8%	43.6%	35.5%	34.3%	34.2%

Bonus rates

	Final dividend rate for 2021 per participation unit	Annual interest rate for 2021	Interim dividend rate for 2022* per participation unit	Interim interest rate for 2022*	Loyalty bonus rate*
Lifestyle security plan	£6.26	4.5%	£5.63	4.0%	15%
Income security plan	£6.26	4.0%	£5.63	3.5%	15%
Income security plan (Ireland)	€8.31	4.0%	€7.47	3.5%	15%
Lifetime membership plan	£6.96	5.0%	£6.26	4.5%	15%
Lifetime membership plan (Ireland)	€9.24	5.0%	€8.31	4.5%	15%
Paid up membership plan	–	4.0%	–	3.5%	15%
Paid up membership plan (Ireland)	–	4.0%	–	3.5%	15%

* Applicable to the relevant withdrawal of funds in 2022. Loyalty bonus is only payable on certain qualifying withdrawals. The interim and loyalty bonus rates are not guaranteed and subject to change without notice.

Long term returns

The Society aims to provide its members with attractive and stable risk-adjusted long term returns. The following table gives an estimation of the annualised returns to members based on historic rates for two of the longest standing plans.

For the income security plan, it has been assumed that the plan expires at the age of 60. The annualised returns for both plans include loyalty bonus at 2021 rates.

	Annualised returns for a plan ending after 20 years in 2021
Lifetime membership plan	6.2%
Income security plan	4.1%

Chairman's statement

Annual review

In my second year as Chairman introducing the Dentists' Provident annual report, I am very pleased to report that we have once again delivered a resilient performance, despite the ongoing pandemic. Our results are a testament to the robustness of our strategy and business model, and the talent of our people.

Claims

Encouragingly, it appears that the worst of the pandemic is now behind us all, however recent events have reminded us that it is not yet over. The emergence of the Omicron variant in late November last year caused further disruption to the dental profession and a marked uptick in our claims experience. Despite this, claims in the year for infectious and communicable diseases fell as a proportion of our total claims compared to 2020. Whilst such claims remain above our usual levels, we are comfortable with the overall experience.

During 2021, we paid an impressive 98.9% of all new claims, with historically low levels of complaints. I believe these positive outcomes for our members are a direct result of our personalised, thoughtful and thorough approach to assessing applications for membership and claims.

Bonuses

I am delighted to confirm that we have increased the final dividend rate for our Income security planholders to £6.26/€8.31 per participation unit, up from £6.00/€8.00 in 2020, whilst maintaining all other bonus rates at the same level.

Investments

We have purposefully constructed our investment portfolio with an absolute return mindset, so that it offers our members a degree of downside protection. Whilst this defensive positioning often leads to outperformance in a falling market, it can lead to underperformance in a rapidly rising market, and 2021 was no exception. Whilst our portfolio returned a respectable 8.4% for the year, this was a little behind our reference portfolio. However, to add some context to our results, our regular performance comparisons show that our long term risk adjusted returns are superior to 85% of our strategy peer group.

Brexit

The Society's business in the Republic of Ireland is currently being managed within the scope of the temporary run-off regime, we and our advisers are in discussions with the Central Bank of Ireland regarding how we can resume normal operations in Ireland, so that we can continue to protect our Irish members interests after 31 December 2035, when the regime comes to an end.

People

In November, we welcomed Matthew Payne to the board, who joined our executive management team as our Chief technology officer earlier in the year. Matthew has a strong background in IT with a specialist interest in the financial services sector and we very much look forward to working with him over the years to come.

Financial review

Financial management framework

The objective of our financial management framework is to maximise the value we provide our members, whilst minimising the volatility of returns. We seek to supplement our premium income with high quality diversified streams of other income and manage our expenses effectively, so that the benefits of mutuality are not lost to inefficient business practices.

Financial performance

Overall, the group produced a surplus of £19.957 million for the year (2020: deficit of £0.289 million) and our total investment income, including unrealised gains, increased to £27.734 million from £6.070 million last year. Due to a range of technical changes, including the increased final dividend declared for the income security plan, we charged an additional £3.520 million (2020: £1.106 million) to the technical reserves. For more information, please see note 21.

Our premium income and net operating expenditure remained largely unchanged from the previous year, while our claims decreased from £5.948 million to £5.405 million in 2021.

Capital management

We manage our solvency capital to enable us to meet our obligations to the current and future generations of our members, as well as our regulatory requirements. Although we aim to broadly match our assets to our liabilities, at times, we run a mismatched position to achieve better risk adjusted returns for our members.

Ensuring that we have sufficient capital to be resilient in the face of external shocks, is a key element of our capital management and bonus declaration plans. The periodic bouts of volatility in the financial markets serve as an important reminder of the need to manage capital conservatively. Further, the pace of technological change means that to remain relevant in the market, and to serve our members effectively, we need to continually invest in our systems and processes. Ensuring we have sufficient resources to undertake major projects, when the need arises, is a secondary but another important objective of our capital management strategy.

In determining our available capital resources, we apply conservative and generally recognised accounting policies for internal and statutory purposes. The accounting policies used in the preparation of these financial statements are set out in note 2.

The group's capital position as at 31 December was as follows:

Group excess capital under the UK prudential regulatory regime for insurance firms	2021 £000	2020 £000
Fund for future appropriations	226,175	206,219
Revaluation of assets under the UK prudential regulatory regime for insurance firms	(4,374)	(5,008)
Solvency capital requirement	(137,508)	(121,910)
Excess capital	**84,293**	**79,301**

Investment management

Our approach to investing is driven by the profile of our liabilities and our investment risk appetite, which in turn is shaped by our views on the future performance of our insurance portfolio and our view of the business and economic outlook.

We do not employ benchmark investment return targets. Instead, we focus on opportunities which not only represent attractive risk adjusted propositions over the long term, but also:

- maintain the overall level of risk, having regard to the currency, nature and duration of the liabilities, within acceptable limits
- maintain a suitable and broad mix of investments
- protect the interests of our members

Our investment strategy permits the use of any investment instrument approved by the board. The investment and capital management committee oversees the investment policy and strategy, which is implemented using investment mandates. The investment mandates include:

- details of the approved investments
- defined performance bases
- asset allocation by asset type and market
- counterparty, credit and other risk limits

A review of our asset allocation and performance against a hypothetical portfolio, is shown in the following tables:

Group liquidity and investment allocation	2021 %	2020 %	2019 %	2018 %	2017 %
Equities	46	51	44	43	46
Fixed interest securities	13	11	10	11	13
Alternative assets and cash[1]	41	38	46	46	41

[1] Alternative assets include real estate funds, private market funds and hedge funds.

Group investment performance	2021 %	2020 %	2019 %	2018 %	2017 %
Group	8.4	1.9	9.8	(0.5)	8.7
Reference portfolio[2]	9.5	(3.4)	13.6	(5.2)	8.4

[2] Reference portfolio is based on a hypothetical portfolio comprising 60% UK equities, 30% Gilts and 10% cash.
(Figures based on the group's reporting currency)

Underwriting and claims review

Our long term success, and the competitiveness of our proposition, are intrinsically linked with how effectively we underwrite risks, and the diligence with which we manage claims.

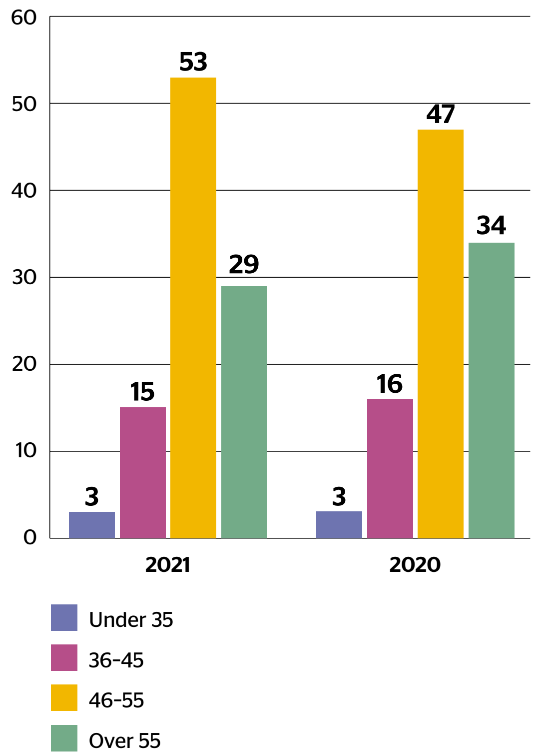
We have put in place a strong system of internal controls, consistent with industry best practice, to price and manage risks effectively. Within this structured framework, underwriters and claims assessors are given significant latitude, to ensure that decisions produce fair outcomes for individuals and our membership as a whole.

Adverse decisions are subject to additional oversight, to ensure that individual member's interests are protected. Our process also allows for detailed engagement, to ensure that all relevant factors are considered, and members understand the reasons and bases of our decisions. In our opinion, clear communication of the rationale for our decisions, is central in engendering the trust of our members, improving persistency and minimising complaints.

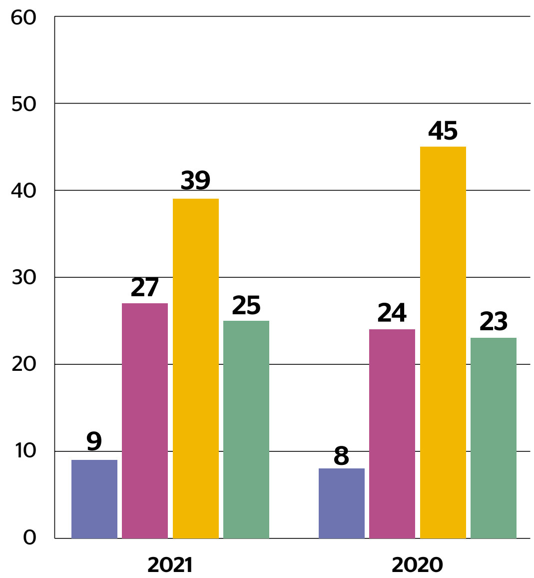
Complaints about our plans and service	2021	2020	2019	2018	2017
Underwriting and administration related complaints received	2	6	10	4	5
Claims related complaints received	2	8	9	5	8
Complaints referred to the Financial Ombudsman Service	0	2	5	1	0
Complaints where the final decision by the ombudsman was to uphold the member's complaint	0	0	0	0	0

In 2021, we paid £5.405 million (2020: £5.948 million) in sickness benefit claims. A further analysis of claims is set out below:

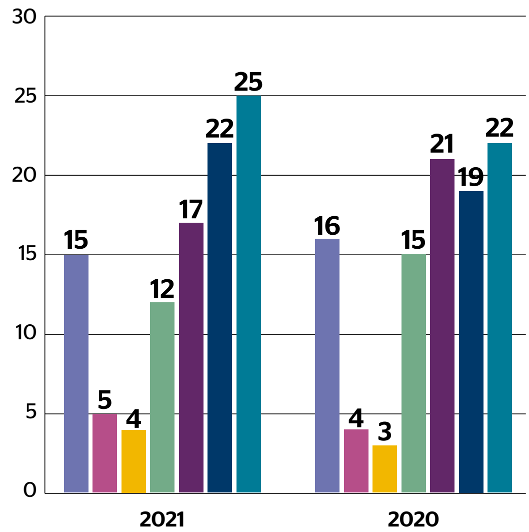
Claims by age– male (%)



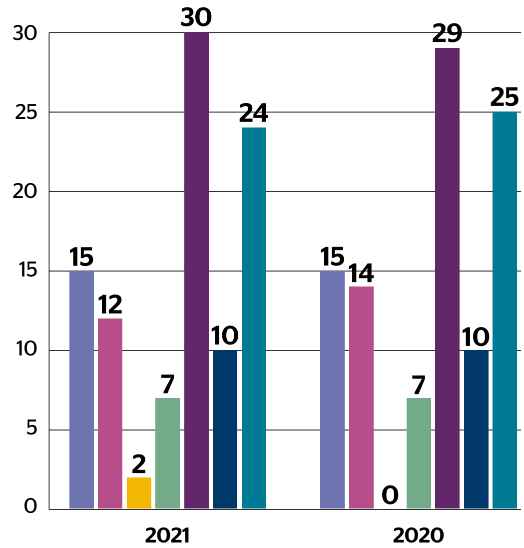
Claims by age– female (%)



Claims by illness/injury – male (%)

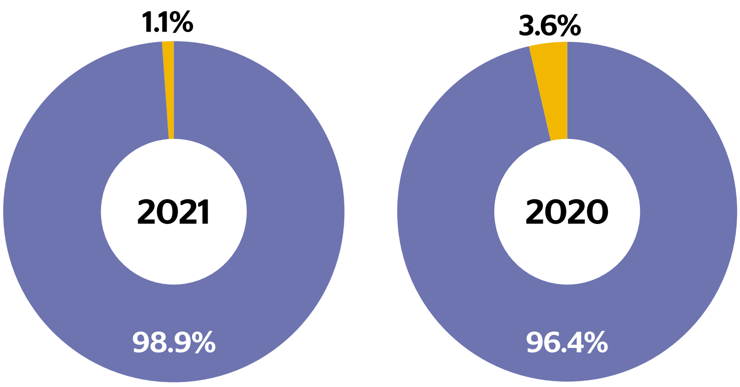


Claims by illness/injury – female (%)



Accidents
Cancers
Cardiovascular diseases
Infectious and communicable diseases
Musculoskeletal disorders
Psychiatric disorders
Other

Claims received and paid



New claims paid
New claims declined*

**New claims were declined because the claimant did not meet the definition of incapacity, their condition was not covered by the plan, they did not provide all the information required to assess the claim or the plan conditions were not met.*

Our people

Finally, I would like to offer my personal thanks, not just as the Chairman but also as a member of the Society to all our directors and employees for their continued dedication and hard work.

Giles Kidner

Giles Kidner
Chairman

Principal risks and uncertainties

The risks and uncertainties described below are considered to have the most significant effect on the group's business, financial results and prospects. This list is not intended to be exhaustive.

Strategic risk

Description	How the risk is currently managed
Our success depends on how well we understand our market, our members and other factors which affect our business. We make a number of long term decisions, based on our assumptions about the future environment within which we operate. An inappropriate or ineffective business strategy could have wide ranging implications for our members, market share and reputation.	Our strategic plans are reviewed regularly, to reflect the revised views of our longer term competitive and market position. We monitor the progress of the business against our strategic agenda, at regular group and subsidiary board meetings. We have experienced teams in place, who oversee the delivery of all key projects. Our senior management team provides regular challenge, monitors ongoing progress and ensures that key decisions are being made appropriately.

Insurance risk

Description	How the risk is currently managed
The insurance industry is highly price competitive. Prolonged periods of pricing pressure can have negative effects on financial performance, customer service and reputation of individual insurers and the industry's reputation as a whole. If we do not price our plans appropriately, this could damage our financial performance through declining persistency and/or reduced underwriting surpluses.	Our actuarial models are the primary tool for objectively deriving the pricing of our plans, and the models and underlying assumptions, are subject to regular monitoring and challenge. Senior members of our team work closely with operational staff, to ensure the pricing assumptions are supported by actual events, and to identify early indicators of any divergence. We also benchmark our pricing against our competitors regularly, to identify material inconsistencies.
If our claims experience is materially worse than we have assumed in our pricing assumptions, this could adversely impact our members, through a combination of higher future premiums and reduced future bonuses.	Strong operational controls are the primary mechanism for managing our claims experience. Our finance and actuarial teams also undertake detailed trend analysis, and the results are fed back into the actuarial pricing models and operational decision making processes.
The coronavirus is a relatively new disease and despite the unprecedented research efforts over the last two years, there are still significant gaps in our understanding relating to disease transmission, treatment, patient response and the evolutionary progression of the virus. Further, if the coronavirus mutates into a more virulent disease in terms of duration, severity or long term effects or if the vaccines become less effective, this could adversely affect the members through a combination of higher future premiums and reduced future bonuses.	The changes to the terms and conditions of our plans in early 2020 were designed to help us better manage these and other unpredictable risk events. We continue to monitor external developments and our own experience carefully.
If the persistency of our business is significantly lower than our expectations, this will lead to a fall in the future surpluses on our long term insurance business. In turn, this could feed through into higher capital requirements, higher than expected costs of managing our business and lower long term returns for our members.	We continually invest in our proposition, so that it remains competitive and meets the needs of our key stakeholders. We also engage regularly with intermediaries, members and prospective members, to enable them to gain a deeper insight into our products, market positioning and business philosophy, so that they are able to make more informed decisions.

Operational risk

Description	How the risk is currently managed
We are dependent on a number of key information systems and processes. A loss of systems and access to facilities, including the website, on a regular or prolonged basis could lead to significant disruption and could have an adverse operational, reputational and financial impact. If changes are not managed effectively, the core applications could lose their flexibility to adapt to changes within our business, and develop complications.	We have in place a business continuity programme, which includes our disaster recovery arrangements. This is reviewed regularly, to identify areas for improvement, and to ensure that arrangements are adequate and appropriate. We have an experienced technology team, who can respond to incidents as they arise, and who review the technology platforms continuously, to identify areas of improvements and then make the necessary changes.
A cyberattack on our network, could result in us not being able to deliver our service to our members, or expose their sensitive information to the wider public, via the internet. This could result in serious damage to our reputation, with consequential member and revenue loss, and the risk of financial penalties.	We have multiple layers of assurance in place. Our activities include regular employee training, technical assurance and audit activities, including vulnerability scanning and ethical hacking programmes. We assess our security policies, standards and procedures regularly, and adjust them where necessary, so they are appropriate to the risks we face.
We have entered into agreements with third party service providers, for services covering a number of our operations. A failure to adequately manage third parties' performance could affect our reputation and our operational and financial performance. Loss of these contracts, or inability to renew or negotiate favourable replacement contracts, could have adverse effects on our future operating performance.	We have a number of procedures in place to manage our third party service providers' performance, as well as having a centralised process for negotiating new contracts.
We are subject to various legal and regulatory requirements. Our failure to comply with these requirements could lead to fines, public reprimands, damage to our reputation, increased prudential requirements, enforced suspension of operations or, in extreme circumstances, withdrawal of regulatory authorisation. Non compliance may also lead to costs relating to investigations and compensation of affected members. In addition, reputational damage may adversely affect our long term future. Meeting new or changed requirements may also result in additional complexity to the business, increasing costs or capital requirements.	We have allocated significant internal resources to this area. We have a dedicated compliance function resourced by suitably experienced individuals. The work of the group's compliance function is supplemented by regular internal audit reviews. In addition, the employee rewards scheme, places significant emphasis on legal and regulatory risks being mitigated.
Our success is built on a foundation of fairness and honesty in our dealings with our key stakeholders. A breakdown in our cultural values, could result in failure to conduct our business fairly and ethically. This could expose us to the risk of reputational damage, and contribute to an increase in a range of other business risks.	We have put in place a range of controls and processes to manage this risk. Our culture and remuneration arrangements encourage key decision makers to take a wide ranging view, as opposed to focusing exclusively on narrow, short term commercial factors.
Our long term future is dependent on recruiting and retaining capable people in key roles. If we fail to implement appropriate succession plans and fail to recruit the right people, who share our ethical values, this could adversely affect our ability to deliver on our objectives.	We aim to recruit talented staff and invest in their technical and professional development over many years, so that they have the appropriate experience to take on more senior roles within the group. We also have detailed succession arrangements in place, to account for planned and unplanned departures.

Counterparty risk

Description	How the risk is currently managed
We are exposed to the risk of failure of, or default by, one or more of our counterparties. As part of our business, we invest in debt securities and other assets, to meet our obligations to our members. As a result, exposures can arise to issuers of debt and other financial instruments. Our day to day activities also mean that we are exposed to banking counterparties, as well as third party providers of services.	We manage our significant counterparty exposures by the application and monitoring of counterparty limits. All material contracts with third parties, are governed by service level agreements, which are monitored and discussed regularly.

Liquidity risk

Description	How the risk is currently managed
If we misjudge the level of liquidity required and have insufficient liquid assets to meet our financial obligations, this could result in business disruption, and have an adverse effect on our financial performance.	We maintain a suitable buffer over our expected routine cash requirements. In addition, the majority of our funds are invested in readily realisable assets. We also undertake regular stress tests, to ensure that we have sufficient liquidity, to meet our needs.

Market risk

Description	How the risk is currently managed
We invest in a range of asset classes where valuations can be affected by non technical factors, such as market sentiment, geopolitical uncertainty or issuer specific issues, which could adversely affect our financial performance.	We manage asset price risk by maintaining a highly diversified portfolio of assets and by setting asset allocation and performance targets, which ensure that we have an appropriate mix of assets and that we are not over or under exposed to a particular category or investment. The investment and capital management committee regularly monitors the actual asset allocation and performance against relevant criteria.
We hold assets and liabilities with different maturities, creating exposure to changes in interest rates, which can affect our financial performance, value of our assets and cashflows. The exposure arises mainly from the group's investments in debt and fixed income securities, and affects the rates used to calculate the technical provisions.	Our exposure to interest rate risk is monitored using stress testing and duration benchmarks. We also use our strategic cash holdings to manage duration, thereby indirectly managing interest rate risk.
We have plans in Ireland, and invest in currencies and in funds, which invest in overseas debt and equity markets, creating exposure to changes in exchange rates, which can affect our financial performance and the value of our assets. We also work with a number of suppliers whose operations are based outside the UK. This exposes part of our expenses to changes in exchange rates.	Our exposure to currency risk is managed primarily by authorisation controls. The investment and capital management committee monitors the currency exposures on a regular basis. We also maintain holdings in selected foreign currencies, to mitigate the effects of fluctuations in exchange rates on the group's surpluses.

Governance

Board of directors and secretary

Giles Kidner

Farrukh Mirza

Raj Rattan MBE

Brian Bourke

Simon Elliott

Martyn Green

Jim Karim

Kirby Mardle

Matthew Payne

Melanie Stern

Alister Weightman

Huw Winstone

Giles Kidner (56)

Chairman and non executive director

Giles was appointed to the board in 2004 and as Chairman in May 2019. He is also a director of 1908 Property Holdings Limited and a member of the governance committee, the investment and capital management committee and the remuneration committee. He has previously been the Chairman of the audit committee.

He is a consultant orthodontist at Buckinghamshire Healthcare and Oxford University Hospitals NHS Trusts and also works part time in private practice. He is lead orthodontist for the Spires regional cleft lip and palate service, Caldicott Guardian and an examiner for the Bi-Collegiate Membership examination in Orthodontics.

Farrukh Mirza (51)

Chief executive

Farrukh joined the Society as head of finance in 1999. He was appointed as deputy Chief executive in 2003, and to the board and as Chief executive in 2008. As the group's Chief investment officer, he chairs the investment and capital management committee and is also a director of 1908 Property Holdings Limited. After qualifying as a chartered accountant in 1995, he worked with Baker Tilly, BayernLB and PricewaterhouseCoopers, specialising in banking and insurance.

Raj Rattan MBE (64)

Vice chairman and independent non executive director

Raj was appointed to the board in May 2019, and as vice chairman in August 2020. He is a member of the governance committee and the operational risk and reputation committee. He combined his career in general dental practice with his role as Associate Dean at the London Deanery. He has been a policy adviser at the Department of Health and provided consultancy services to the NHS and the private and corporate sector. He has worked at Dental Protection for over 20 years where he was first appointed as a dento-legal adviser and is now Dental Director. He has been an examiner for the Faculty of General Dental Practitioners and has lectured extensively throughout the UK and overseas. He has written extensively about practice management, governance and risk management within the dental profession and was appointed MBE for services to dentistry in 2008.

Brian Bourke (59)

Independent non executive director

Brian was appointed to the board as a non executive director and as a member of the audit committee in August 2020. He is a specialist in orthodontics, based in Cheltenham and has been an examiner for Fellowship of the Faculty of Dentistry of the Royal College of Surgeons in Ireland in orthodontics since 2011. He has previously been a Consultant Orthodontist and Head of Department at St. Columcille's Hospital in Dublin, Chairman of the Orthodontic Advisory Committee of the Royal College of Surgeons in Ireland and Chairman of the Gloucestershire Orthodontic Managed Clinical Network.

Simon Elliott (47)

Chief risk officer

Simon was appointed to the board as an executive director in 2015 and has operational oversight of the compliance and marketing teams. He is also a member of the investment and capital management committee and a director of 1908 Property Holdings Limited. Simon joined the Society in 2007, after working for 11 years at Deloitte LLP in their actuarial practice, advising and working with friendly societies and insurance companies within the UK and Europe.

Martyn Green (68)

Independent non executive director

Martyn was appointed to the board in 2010. He is the Chairman of the governance committee and a member of the remuneration committee. He was previously a member of the operational risk and reputation committee. He is also on the Council of Reference for the dental charity Bridge2Aid, a member of the Health, Education and Social Care Chamber of the First-tier Tribunal, a chair of the General Medical Council's Medical Practitioners Tribunal Service and a member of the Probate Committee of the Institute of Chartered Accountants in England and Wales. Martyn is a dental member of the Statutory Panellist Assurance Committee of the General Dental Council and is retired from general practice.

He was previously a chair of the General Dental Council's Fitness to Practise Panel. He has worked extensively in the training of newly qualified dentists, having been in various roles, including Regional Adviser in general dental practice and Associate Postgraduate Dental Dean.

Jim Karim (55)

Independent non executive director

Jim was appointed to the board in 2017 and as Chairman of the audit committee in May 2019. Jim is a chartered accountant with over 20 years' experience in the banking industry, working in various senior risk management roles. He is currently a Head of Risk for Liquidity and Banking Market Risk at a major UK bank, with responsibility for risk monitoring and control of the bank's UK liquidity, asset and liability management, ALCO investments and pensions risks.

Kirby Mardle (37)

Chief finance officer and group secretary

Kirby was appointed to the board in 2019 and has operational oversight of the finance and member services teams. She joined the Society in 2006 as a member services consultant. She later moved into the finance team and following her qualification as a Chartered Certified Accountant, was appointed as head of finance in 2012. She is also the head of human resources.

Matthew Payne (49)

Chief technology officer
(co opted on 29 November 2021)

Matt was appointed to the board in November 2021 and has operational oversight of the information systems team. He joined the Society in early 2021.

Matt is a graduate in computer sciences and holds an MBA from Cardiff Business School. He has over 25 years' experience in information technology development, operations and management, including senior leadership roles in financial services and software industries in the UK, US and EMEA.

Melanie Stern (58)

Independent non executive director

Melanie was appointed to the board in 2019. Melanie is a consultant and honorary senior clinical lecturer in orthodontics at the Charles Clifford Dental Hospital and a lead cleft orthodontist for the Trent Regional Cleft Network. She also works part time in private practice.

Melanie teaches undergraduates, postgraduates and speciality trainees and is also an examiner for the University of Sheffield.

Alister Weightman (57)

Independent non executive director

Alister was appointed to the board in 2011. He is the Chairman of the operational risk and reputation committee and a member of the audit committee. He is a dental practice adviser for the Yorkshire and Humber Area Team of NHS England and has worked in general dental practice since 1987. He has been a clinical support manager for IDH Mydentist in the North East region, a past treasurer of the North Lincolnshire Local Dental Committee and dental practice adviser for Doncaster and North Lincolnshire Primary Care Trusts. He has also been a clinical assistant in orthodontics and a vocational trainer.

Huw Winstone (63)

Independent non executive director

Huw was appointed to the board in 2014. He was appointed to the operational risk and reputation committee and as Chairman of the remuneration committee in February 2016. He has been in general dental practice since 1981 as an associate and then a partner of a family dental practice in North West Kent. Since 1996 he has been a dental adviser for the NHS and is currently senior dental clinical adviser for NHS England & NHS Improvement South East. He worked for over twenty five years in Dental Foundation Training, as a Vocational Training Adviser, Training Programme Director and an Associate Dean for Health Education England. He has been a member of the Kent Local Dental Committee since 1988, being treasurer for over twenty years.

Other key employees


Paul Dixon


Alexandra Fisk


Bryan Gross


Paul Roberts


Nikos Vlachos

Paul Dixon

Paul joined the Society as joint head of compliance and risk in 2015 and was appointed sole head of compliance and risk in 2019. Having initially trained as a barrister, he worked in practice for 10 years before moving into compliance in 2011. Experienced in both insurance and consumer credit, Paul received his postgraduate Diploma in Governance, Risk and Compliance through the International Compliance Association in 2015.

Alexandra Fisk

Alex joined the Society in 2013 as part of the marketing team and was appointed as head of member services in 2018. Alex has over 10 years' experience in a variety of commercial businesses in both membership and marketing roles.

Bryan Gross

Bryan joined the Society as a senior underwriter in 2008 and was appointed as head of underwriting in 2013. Bryan has a wealth of experience in the insurance industry, covering a variety of roles, having previously worked at The Prudential and Gen Re.

Paul Roberts

Paul joined the Society in 2006 as a claims assessor and was appointed head of claims in 2017. Paul has over 20 years' experience working in income protection, previously working for Unum and Legal & General.

Nikos Vlachos

Nikos joined the Society in 2016 and was appointed as head of information systems in 2020. After completing his bachelor degree in Mathematics, he obtained post graduate degrees in Applied Mathematics and Information Technology. Before joining the Society, Nikos worked in a variety of roles for more than 10 years across a range of industries.

Corporate governance

The board of Dentists' Provident has chosen the QCA Corporate Governance Code as the most appropriate governance reporting framework based on its size, complexity and the governance needs of the group.

This section provides an explanation of how the Society and the Group applies the principles of the QCA Corporate Governance Code.

Further information on the board's corporate governance procedures can be found on our website.

Establish a strategy and business model which promote long term value for the members

Our strategy and business model is discussed, agreed and reviewed by the board as a regular agenda item.

Since our inception in 1908, we have been fully committed to the not for profit mutual business structure. Being owned by our members, with no shareholders, allows us to focus on building a long term sustainable business, that places the interests of our membership ahead of others. Our strategy has always been to be the quality focused income protection insurance provider of choice for dental professionals in the UK and Ireland. We do this by:

- Providing our members with individualised and comprehensive insurance plans, which are flexible enough to remain fit for purpose throughout a dental professional's career
- Investing prudently and with a long term mindset, to maximise the returns for our members and to improve the resilience of our finances
- Employing a team of experienced and dedicated industry professionals, to manage the day to day operations of the group
- Taking a fair and disciplined approach to underwriting and claims management
- Treating our members ethically, to build mutually beneficial long term relationships, based on respect and trust
- Distributing our proposition directly and through independent financial advisers, using digital and traditional channels
- Pricing our plans in a clear, sustainable and transparent manner
- Effectively managing our cost base and key risks

This has, and continues to, enable us to maximise the long term value we create for our members, within the context of a mutual business model.

Further information regarding our strategy and business model is set out in the other sections of the strategic report.

Seek to understand and meet member needs and expectations

We regularly attend industry events to meet with members, prospective members, intermediaries and other dental industry participants, to ensure that we have a clear and up to date understanding of the needs of these important stakeholders. Understandably, as a result of the pandemic, our ability to attend any in person events during the year was curtailed. Nonetheless, these events remain the cornerstone of our approach to ensure that we understand the needs and expectations of our members and we look forward to attending once more when it is safe to do so.

Many of our directors have held senior positions within the profession and have been involved in the training and education of dental professionals. This gives our key decision makers a unique opportunity to look at the needs of our core market from the top down and from the bottom up.

All directors are members of the Society. This also gives our board a direct connection with our plans and services, and deeper insight into the needs and expectations of other members.

Our products, their suitability, and relevance to our target market are also discussed regularly as part of the board's discussions regarding strategy.

Take into account wider stakeholder and social responsibilities and their implications for long term success

Our strategic focus on the long term means that, in order to succeed, we need to recognise our responsibilities to a wider spectrum of stakeholders, including staff, financial intermediaries and suppliers. We are committed to meeting the needs of our key stakeholders with whom we maintain a regular dialogue through a range of communication channels where we actively solicit their feedback.

Our staff play a critical role in delivering our strategy. We strive to attract, develop and retain high quality individuals with the right skills to drive our business forward. We actively encourage our staff to provide feedback and express their needs, interests and expectations through frequent formal and informal conversations.

We build long standing mutually beneficial relationships with the financial intermediary community through commercial discussions, face to face meetings and press releases. During 2021, the group appointed a dedicated intermediary consultant to better understand and serve the needs of the intermediary community.

We are a respected member of the dental community and we take an active interest in matters affecting the dental profession. We continue to be involved with charitable bodies involved in improving dental health and those involved in supporting members of the dental profession facing financial or health issues. We also give proper consideration to environmental, social and governance factors within our investment decision making process.

Embed effective risk management, considering both opportunities and threats, throughout the organisation

The principal risks, and plans to manage these, are set out on pages 9 to 11.

Our business is underpinned by a robust risk management framework. An effective risk management system allows us to allocate resources more efficiently. The key objectives of our risk management systems are to:

- support decision making by providing timely and appropriate risk information
- protect our solvency and financial position
- protect and enhance our reputation

The ultimate oversight for risk management remains with the board. However, certain duties have been delegated to board committees, who provide regular updates to the board, on activities that fall within their remit.

There are predefined risk appetites for all key risk areas, and risk management policies and procedures are reviewed and updated regularly, to reflect the environment within which we operate. Our risk identification and management process also ensures that all key risks are collated centrally and risk owners are clearly identified. The status of the risks is reviewed periodically and a structured reporting process is in place to communicate key risks and other relevant information to the board and its committees.

The day to day responsibility for risk management lies with the Chief risk officer. The heads of departments are responsible for operational implementation of risk management policies and procedures and for reacting to new and emerging risks.

In addition, regular operational monitoring, augmented by internal audit and compliance reviews provides assurance on the effectiveness of the control environment.

Maintain the board as a well functioning, balanced team led by the chair

The board's primary role is to oversee and direct the affairs of the group, and to further the interests of our members in accordance with relevant law and our memorandum and rules. The board meets at least four times a year and its responsibilities are set out in the board handbook, which also details the matters reserved specifically for it.

The main responsibilities of the board include:

- approval and oversight of the group's objectives and strategy
- responsibility for the group's overall structure and capital requirements
- oversight of the group's operations, including approval of annual budgets and plans
- oversight of financial reporting, internal controls and risk and capital management
- approval of any material transactions that affect the group
- dialogue with key stakeholders
- oversight of the corporate governance framework

The board comprises a non executive Chairman, Chief executive, three executive directors and seven independent non executive directors.

The executive directors all work full time for the group. The non executive directors work part time, alongside other commitments outside of the group. A summary of these commitments appears in their biographies on pages 12 to 13. In the Chairman's opinion, having consulted with the other directors, each member of the board gives the right amount of time to fulfil their responsibilities.

In assessing the independence of directors, we take an objective view of a director's tenure and we do not consider that after nine years non executive directors automatically cease to be independent. The main threat to independence arises from conflicts of interest, financial dependence and over familiarity, and the most effective way of ensuring independence of thought and action is by focusing on these risks. Each year, we assess the independence of each non executive director, against highly conservative benchmarks, covering conflicts of interest, personal and professional connections and financial integrity.

The governance committee has considered the declarations by the non executive directors and has concluded that all non executive directors, with the exception of the Chairman, remain independent. Giles Kidner was deemed to be independent until his appointment as Chairman. However, in line with common practice, he is no longer classified as an independent non executive director.

The governance committee oversees the process of continued appointments. All directors are reappointed annually by our members, subject to the board being satisfied with their performance and commitment to the role. Over the years, the group has steadily reduced the maximum tenure of non executive directors and depending on the date of appointment, non executive directors must retire from the board at the age of 65 or after 15 or 9 years of service.

Ensure that between them the directors have the necessary up to date experience, skills and capabilities

We are committed to ensuring that we appoint and retain non executive directors who bring relevant experience and expertise, strategic and operational skills and insights required to drive the group forward.

We are scrupulous in ensuring that all our appointments are on merit. The governance committee ensures that new directors are selected through a robust recruitment process, targeted at complementing the strengths of the board as a whole. We strive to ensure that our board represents the views and opinions of the different strands of the dental profession, and that our discussions cover the widest range of thoughts, ideas and opinions. As a result, we do not consider that targets based on gender or ethnicity fit with our meritocratic principles, nor would such targets improve our governance framework.

We believe that keeping up to date with key business issues is vital for each director to improve and maintain their knowledge and skills, so they are able to continue discharging their duties effectively. Therefore, we ensure that our non executive directors:

- receive regular training in areas of significance
- attend training courses covering their duties as directors
- receive formal briefings by external experts during board meetings

In addition, as part of each director's performance appraisal, they are given the opportunity to discuss any individual training and development needs. Each director is responsible for organising their individual training, and for ensuring they remain up to date with the issues affecting the group, and their responsibilities as a director.

The group also has procedures in place for directors to obtain additional independent expert professional advice at the group's expense. No such advice was sought by any director in 2021.

The directors' biographies and skill sets are detailed on pages 12 to 13 of the annual report and on the 'About us' section of our website.

Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

Every year, all directors undergo a formal appraisal, covering their work on the board and any relevant committees. In addition, led by the chairmen, the various committees evaluate their own performance as a whole. The evaluation of executive directors is led by the Chief executive and the vice chairman leads the evaluation of the Chairman. The evaluation of all other directors, including the Chief executive, is led by the Chairman.

In 2021, an externally facilitated board review was carried out by an independent consultant, Brian Stilwell. The review entailed each director completing a confidential questionnaire in respect of their role on the board and its committees which formed the basis of a one to one meeting between each director and Mr Stilwell. The areas covered during the interview were strategy, risk management, board composition, roles and responsibilities as well as the overall culture and board dynamics.

Mr Stilwell was also invited to observe the committee and board meetings held over the summer and to present his findings to the Governance committee and the wider board during the last meetings of the year. The review found that, following our decision in 2019 to choose a new governance reporting framework, the QCA corporate governance code was a suitable choice given the Society's size and complexity. The review identified minor administrative issues and steps have already been taken to address these. Following the results of the review, we remain confident that the board continues to operate effectively.

The governance committee review the results of the annual and externally facilitated evaluation as a whole and these form the basis of the discussions by the board of its own performance. The committee chairmen are responsible for presenting a summary of committee related themes to other members of the committees and to the board.

The governance committee regularly discusses succession planning for all key individuals, and these discussions take into account the skills and experience required, now and in the future. Within this context, the periodic refreshment of the board is essential, to avoid the risks of complacency, groupthink and perhaps most importantly losing touch with segments of our core market, and over the years we have gradually reduced the maximum length of tenure to manage these risks.

Promote a corporate culture that is based on ethical values and behaviours

A strong product suite is only part of a successful strategy. We believe that treating our members, employees and other stakeholders with the same ethics, honesty and respect that we ourselves, as people would expect, is a simple yet powerful differentiator of our business and one that has been, and continues to be, a key source of our long term competitive advantage. From the moment individuals engage with us, we treat each step as an opportunity to offer extraordinary service and ethical, honest and fair outcomes.

Conduct and corporate citizenship form key elements of the benchmark used to determine the discretionary bonus allocation for employees. We recognise that conflicts of interests can be a risk to ethical behaviour and mainly for this reason, the Society eschews bonuses for executive directors. In addition, we have put the following processes in place to manage the risk of conflicts:

- restrictions on bonus account transactions at certain times of the year
- annual declarations by staff covering actual and potential conflicts
- ongoing responsibility for staff to disclose, immediately, any changes in their circumstances, which may give rise to a conflict of interest
- restrictions on participating in any discussions or decisions in which an individual has a material personal interest

The group's performance against its ethical values and cultural norms is monitored by the board's committees. The committee chairmen report on the work of the committees to the board as a whole on a quarterly basis.

Maintain governance structures and processes that are fit for purpose and support good decision making by the board

We have a robust system for corporate governance throughout the group, with a clear division of responsibilities for those involved.

The Chairman is responsible for ensuring we meet our overall governance standards, the leadership and management of the board, overseeing the induction, evaluation and ongoing development of directors and for maintaining an open and cooperative relationship with our members and other key stakeholders.

The vice chairman deputises for the Chairman and supports him in the effective management of the board. The vice chairman also fulfils the role of the senior non executive director, serving as an important intermediary between the Chairman, the rest of the board, and our members.

The Chief executive is responsible for developing the overall strategy, leadership of the management team and oversight of the day to day operations of the group.

The secretary is responsible for supporting the Chairman in the effective operation of the board. They also act as secretary to each of the committees and are responsible for supporting each of the directors in discharging their duties effectively.

The secretariat role is currently performed by the Chief finance officer who is responsible for human resources throughout the group. When acting as secretary to the remuneration committee, procedures are in place to ensure they do not participate in any part of the meeting affecting the terms and conditions of their employment, including remuneration.

The board has established various committees, to assist it in effectively fulfilling its governance responsibilities. Information on the role and work of these committees is detailed on pages 19 to 26 of the annual report and the 'About us' section of our website.

Communicate how the company is governed and is performing by maintaining a dialogue with members and other relevant stakeholders

We report on our financial performance annually.

We are committed to maintaining an open dialogue with our members to raise understanding and awareness of our products, strategy and performance. We use the annual general meeting and industry events as the primary mechanisms for doing this.

Whilst we were only able to attend a small proportion of the industry events in the year due to the pandemic, they remain a key part of our communication strategy and we look forward to resuming a more extensive attendance as soon as it is safe to do so.

We encourage members to participate in the annual general meeting and notice is given at least 30 days in advance of the meeting. At the annual general meeting, separate resolutions are proposed on each substantive issue. When an issue has been determined at the meeting by a show of hands, the Chairman confirms the number of proxy votes for and against the resolution. The chairmen of the board's committees are also available to answer relevant questions at the annual general meeting.

Our website provides information about the group, including its current and past results, vote counts and press releases.

Giles Kidner

Giles Kidner
Chairman

The audit committee

Jim Karim

Alister Weightman

Brian Bourke

Role of the audit committee

The role of the audit committee is to assist the board on matters of financial reporting, risk management and internal control.

The main responsibilities of the audit committee include:

- oversight of regulatory reporting
- monitoring the integrity of the financial statements and any related announcements
- monitoring the effectiveness of the group's internal controls and financial risk management systems
- monitoring and reviewing the effectiveness, independence and objectivity of the internal audit function
- oversight of the relationship with the group's external auditor
- considering and making recommendations to the board for the appointment, reappointment and removal of the external auditor
- monitoring and reviewing the group's compliance with any tax obligations

The committee is scheduled to meet four times a year. Only members of the committee are entitled to attend the meetings. However, Farrukh Mirza, Simon Elliott and Kirby Mardle attended all four meetings during the year by invitation from the Chairman. The committee also meets with the external and internal auditors without management present, at least once a year.

Full details of the committee's terms of reference can be found on our website www.dentistsprovident.co.uk.

Committee composition

The committee comprises at least three members, who are appointed by the board on the recommendation of the governance committee. All members of the committee must be independent non executive directors, at least one of whom shall have recent and relevant financial experience. The Chairman of the board cannot be a member of the committee.

Committee membership and attendance at scheduled meetings

Jim Karim (Chairman)	4/4
Alister Weightman	4/4
Brian Bourke	4/4

Internal and external auditors' access to the committee

Throughout the year, both the internal and external auditors had unrestricted access to the audit committee.

Policy on non audit services and auditor rotation

It is our policy not to use our statutory auditor in the provision of any non audit services and, in line with UK requirements, to seek mandatory tendering of our statutory auditor every ten years, with the audit engagement partner being rotated every five. The group's current auditors were appointed in 2016. In 2021, Tom Reed rotated off the group's audit engagement and John Perry became the group's new engagement partner.

Key items considered during 2021

During the year, the audit committee received regular updates on the group's financial performance, reviewed and approved regulatory and statutory reports, including the 2020 annual report and the solvency and financial condition report. The committee also considered the report of the Chief actuary on the year end valuation methodology and assumptions and reviewed reports submitted by the internal auditors.

Following a review of the effectiveness of the external auditor and their remuneration, the committee approved the proposal for their reappointment at the 2021 annual general meeting. Later in the year, the committee reviewed the role of the group's internal auditors and it was recommended that the Society appoint a new firm, Buzzacott, with effect from January 2022.

Over the summer, the committee completed a self assessment of its own performance, reviewed the adequacy of its terms of reference and took part in an externally facilitated review of its own performance, the results of which were discussed at the end of the year. It also met without the Chairman present.

In addition to the above items the committee also reviewed the adequacy of the group's whistleblowing procedure and met with both the internal and external auditors without the executive team present.

2021 annual report

The committee has considered the 2021 annual report and recommended it for approval by the board. The committee has paid attention to matters materially affecting the view given by the financial statements. In particular:

- the methodology for calculating the fair value of property and non publicly traded investments
- the criteria used for the recognition of income in the financial statements
- the valuation assumptions used in the calculation of the technical provisions
- the adequacy and clarity of disclosures and compliance with generally accepted accounting principles

Jim Karim

Jim Karim
Audit committee chairman

The investment and capital management committee

Farrukh Mirza

Simon Elliott

Giles Kidner

Role of the investment and capital management committee

The role of the investment and capital management committee is to assist the board in discharging its duty to effectively identify, assess and manage investment and capital management related risks.

The main responsibilities of the investment and capital management committee include:

- oversight of the group's investment strategy
- reviewing and approving the asset and liability management strategy
- oversight, appointment and removal of investment consultants and managers
- reviewing and monitoring the group's capital adequacy and capital management plans
- reviewing and monitoring liquidity, market and credit risk management strategies and policies
- agreeing the bonus recommendations with the Chief actuary and making recommendations to the board

The committee is scheduled to meet four times a year. Only members of the committee are entitled to attend the meetings. However, the Chief actuary attended all four meeting by invitation from the Chairman.

Full details of the committee's terms of reference can be found on our website www.dentistsprovident.co.uk.

Committee composition

The committee comprises the Chief executive, another executive director and a non executive director appointed by the board on the recommendation of the governance committee.

Committee membership and attendance at scheduled meetings

Farrukh Mirza (Chairman)	4/4
Simon Elliott	4/4
Giles Kidner	4/4

Access to investment consultants and chief actuary/with profits actuary

Throughout the year, the committee had unrestricted access to the group's investment consultants and Chief actuary/With profits actuary.

Key items considered during 2021

During the year, the committee reviewed reports from the Chief actuary, including the recommendations for the proposed changes to the premium rates for 2022 and received reports from the internal auditors on the claims and underwriting functions.

Over the summer, the committee completed a self assessment of its own performance, reviewed the adequacy of its terms of reference and took part in an externally facilitated review of its own performance, the results of which were discussed at the end of the year. It also met without the Chairman present.

In addition, the committee also reviewed the regular reports from the group's investment consultants on performance and risk metrics for the group's investment portfolio, approved tactical asset allocation decisions and changes to the investment managers engaged by the group.

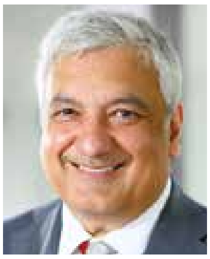
Farrukh Mirza

Farrukh Mirza
Investment and capital management committee chairman

The governance committee

Martyn Green

Giles Kidner



Raj Rattan MBE

Role of the governance committee

The role of the governance committee is to assist the board in discharging its duty in the area of corporate governance, nominations and enterprise risk management.

The main responsibilities of the governance committee include:

- oversight of governance arrangements
- oversight of succession arrangements for executive and non executive directors
- authorisation of senior appointments
- monitoring progress against the group's strategy
- oversight of major infrastructure projects
- oversight of enterprise risk management

The nomination duties focus on ensuring the board has the appropriate mix of skills and knowledge to fulfil its responsibilities and that appropriate arrangements are in place for the succession of key personnel.

The committee acts as the first line of challenge to the detailed strategy initiatives produced by the executive directors. The committee is also responsible for supporting the work of other committees in identifying, assessing and monitoring the new and emerging risks facing the group, making recommendations regarding risk appetite to the board and evaluating the effectiveness of the group's governance and risk management framework.

The committee is scheduled to meet at least four times a year and the Chief executive is required to attend all of the committee meetings.

Full details of the committee's terms of reference can be found on our website www.dentistsprovident.co.uk.

Committee composition

The committee comprises the group's Chairman and two independent non executive directors appointed by the board on the recommendation of the governance committee. The Chairman of the board cannot be the Chairman of the committee.

Committee membership and attendance at scheduled meetings

Martyn Green (Chairman)	4/4
Giles Kidner	4/4
Raj Rattan	4/4

Key items considered during 2021

During the year, the committee received regular updates from the executives on the progress of the group's Brexit strategy, and technological infrastructure project. It also reviewed the group's succession arrangements and oversaw the co option of Matthew Payne as a new executive director.

Over the summer, the committee completed a self assessment of its own performance, reviewed the adequacy of its terms of reference and took part in an externally facilitated review of its own performance, the results of which were discussed at the end of the year. It also met without the Chairman present.

In addition, the committee also reviewed:

- the group's responses to its own risk and solvency assessment
- the results of the externally facilitated review of the performance of the other committees and board overall
- the group's performance against the agreed business strategy
- the group's budgeted expenditure for the next year

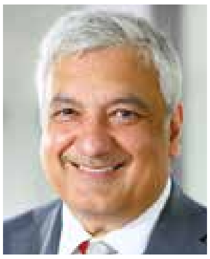
Martyn Green

Martyn Green
Governance committee chairman

The operational risk and reputation committee


Alister Weightman


Huw Winstone


Raj Rattan MBE

Role of the operational risk and reputation committee

The role of the operational risk and reputation committee is to assist the board in discharging its duties in the area of operational, conduct and reputational risk management.

The main responsibilities of the operational risk and reputation committee include:

- monitoring the adequacy of the conduct, reputational, regulatory compliance and business continuity risk management systems and making appropriate recommendations to the board
- reviewing and reporting to the board on the systems governing the identification and management of conduct, reputational, regulatory compliance, and business continuity risks
- receiving and reviewing regular reports from the executive and making appropriate recommendations to the board

The committee is scheduled to meet four times a year. Only members of the committee are entitled to attend the meetings. However, Farrukh Mirza and Simon Elliott attended all four meetings during the year by invitation from the Chairman.

Full details of the committee's terms of reference can be found on our website www.dentistsprovident.co.uk.

Committee composition

The operational risk and reputation committee comprises at least three members, who are appointed by the board on the recommendation of the governance committee. All members of the committee must be independent non executive directors. The Chairman of the board cannot be a member of the committee.

Committee membership and attendance at scheduled meetings

Alister Weightman (Chairman)	4/4
Huw Winstone	4/4
Raj Rattan	4/4

Key items considered during 2021

During the year, the committee reviewed the results of the compliance monitoring plan, received regular updates from the executives on the progress of the group's strategy to improve its operational resilience, and discussed the group's position on sustainability from an operational perspective and reviewed the annual report from the money laundering reporting officer.

Over the summer, the committee completed a self assessment of its own performance, reviewed the adequacy of its terms of reference and took part in an externally facilitated review of its own performance, the results of which were discussed at the end of the year. It also met without the Chairman present.

In addition, the committee received regular updates from the executives and external expert on conduct, reputation and regulatory risks.

Alister Weightman

Alister Weightman
Operational risk and reputation committee chairman

The remuneration committee

Huw Winstone

Giles Kidner

Martyn Green

Role of the remuneration committee

The role of the remuneration committee is to assist the board in discharging its duties in relation to the group's remuneration related matters.

The main responsibilities of the remuneration committee include:

- oversight of remuneration arrangements for directors
- monitoring the level and structure of remuneration for the management team
- determining the targets for any performance related pay plans for the group
- oversight of any changes in employee benefit structures for the group

The committee is also responsible for ensuring that contractual terms regarding termination and any termination payments are fair to the individual and the group, that failure is not rewarded and that the duty to mitigate loss is fully recognised.

The committee is scheduled to meet at least once a year to review and set the remuneration policy for the directors, as well as determining the total individual remuneration package for each executive director. As a rule, no director participates in any part of the meeting covering their own remuneration. Any executive director and the head of human resources may also attend the meetings at the invitation of the Chairman.

Full details of the committee's terms of reference can be found on our website www.dentistsprovident.co.uk.

Committee composition

The committee comprises the Chairman, and two independent non executive directors appointed by the board on the recommendation of the governance committee. The Chairman of the board cannot be the Chairman of the committee.

Committee membership and attendance at scheduled meetings

Huw Winstone (Chairman)	3/3
Giles Kidner	3/3
Martyn Green	3/3

Remuneration report

The remuneration policy

The objectives of any good remuneration policy are to attract, motivate and retain effective people. The key features of our remuneration policy in relation to our executive directors are as follows:

- to reward genuine contribution to the long term success of the Society with packages aligned to the interests of our members
- to give due consideration to the market environment, but be largely driven by the individual's level of responsibility, competence and contribution to our success
- to make the Lifetime membership plan mandatory for executive directors, to align their long term financial interests with those of our members
- to ensure that notice periods are in accordance with general market practice

Executive directors' base salary

An executive director's base salary provides the core reward for the role, and is set at a level designed to recruit, retain and motivate the skilled individuals required to deliver our strategy. Our remuneration committee reviews base salaries independently, annually. When doing so, it takes into account factors such as:

- the individual's responsibilities, skills and experience
- the competitiveness of the salary, by reference to other organisations of similar size and industry and, most importantly, the results of the annual performance reviews
- feedback from independent remuneration consultants
- inflation data

In setting the executive directors' remuneration for 2021, the committee considered the performance of the individual executive directors, their skills and experience and the responsibilities of their roles. The committee noted that the duties performed by the executive directors were wider than those typical for their standard roles. The comparison with the executive directors' peers was a secondary, but nonetheless important consideration.

Based on the above, the committee proposed a 4% increase in the remuneration for the Chief executive and Chief risk officer and a 6% increase for the Chief finance officer effective from 1 January 2021.

Executive directors' bonuses

Our board has recognised for many years the asymmetric nature of the risk/reward relationship, especially in relation to bonuses, and the logistical difficulties of implementing a plan that fits appropriately with the group's not for profit objectives.

For this reason, the Society continues to shun bonuses for executive directors. The primary component of executive directors' reward is therefore the base salary.

Fees for the Chairman and non executive directors

The executive directors are responsible for setting and reviewing the fees of the non executive directors each year.

The Chairman is consulted on the fee arrangements generally and the vice chairman on the fees for the Chairman. Changes to the fees normally take effect from 1 January each year.

Non executive directors receive a basic fee and additional fees are payable for membership and chairmanship of the various committees. They may also claim session charges, based on the British Dental Guild rate, but only for duties which do not form part of their normal duties and responsibilities.

There was no increase for the fees associated with board and committee roles for 2021.

Benefits

The executive directors do not receive any benefits other than life insurance and a fixed benefits allowance. Non executive directors are not entitled to any contractual benefits.

Retirement benefits

The Chief executive was a member of the group's targeted final salary, defined contribution pension scheme. The Chief executive stopped accruing further benefits under the scheme from 1 January 2017 and the scheme was wound up in 2018. Instead, since 1 January 2017, he is entitled to a cash allowance in lieu of pension. The cash allowance is set as a percentage of base salary in accordance with pre existing terms of employment. The maximum pension allowance payable is 30% of base salary.

Simon Elliott, Kirby Mardle and Matthew Payne are members of the group's defined contribution arrangement, which is open to all employees. The committee also reviewed their retirement benefit arrangements as part of their overall review of executive remuneration and recommended no change to the executive pension benefits of 15% of salary.

No pension benefits are available to non executive directors, including the Chairman.

Directors' remuneration

Details of directors' remuneration are set out in note 12 to the financial statements.

Service contracts

Subject to the requirements of the law and best practice, the directors' service contracts and terms and conditions of employment aim to strike the appropriate balance between the interests of the group and those of the individual. Copies of the directors' service contracts and letters of appointment are available for inspection at the registered office of the Society.

The current notice period for non executive directors is six months and nine months for executive directors, which can be given by either party.

Non executive directors are not entitled to any compensation for loss of office and executive directors' compensation is limited to contractual notice pay entitlement.

External directorships

The executive directors are permitted to hold appropriate external non executive director appointments, provided they do not conflict with their commitments to the group. The executive directors may retain the fees paid for these services, subject to prior approval by the Chairman.

No non executive directorships were held by the executive directors during the year.

Member engagement

The Society welcomes feedback from our members over all matters, including remuneration. We use the annual general meeting and industry events as the primary mechanisms for doing this and, whilst we were only able to attend a small proportion of the industry events in the year due to the pandemic, we strongly encourage our members to participate in the annual general meeting.

During our next annual general meeting, a resolution will be put forward, asking our members to consider and approve the remuneration policy for the group. A similar resolution was put forward last year which was supported by 97% of the votes cast.

Key items considered during 2021

During the year, the committee completed a review of the appropriateness of the executive directors' contracts and group's overall remuneration policy, approved the overall remuneration budget for the group, as well as the bonus pool for operational employees.

Over the summer, the committee completed a self assessment of its own performance, reviewed the adequacy of its terms of reference and took part in an externally facilitated review of its own performance, the results of which were discussed at the end of the year. It also met without the Chairman present.

In addition, the committee reviewed the remuneration of the directors, to ensure the level and structure continued to serve the best interests of the Society and its members. In doing so, the committee considered the performance of each of the directors and the remuneration benchmarks when proposing the changes effective from 1 January 2022.

An advisory resolution will be put to our members at the next annual general meeting, asking our members to consider and approve this report. A similar resolution was put forward at our last annual general meeting which was supported by 97% of the votes cast.

Huw Winstone

Huw Winstone
Remuneration committee chairman

Directors' report

This report should be read in conjunction with the strategic report on pages 4 to 11.

Principal activity and objectives

Dentists' Provident is a not for profit mutual organisation, incorporated under the Friendly Societies Act 1992. The group's principal business activity is the provision of income protection insurance to dental professionals in the UK and Ireland.

Further discussion of the group's strategy is contained in the Chairman's statement.

The group did not undertake any activities during the year that were outside its powers.

Business review and future developments

An analysis of the future developments and performance of the business can be found within the Chairman's report.

A description of the material risks facing the group are set out in the principal risks and uncertainties section of the annual report.

Bonuses to members

The recommended final bonuses applicable to the various plans are set out on page 4. Total bonuses allocated to members in 2021 amounted to £6.925 million (2020: £7.266 million).

Directors

Board membership and attendance at scheduled meetings

Giles Kidner (Chairman)	4/4
Farrukh Mirza (Chief executive)	4/4
Raj Rattan MBE (Vice chairman)	4/4
Brian Bourke	4/4
Simon Elliott	4/4
Martyn Green	4/4
Jim Karim	4/4
Kirby Mardle	4/4
Matthew Payne (co opted on 29 November 2021)	–/–
Melanie Stern	4/4
Alister Weightman	4/4
Huw Winstone	4/4

The biographies of the directors are set out on pages 12 to 13.

At the forthcoming annual general meeting, all of the directors will be offering themselves for re election, with the exception of Matthew Payne, who will be standing for election to the board.

The terms and conditions of appointment of directors are available for inspection at our registered office during normal business hours and at the annual general meeting.

Indemnification of directors

In accordance with the Society's memorandum and rules and applicable laws in England and Wales, the group provided an indemnity to the directors of the Society and its subsidiaries.

Donations

Charitable donations totalled £10,470 (2020: £30,159). The group's policy on donations is to provide assistance to small local charities, bodies involved in improving dental health and those providing services to members of the dental profession facing financial and health issues.

Changes in fixed assets

Details of significant changes in the fixed assets of the group are shown in note 18 to the financial statements.

Climate related financial disclosures

The group recognises the importance of sustainability in terms of our responsibility to our wider stakeholders and good governance. The group regularly considers its own approach to sustainability both at its board and committee meetings.

Governance

Our Chief executive was appointed as our climate reporting officer in 2019 and is responsible for ensuring that material climate related financial risks and opportunities impacting the group are identified, monitored and managed within our existing risk management framework and in line with the group's risk appetite.

The group regularly discusses climate related risks through the investment and capital management committee, who are responsible for considering sustainability matters within the context of our investment strategy as well as their impact on our plans and their pricing.

Strategy

Our investment strategy is based on taking a long term and responsible view. Failure to manage environmental, social and governance (ESG) risks translates into financial risks, and we see these risks as part of a wider pool. This means that our manager evaluation and monitoring processes are not exclusively driven by ESG ratings. Instead, we look to ensure that our managers seek to incorporate strong and ethical governance, transparency and long term sustainability, within their risk management and stock selection process.

Having regard to the nature of our plans and their terms and conditions, the board does not consider climate change to be a material risk for our income protection offering in the medium term. This assessment is proportionate and based on our understanding of the projected changes applicable to the UK and Ireland. However, the board will keep a watchful eye on scientific developments to ensure that developments in our understanding of the effects of climate change, particularly on the risk of illness and injury, are appropriately reflected in our strategic plans and risk assessments.

Operations

Having a low headcount and occupying modest space in a fairly modern and energy efficient head office means our environmental impact is already relatively low. However, we recognise the need and importance of doing more and we have taken steps to reduce our impact further by taking steps to improve our energy efficiency, using renewable energy sources and minimising business travel by actively promoting virtual meetings where possible. The use of paper and post remains a significant contributor to our environmental footprint and we are actively investing in technology to minimise this.

Going concern

The group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the strategic report.

The board has assessed the viability of the group over a five year period based on the group's strategic plan. The plan was approved by the board in September 2021, covering the period 2022–2027.

As detailed in this annual report, the group has a robust process for managing its operations and for the approval of the risk appetite, risk monitoring and reporting. The board believes that the group is well placed to manage its business effectively, having regard to its nature, scale and complexity. The board does not have any reason to believe the group will not continue to be in operation over the foreseeable future.

The board also believes the group has adequate resources and recurring income to continue in operation for the foreseeable future. Accordingly, the going concern basis has been used in the preparation of the financial statements.

Solvency

Throughout the financial year, the Society maintained its solvency in excess of the required margin for its relevant class of business.

Accountability and internal controls

The board acknowledges its overall responsibility for the group's system of internal controls and for reviewing its effectiveness. On a day to day basis, the group's senior management is responsible for the operation, management and effectiveness of the system of internal controls. No material changes have been made to the internal controls system in the year.

The board has reviewed the effectiveness of the system of internal controls during the year, including financial and operational controls. The board confirms that there is a continuous process for the identification, evaluation and management of the principal risks facing the group, which was in place throughout the year and up to the date of the approval of the annual report and financial statements.

The board acknowledges that it is neither possible nor operationally efficient to eliminate risks completely. The group's system of internal controls is designed to manage, as opposed to eliminate, control risks and can only provide reasonable assurance against material misstatement, loss or error. Significant effort is dedicated to being fully aware of the risks to the group and managing these to an acceptable level.

Cautionary statement regarding forward looking information

This annual report contains forward looking statements. These are made by the directors in good faith, based on the information available at the time of the approval of the annual report. The statements should be treated with caution due to the inherent risks and uncertainties underlying such forward looking information. A number of factors, including those in this document, could cause actual results to differ materially from those contained in any forward looking statement.

The Society does not intend to update any of these statements.

Statement of directors' responsibilities

Directors' responsibilities for preparing the financial statements

The following statements should be read with the statement of auditor's responsibilities included in the independent auditor's report. They are made to help members distinguish between the responsibilities of the directors and those of the auditor in relation to this year's financial statements.

The directors are responsible for preparing the financial statements. It is also their responsibility to state that they consider that the annual report, when taken as a whole, is fair, balanced and understandable and provides the information necessary for members to assess the group's performance, business model and strategy.

Under the Friendly Societies Act 1992, the directors are required to prepare and approve financial statements for each financial year. The directors must only approve the financial statements when they are satisfied that they give a true and fair view of the state of affairs and of the surplus or deficit of the group and the Society for that year. The financial statements of the group and, where relevant, the Society, have been prepared in accordance with:

- United Kingdom generally accepted accounting principles (UK GAAP)
- The Friendly Societies Act 1992

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

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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 basis that the group is a going concern, unless it is inappropriate to presume that the group will continue in business

The directors are responsible for ensuring that proper accounting records are maintained. These must disclose, with reasonable accuracy at any time, the financial position of the group and the Society and enable the directors to ensure that the financial statements comply with the Friendly Societies Act 1992.

The directors are also responsible for:

- safeguarding the assets of the group and the Society
- taking reasonable steps to prevent and detect fraud and other irregularities
- ensuring the maintenance and integrity of the corporate and financial information included on the Society's website

UK legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' responsibility statement

Each of the current directors, whose names and functions are listed in the governance section on pages 12 to 13, confirms that, to the best of their knowledge and belief, the group and the Society's financial statements, which have been prepared in accordance with UK GAAP, give a true and fair view of the assets, liabilities, financial position and surplus or deficit of the group and of the Society and, taken as a whole, are fair, balanced and understandable.

Statement of disclosure to auditor

The directors of the Society, at the date of approval of the annual report and financial statements, confirm that in so far as they are aware:

- there is no relevant audit information of which the Society's auditor is unaware; and
- the directors individually have taken all necessary steps that they ought to have taken to make themselves aware of all relevant audit information and to establish that the auditor is aware of that information.

On behalf of the board

Kirby Mardle

Kirby Mardle
Director and group secretary
23 March 2022

Financial statements

Independent auditor's report to the members of Dentists' Provident

Opinion on the financial statements

In our opinion, the Group's and Society's financial statements:

- give a true and fair view of the state of the Group's and of the Society's affairs as at 31 December 2021 and of the Group's and Society's surplus 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 Friendly Societies Act 1992.

We have audited the financial statements of Dentists' Provident (the "Society") and its trading subsidiary (together the "Group") for the year ended 31 December 2021 which comprise the income and expenditure account, the balance sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and FRS 103 *Insurance Contracts* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

Following the recommendation of the audit committee, we were appointed by the Board on 9 September 2016 to audit the financial statements for the year ended 31 December 2016 and subsequent periods. The period of total uninterrupted engagement including retenders and reappointments is 6 years, covering the years ending 31 December 2016 to 31 December 2021.

We remain independent of the Group and the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group or Society.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and Society's ability to continue to adopt the going concern basis of accounting included:

- Review and challenge of the Society's current plans and budgets, challenging growth assertions and ensuring that movements were in line with justifiable assumptions and movements. The Society's Business strategy report was obtained and inspected for threats to the going concern assumption and the 2022 budget was assessed based on audited 2021 figures and our general commercial and sector experience; and
- Challenge and discussion around the latest Own risk and Solvency Assessment provided by the Group and Society. In addition, we have reviewed the solvency projections, reconciling current positions to the financial statements and challenged management as to the future assumptions embedded within the model. We have also ensured that the modelling used for solvency is in line with industry standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

Coverage	100% (2020 – 100%) of Group technical provisions
	100% (2020 – 100%) of Group fund for future appropriations
	100% (2020 – 100%) of Group total assets
Key audit matters	
2021	Valuation of technical provisions
2020	Valuation of technical provisions
Materiality	Group financial statements as a whole
	£1,130,000 (2020: £960,000) based on 0.5% (2020: 0.5%) of the fund for future appropriations.

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

All audit work was performed directly by the audit engagement team with the assistance of appointed experts.

The Group consisted of the Society and one trading subsidiary each of which was considered a significant component and subject to a full scope audit.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key Audit Matter		How the scope of our audit addressed the key audit matter
Valuation of technical provisions The Group financial statements include a net technical provision of £113.48 million (2020: £108.74 million), which represents the estimated costs of settling benefits and claims associated with income protection products. This is set out in further detail in note 21.	We have assessed this area as being of significant risk to the audit due to the significance of these amounts in deriving the Group's results and because of the degree of assumptions and estimation underpinning the calculation, which can be highly subjective.	In assessing the valuation of the technical provisions, we performed the following procedures: • We have utilised an independent external actuary to report to us on the methodology and assumptions that underpin the valuation of the provision and the accuracy of the calculation itself. • We have obtained and reviewed the actuarial reports prepared by the Society's actuary and our reviewing actuary and ensured that all relevant judgements and estimates have been considered in forming our opinion. • We have reviewed and assessed changes to the assumptions used in the technical provisions to ensure these are reasonable and in line with acceptable parameters. • We have reviewed and reconciled the data used by the actuary in their projections to that used by the audit team and extracted from the underlying member systems, to ensure completeness and accuracy. • We have challenged the conclusions arrived at by our independent actuary and ensured that processes are in accordance with both Technical Actuarial Standards (TAS) and industry practices. More information around Technical Actuarial Standards can be found on the FRC website. **Key observations** We have not identified any indicators that the net technical provision is unreasonably estimated in consideration of the key assumptions and judgements made.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements. In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Society financial statements	
	2021 £000	2020 £000	2021 £000	2020 £000
Materiality	1,130	960	1,090	930
Basis for determining materiality	0.5% of fund for future appropriations	0.5% of fund for future appropriations	0.5% of fund for future appropriations	0.5% of fund for future appropriations
Rationale for the benchmark applied	We consider this to be the most relevant benchmark, as it reflects a key measure of the performance of a mutual friendly society and is used to assess the level of free reserves and in determining solvency.		We consider this to be the most relevant benchmark, as it reflects a key measure of the performance of a mutual friendly society and is used to assess the level of free reserves and in determining solvency.	
Performance materiality	847.5	720	817.5	697.5
Basis for determining performance materiality	75%	75%	75%	75%
	75% was reflective of our perceived risk of the financial statements containing misstatements, after considering previous experience of this audit engagement we consider this level appropriate.		75% was reflective of our perceived risk of the financial statements containing misstatements, after considering previous experience of this audit engagement we consider this level appropriate.	

Specific materiality

We also determined that for items in the Income Statement (premiums, expenses and claims paid), a misstatement of less than materiality for the financial statements as a whole, specific materiality, could influence the economic decisions of users. As a result we determined materiality for these items based on £270,000 (2020: £270,000) which represents approximately 2% of premiums (2020: 2%). We further applied a performance level materiality of 75% of specific materiality to ensure that the risk of errors exceeding specific materiality was appropriately mitigated.

Component materiality

We set materiality for the subsidiary within the Group at 0.5% of total assets which reflects the size and our assessment of the risk of material misstatement of that component. Component materiality for the subsidiary was £137,000 (2020: £135,000). In the audit of each component, we further applied performance materiality levels of 75% of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £21,800 (2020: £18,600). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

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

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

We have nothing to report in this regard.

Other Friendly Societies Act 1992 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Friendlies Societies Act 1992 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Society and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Friendlies Societies Act 1992 requires us to report to you if, in our opinion: • proper accounting records have not been kept by the Society; or • the Society's financial statements are not in agreement with the accounting records and returns; or • we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

To identify risks of material misstatements due to fraud, we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors and management as to whether they have knowledge of any actual, suspected or alleged fraud.
- Inspecting Board and Audit Committee minutes.
- Identifying any unusual journal entries based on characteristics of journal posting date and description.
- Using analytical procedures to identify an unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications for fraud throughout the audit. Our responses to significant audit risks (technical provisions and management override of controls) are intended to sufficiently address the risk of fraudulent manipulation. In particular, we engaged an independent external actuary as auditor's expert to review the assumptions and methodology applied by the Society in the valuation of technical provisions to check the methods utilised are appropriate.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Directors and other management, and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Legal and regulatory frameworks determined most significant are:

- Friendly Societies Act 1992.
- Friendly Societies (Accounts and Related Provisions) Regulations 1994.
- Financial Reporting Standards 102 and 103 applicable in the UK and Republic of Ireland.
- QCA Corporate Governance Code.
- Laws and regulations relating to health and safety, employee matters, bribery and corruption practices.

Non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We performed procedures including:

- obtaining an understanding of the legal and regulatory framework applicable to the Society's operations;
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations;
- inspecting correspondence with the Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA); and
- enquiring of the Directors and other management of instances of non-compliance.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Society's members, as a body, in accordance with the Friendly Societies Act 1992. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

John Perry

John Perry
Senior Statutory Auditor
23 March 2022

For and on behalf of
BDO LLP
Statutory Auditor
London, UK

BDO LLP is a limited liability partnership registered in England and Wales (with the registered number OC305127)

Income and expenditure account

For the year ended 31 December 2021

Technical account – long term business

	Note	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Earned premiums	5	13,634	13,641	13,634	13,641
Investment income	6	8,758	(8,073)	13,222	(8,207)
Unrealised gains/(losses) on investments	7	18,976	14,143	18,676	14,143
Total income		**41,368**	**19,711**	**45,532**	**19,577**
Claims incurred	8	(10,366)	(13,019)	(10,366)	(13,019)
Withdrawals from bonus accounts by members		4,961	6,142	4,961	6,142
Technical provisions	21	(3,520)	(1,106)	(3,520)	(1,106)
Other provisions	22	(548)	(116)	(548)	(116)
Changes in long term business provisions		**893**	**4,920**	**893**	**4,920**
Bonuses to members	9	(6,925)	(7,266)	(6,925)	(7,266)
Net operating expenses	10	(4,267)	(4,294)	(4,486)	(4,407)
Investment management expenses		(141)	(156)	(141)	(156)
Total expenses		**(4,408)**	**(4,450)**	**(4,627)**	**(4,563)**
Taxation	13	(605)	(185)	–	–
Transfer to/(from) fund for future appropriations	20	**19,957**	**(289)**	**24,507**	**(351)**

Balance sheet

31 December 2021

	Note	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Assets					
Land and buildings	14	15,800	15,500	–	–
Investment in subsidiaries	15	–	–	4,600	4,600
Other financial investments	16	287,031	276,210	287,031	275,681
Total investments		**302,831**	**291,710**	**291,631**	**280,281**
Negative technical provisions	21	21,618	25,734	21,618	25,734
Debtors	17	933	716	12,513	7,678
Tangible fixed assets	18	4,489	5,140	4,489	5,140
Cash at bank		37,902	23,612	26,553	12,291
Total other assets		**42,391**	**28,752**	**31,042**	**17,431**
Prepayments and accrued income		130	411	34	276
Total assets		**367,903**	**347,323**	**356,838**	**331,400**
Liabilities					
Fund for future appropriations	20	226,176	206,219	217,358	192,851
Technical provisions	21	135,103	134,477	135,103	134,477
Provision for liabilities	22	2,623	2,075	2,623	2,075
Provision for deferred taxation	23	2,001	1,464	–	–
Creditors	24	2,000	3,088	1,754	1,997
Total liabilities		**367,903**	**347,323**	**356,838**	**331,400**

The attached notes 1 to 28 form an integral part of these financial statements.
The financial statements were approved by the board of directors and authorised for issue on 23 March 2022.

Giles Kidner

Giles Kidner
Group chairman

Farrukh Mirza

Farrukh Mirza
Group chief executive

Jim Karim

Jim Karim
Chairman of the audit committee

Notes to the financial statements

For the year ended 31 December 2021

1. General information

Dentists' Provident is a not for profit mutual organisation, incorporated under the Friendly Societies Act 1992. The Group's principal business activity is the provision of income protection insurance to dental professionals in the UK and Ireland.

The Dentists' Provident Group, resident in the United Kingdom, comprises the Dentists' Provident Society Limited (the parent undertaking) and its wholly owned subsidiaries, 1908 Property Holdings Limited, 1908 Property Holdings (No.1) Ltd and CMDH Limited.

The registered office is 91—94 Saffron Hill, London, EC1N 8QP. The nature of the Group's operations and its principal activities are set out in the strategic report section of the annual report.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standards 102 and 103 (FRS 102 and 103) issued by the Financial Reporting Council. These financial statements are presented in accordance with the Friendly Societies (Accounts and Related Provisions) Regulations 1994.

Statement of cash flows

Dentists' Provident is a mutual life insurer and has taken advantage of the exemption granted to it by FRS 102 in presenting a Statement of cash flows.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report section of the annual report. This section further describes the financial position of the Group, liquidity position, the Group's objectives, policies and processes for managing capital, its financial objectives, details of its financial instruments and its exposure to key risks.

The Group meets its operational capital requirements through maintaining part of its assets in suitably liquid assets such as cash and cash equivalents. The board believes the Group has adequate resources to manage its business risks and the Society and the Group have sufficient resources to continue in operation for the foreseeable future. Accordingly, the going concern basis has been used in the preparation of the financial statements.

Basis of consolidation

The Group financial statements consolidate the financial statements of the parent and the entities which are controlled by the Group at 31 December. The subsidiaries have been consolidated from the date they commenced trading and all intercompany balances, surplus and transactions are eliminated.

Foreign currencies

The functional currency of the Society and its subsidiaries is pounds sterling as it is the currency of the primary economic environment in which the Group operates.

Foreign currency transactions are recorded at the rate of exchange prevailing at the date of the transaction. At each balance sheet date, monetary assets and liabilities denominated in foreign currencies are retranslated into sterling at the rate of exchange prevailing at the balance sheet date. All exchange gains and losses are included in the income and expenditure account.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

Income recognition

Premium income

The Society's contracts are long term insurance contracts and premium income is recognised in the income and expenditure account when due from the members of the Society. Where a contract lapses due to non receipt of premiums, then any premium income accrued but not received relating to the period after the date of lapse, is offset against premiums.

Investment income

Investment income includes dividends, interest, rent, realised gains and losses on the sale of investments and related expenses. Dividends, interest and rent are recorded on an accruals basis. Realised gains and losses on investments are calculated as either, the difference between the net sales proceeds and original cost in the case of investments purchased in the year, or as the difference between the net sales proceeds and prior year's valuation.

Unrealised gains and losses

Unrealised gains and losses on investments are calculated as the difference between the current and prior year end valuations, or purchase price, if acquired in the year.

Insurance contracts

Classification

Insurance contracts are defined as those contracts under which the Society accepts significant insurance risk from the member, by agreeing to compensate them if a specified uncertain future event adversely affects them. Such contracts remain insurance contracts until all rights and obligations are extinguished or expire.

Claims

Claims incurred comprise of sickness benefit and withdrawals of capital by the members of the Society, net of subrogation recoveries. Claims are recognised in the financial statements when the relevant criteria for the payment of the claim are satisfied by the claimant.

Acquisition costs

Acquisition costs represent the direct and indirect costs relating to obtaining and processing new business.

Commissions consist of fees paid to independent third party financial intermediaries and are directly related to the acquisition of new business.

Having regard to the future premium levels, the directors do not consider the deferred acquisition costs to be material. As a consequence, all acquisition costs are recognised in the income and expenditure account in the period they are incurred.

Taxation

The existing activities of the Society are not chargeable to corporation tax in the UK.

The corporation tax charge is based on the subsidiaries' taxable profits for the year as determined in accordance with the relevant tax legislation, together with adjustments for prior years. A reconciliation of the taxable surplus to net surplus is provided in note 13.

Deferred tax is recognised in respect of temporary differences arising between the tax bases of the subsidiaries' assets and liabilities and the amounts included within the financial statements as at the balance sheet date. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current assets and liabilities on a net basis

Land and buildings

Land and buildings are held by the Group to earn rental income and/or provide potential for future capital growth.

Land and buildings are initially recognised at cost, being the fair value of the consideration given, including the directly attributable transaction costs associated with the acquisition. Subsequent capital expenditure is then capitalised and included within the cost of the property.

In the year of acquisition, the cost of the land and buildings is deemed reflective of its fair value in the open market. In subsequent years, land and buildings are measured at fair value annually, with any change in fair value being recognised in the Group's income and expenditure account.

Financial assets and liabilities

Recognition

Financial assets and liabilities are recognised when a member of the Group becomes party to the contractual provisions of the instrument.

Initial measurement

All financial assets and liabilities are initially measured at their transaction price including any associated transaction costs.

Subsequent measurement

At the end of each reporting period financial assets and liabilities are measured as follows:

- Financial instruments which are publicly traded, or where their value can otherwise be measured reliably in accordance with FRS 102, are measured at fair value. Changes in their fair value are recognised in the income and expenditure account in the period in which it arises
- Loans made to or by a subsidiary undertaking are measured at amortised cost using the effective interest method
- Investments in a subsidiary undertaking are measured at cost less impairment
- Receivables and payables due within one year are measured at the amount expected to be received or paid

Derecognition of financial assets and liabilities

Financial assets are derecognised when the rights to the cash flows from that asset have expired or have been settled or when substantially all of the risks and rewards of ownership of the financial assets are transferred to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expired.

Tangible fixed assets

Tangible fixed assets, comprising fixtures, fittings, plant and equipment and computer software and equipment, are stated at cost net of depreciation and any provision for impairment. Cost includes any associated expenditure directly attributable to the acquisition of the asset. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight line basis over its expected useful life. The Group uses the following rates:

- Fixtures, fittings, plant and equipment at 10% and 12.5% per annum on a straight line basis
- Computer equipment and software at 10%, 20% and 25% per annum on a straight line basis

No depreciation is provided on assets in the course of construction.

Impairment of assets

At each reporting date the Group assesses whether its assets, other than those measured at fair value, are impaired.

An asset is impaired where, there is objective evidence that, as a result of one or more events, its estimated recoverable value has reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Impairment losses are charged to the income and expenditure account in the period in which they occurred.

Cash

Cash and cash equivalents comprise cash in hand and demand deposits and other short term, highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Deposits held with credit institutions

Deposits held with credit institutions comprise monetary items, the withdrawal of which is subject to a fixed time constraint and are measured at fair value.

Technical provisions

At each reporting date the Group performs a review of its technical provisions to ensure that the carrying values are appropriate, using current estimates of future cash flows and investment return. If the assessment shows the carrying values of the technical provisions are no longer appropriate, any deficiency or surplus is recognised in the income and expenditure account.

The technical provisions are calculated on a best estimate market consistent basis in accordance with the requirements under the UK prudential regulatory regime for insurance firms.

The technical provisions include the risk margin, which is an allowance for the cost, to a third party, of undertaking the Group's risks that are not hedgeable under the UK prudential regulatory regime for insurance firms .

The Group does not offset negative technical reserves against technical reserves which are disclosed separately on the balance sheet.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

Rentals receivable under operating leases are recognised as investment income on a straight line basis over the term of the relevant lease.

Rentals payable under operating leases are recognised as operating expenses on a straight line basis over the term of the relevant lease.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of accounting estimates. It also requires the directors of the Society to exercise their judgement in the application of the accounting policies which they have chosen to be the most appropriate for use by the Society.

Those areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the values reported are set out below. The estimates and associated assumptions are based on historical experience and other factors which are considered to be relevant. Actual results may differ from these estimates.

Critical accounting judgements

While preparing the financial statements, no critical judgements have been made in the process of applying the Society's accounting policies, other than those involving estimations that have had a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Estimating the fair value of certain assets

Where the fair value of an asset is not based on quoted prices in an active market for an identical asset, the directors must estimate the fair value using other available information. During the year, the sources of estimation uncertainty were:

Freehold land and buildings

Each property is unique in its combination of size, location, design and quality and as such a quoted price for an identical asset is not available. The freehold land and buildings were revalued to fair value at 31 December 2021 based on a valuation by Tuckerman Chartered Surveyors, an independent valuer with recent and relevant experience in the location and class of properties being valued. The properties were valued on an open market basis and in accordance with the RICS Appraisal and Valuation Manual. Sources of estimation uncertainty in the valuation include the use of discount rates, rental yields, rental growth rates based on current market conditions, comparable transactions and industry data applicable at the balance sheet date. If any of these values differ significantly from those used in the valuation, the value of the freehold land and buildings will change.

Investments

The Society has a portfolio of investments in private equity and debt funds where the fair value at the reporting date must be estimated using the information available to the Society at the reporting date. This can include the latest valuation of the investment prior to the reporting date, details of any transactions which had occurred since this valuation and information obtained during the regular feedback discussions with the fund managers.

Deferred tax

Deferred tax arises on timing differences between taxable profits and total comprehensive income. The amount of deferred tax recognised is estimated using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date, which means the amount of tax which is paid in the future could differ from these estimates.

Technical provisions

The directors are responsible for approving the recommendations for the valuation methodology and assumptions used in calculating the technical provisions. These recommendations are prepared and presented in accordance with the applicable Technical Actuarial Standards issued by the Financial Reporting Council and reviewed by the Society's Chief actuary.

Other provisions

The valuation of the provision for other liabilities requires the directors to make assumptions about the future based on the information available today. The sources of estimation uncertainty include the use of discount rates, investment yields and gilt yields applicable at the balance sheet date.

4. Risk management objectives and policies

The business activities of the Group expose it to a number of potential risks, that can impact its abilities to meet its business objectives. The board is responsible for the Group's internal control systems and for reviewing their effectiveness. The systems are designed to manage, as opposed to eliminate, risk and aim to provide reasonable and not absolute assurance.

The Group's overall appetite for accepting and managing risks is set by the Group's board. The Group's risk management policies and procedures cover areas such as risk identification, management and reporting. The primary objective of the risk management framework is to protect the members, employees and other key stakeholders from consequences that could negatively affect the Group's ability to meet its contractual, business and social objectives.

This note covers the risks relevant to the Group's operations and financial statements from a qualitative and quantitative perspective. The sensitivities shown in this note are based on those used for internal business management purposes.

4.1 Insurance risk

The risk under a contract of insurance with a member is the possibility that an insured event will occur and a claim become payable. The very nature of insurance is based on the unpredictability of the timing and severity of events. The principal risks the Group faces in this area of business activity comprise the risk of adverse financial impact on the Group due to inappropriate pricing of the income protection insurance contracts and the risk of claims experience being worse than anticipated, with the associated impact on the sickness benefit reserve. Other less significant, but nonetheless material risks under this heading include, the loss of future premium income from lower than expected renewal of insurance business and higher than expected costs of managing the insurance portfolio.

The Society manages insurance risk by following standard underwriting policies, which take into account the risks the Group is prepared to accept, adopting a structured approach to underwriting and regular, formal analysis and monitoring of the insurance portfolio.

The Society does not have within its product range any embedded options or guarantees.

The two key drivers of the Group's claims experience are the inception rates for claims and the recovery rates for claimants. Part of these risks is mitigated by the fact that most of the Society's income protection contracts allow for the premiums to be reviewed. Additional mechanisms for managing these risks include a structured approach to assessing and managing claims.

The impact of a 10% increase in the morbidity assumption would be to increase the technical provisions by £5.989 million (2020: £5.792 million).

The persistency experience of the Society varies over time but has remained stable in the past. Factors affecting persistency include the effectiveness of the sales process of the independent financial advisers, members' perception of the Society and the insurance industry, regulatory changes in the dental profession, investment performance and the general economic environment.

Given the past level of persistency, a large proportionate increase in the current lapse experience is unlikely to have a material effect on the Society.

The members of the Society bear the impact of any changes in expense levels, as the expenses affect the amounts available for distribution to members as bonuses. An increase in the expense assumption of 20% would increase the technical provisions by £6.688 million (2020: £6.439 million).

A decrease in the yield curves used to calculate the technical provisions of 75 basis points would increase the technical provisions by £0.145 million (2020: £2.050 million).

The maturity profile of the technical provisions is set out in note 21.

4.2 Equity risk

The Group is exposed to equity risk through its holdings in collective investment schemes. This risk affects a significant but tightly controlled proportion of the overall investment portfolio and the holdings involved are well diversified across companies, industries and geographical regions. The board keeps the investment strategy under review to ensure the Group's ability to write business and settle claims is not adversely affected by falls in the market value of equities. The fair value of equity type investments in the Group's financial statements at the year end was £161.798 million (2020: £166.974 million).

The equity risk is borne by the members of the Society, as changes in equity valuations and income would directly impact the amounts available for distribution to the members. A 10% reduction in equity valuations would reduce the Group's surplus for the year by £16.180 million (2020: £16.697million).

4.3 Interest rate risk

The Group's exposure to fixed income investments is principally through collective investment schemes. These investments also represent a significant part of the Group's investment portfolio and are kept under regular review by the board. The fair value of fixed interest securities is normally inversely correlated to market interest rates, assuming credit and liquidity premia remain unchanged.

The holdings within the collective investment schemes are primarily within highly rated government and corporate debt, asset backed securities and term deposits. The Group's fixed interest portfolio tends to have a relatively short duration, which provides a degree of protection against movements in the longer end of the yield curve. The fair value of fixed interest securities, including deposits with credit institutions, in the Group's financial statements was £106.642 million (2020: £91.887 million).

Although the Group attempts to manage interest rate risk by broadly matching the duration and profile of the assets with underlying member liabilities, the interest rate risk is borne by the members of the Society, as changes impacting the effective yield and valuations would directly impact the amounts available for distribution to the members. A 75 basis points reduction in the yield curve would increase the Group's surplus for the year by £3.733 million (2020: £0.997 million).

4.4 Property risk

The Group has significant exposure to property and property related assets, through a combination of direct holdings and holdings in collective investment schemes. The rental income and valuation are affected by the general conditions in the economy, such as GDP growth, employment trends, inflation and interest rates. In addition, local factors, such as competition in the area from other landlords, attractiveness of the properties to prospective tenants, the state of repairs of the premises and the costs of maintenance and insurance, impact the valuation and rental income from individual properties.

The Group manages the risks associated with its own direct investments in property by effective management of the premises, credit evaluations of prospective tenants, application of appropriate lease covenants and ongoing monitoring of existing tenants. A 10% reduction in the valuation of property and property related assets would reduce the Group's surplus for the year by £3.439 million (2020: £3.555 million).

4.5 Currency risk

The Group's exposure to foreign exchange risk arises primarily through entering into insurance and investment contracts denominated in currencies other than pounds sterling. Currency risk is controlled as part of the Group's day to day operations. A number of arrangements have been put in place that provide a partial, non qualifying hedge against currency risk. At the current and preceding year ends, the board did not consider the residual currency risk to be material to the Group's operations.

4.6 Credit risk

This is the risk that one party to a financial transaction will fail to discharge its obligations, causing the other party to incur a loss. Credit risk in relation to financial investments and cash and cash equivalents is managed by the investment and capital management committee. The Group's investment guidelines are constructed to avoid excessive exposure to any single counterparty and to ensure that debt and fixed income investments are concentrated in high quality investment grade holdings. In addition, the investment and capital management committee has the right to impose stricter credit risk limits, where it deems it appropriate.

The Group credit risk in respect of balances with members is managed primarily by the terms and conditions set out in the Society's rules, which allow it to cancel the membership of individuals in the event of non payment of premiums.

At the year end, the Group had no material debt or fixed income assets that were impaired beyond their reported fair values (2020: £NIL).

Further information on the credit risk profile of the Group's fixed interest securities and deposits with credit institutions is set out in note 16.

4.7 Liquidity risk

The Group is exposed to the daily need for cash resources, mainly from claims for sickness benefits and capital withdrawals. Liquidity risk is the risk that the Group, although solvent, is unable to meet its obligations associated with financial liabilities that are settled by cash and cash equivalents.

A significant part of the Group's investments are in highly liquid assets, which can be readily converted into cash at minimal cost. In addition, the use of budgets and business plans allows the Group the ability to realistically estimate its liquidity requirements.

4.8 Capital risk management

The board is responsible for ensuring that the Group holds an appropriate level of surplus capital. The Society is also subject to an externally imposed capital requirement by the UK regulatory authorities. It is the Group's policy to maintain capital in excess of the amounts determined under the regulatory framework.

Please see note 20 for further information.

5. Earned premiums

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Analysis of gross premiums written by class of business				
Total long term insurance contracts	**13,634**	**13,641**	**13,634**	**13,641**
Analysis of gross premiums written by geographic area				
United Kingdom, Channel Islands and the Isle of Man	12,946	12,950	12,946	12,950
Ireland	688	691	688	691
Total long term insurance contracts	**13,634**	**13,641**	13,634	**13,641**

6. Investment income

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Income from subsidiary	–	–	4,901	310
Income from land and buildings	436	430	–	–
Income from other financial investments	896	1,145	895	1,131
Gains/(losses) on realisation of investments	7,426	(9,648)	7,426	(9,648)
Total investment income	**8,758**	**(8,073)**	**13,222**	**(8,207)**

No contingent income has been recognised in the financial statements in the current or previous year.

7. Unrealised gains/(losses) on investments

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Freehold land and buildings	300	–	–	–
Other financial investments	18,676	14,143	18,676	14,143
Total unrealised gains on investments	**18,976**	**14,143**	**18,676**	**14,143**

8. Claims incurred

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Withdrawals from bonus accounts by members	4,961	6,142	4,961	6,142
Income protection benefit claims	5,405	5,948	5,405	5,948
Exceptional item: Coronavirus related support payment	–	929	–	929
Total claims incurred	**10,366**	**13,019**	**10,366**	**13,019**

9. Bonuses to members

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Dividends and interest to members on withdrawal	181	216	181	216
Annual bonuses to members	6,115	6,275	6,115	6,275
Terminal bonuses on withdrawal of funds	629	775	629	775
Total bonuses to members	**6,925**	**7,266**	**6,925**	**7,266**

10. Net operating expenses

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Acquisition costs	1,649	1,686	1,752	1,801
Administrative expenses	2,618	2,608	2,734	2,606
Net operating expenses	**4,267**	**4,294**	**4,486**	**4,407**
Net operating expenses include:				
Commissions to financial intermediaries	147	119	147	119
Auditor's remuneration – audit services	113	72	103	64
Actuarial fees	176	212	176	212
Depreciation and loss on disposal of fixed assets	850	783	850	783

11. Staff costs

The remuneration of our staff, included within note 10 above was:

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Wages and salaries	1,628	1,492	1,628	1,492
Social security costs	184	162	184	162
Other pension and associated costs	100	92	100	92
Total staff costs	**1,912**	**1,746**	**1,912**	**1,746**

The other pension costs relate to the cost to the Group of operating a defined contribution retirement benefit scheme for all qualifying employees. Payments to the scheme are charged as they fall due. The scheme is independently administered by a third party and contributions are made on a contractual basis.

	2021 Group	2020 Group	2021 Society	2020 Society
Average number of employees, including directors				
Acquisition	6	6	6	6
Management and administration	19	18	19	18
Total	**25**	**24**	**25**	**24**

Details of directors' remuneration included within staff costs above are set out in note 12.

12. Directors' and key employees' remuneration

The remuneration of directors, included within the total staff costs above was:

	2021 £000 Salary and fees	2021 £000 All taxable benefits	2021 £000 Pension related benefits	2021 £000 Total	2020 £000 Salary and fees	2020 £000 All taxable benefits	2020 £000 Pension related benefits	2020 £000 Total
Non executive directors								
Giles Kidner	29	–	–	29	24	–	–	24
Brian Bourke	10	–	–	10	4	–	–	4
Martyn Green	16	–	–	16	16	–	–	16
Jim Karim	11	–	–	11	11	–	–	11
Davinderpal Kooner	–	–	–	–	12	–	–	12
Raj Rattan MBE	14	–	–	14	9	–	–	9
Melanie Stern	5	–	–	5	4	–	–	4
Alister Weightman	16	–	–	16	16	–	–	16
Huw Winstone	16	–	–	16	16	–	–	16
Executive directors								
Farrukh Mirza	308	4	93	405	287	4	89	380
Simon Elliott	147	4	22	173	141	4	21	166
Kirby Mardle	100	4	15	119	91	4	14	109
Matthew Payne (from 29 November 2021)	11	–	2	13	–	–	–	–
	683	**12**	**132**	**827**	**631**	**12**	**124**	**767**

In 2020, Giles Kidner, Farrukh Mirza, Melanie Stern and Kirby Mardle agreed to a voluntary temporary reduction in remuneration in response to the pandemic. The amounts stated above for them are based on the actual remuneration paid to the directors.

The remuneration of the key employees detailed on page 14, included within total staff costs was:

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Wages and salaries	537	415	537	415
Taxable benefits	20	18	20	18
Other pension and associated costs	41	33	41	33
	598	**466**	**598**	**466**

13. Taxation

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
UK corporation tax	68	839	–	–
Deferred tax	537	(654)	–	–
Total tax charge for the year	**605**	**185**	**–**	**–**

The difference between the tax charge above and the amount calculated by applying the standard rate of UK corporation tax to the surplus/(deficit) is as follows:

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Surplus/(Deficit) on ordinary activities before tax	**20,562**	**(104)**	**24,507**	**(351)**
Tax on surplus/(deficit) on ordinary activities at standard UK corporation tax rate of 19% (2020: 19%)	3,907	(20)	4,656	(67)
Effects of:				
Income not taxable for determining current taxable profit	(3,839)	67	(4,656)	67
Expenses not deductible for tax purposes	–	22	–	–
Movement in deferred tax on sale of property	–	(795)	–	–
Movement in deferred tax on revaluation gains	57	141	–	–
Adjustments to tax charge in respect of previous periods	480	–	–	–
Realised gain on sale of investment property	–	770	–	–
Total tax charge for the year	**605**	**185**	**–**	**–**

14. Land and buildings

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Valuation				
Freehold land and buildings at the start of the year	15,500	24,600	–	–
Revaluation	300	–	–	–
Disposals	–	(9,100)	–	–
Freehold land and buildings at the end of the year	**15,800**	**15,500**	**–**	**–**
Value of land included in the valuation above	4,912	5,661	–	–
Value of land and buildings occupied by the Group for its own use	4,698	4,611	–	–
Value of land and buildings at cost	6,424	6,424	–	–

The freehold land and buildings were revalued to fair value at 31 December 2021 based on a valuation by Tuckerman Chartered Surveyors, an independent valuer with recent and relevant experience in the location and class of properties being valued. The properties were valued on an open market basis and in accordance with the RICS Appraisal and Valuation Manual. No special assumptions were applied to the valuation of the properties and there are no restrictions on the realisability of the investment properties.

A directors' valuation was last performed for the land and buildings as at 31 December 2020. The main inputs used by the Group were discount rates, rental yields, rental growth rates based on current market conditions, comparable transactions and industry data. The directors are satisfied that the valuation figure stated constitutes fair value.

At 31 December, the Group had contracted with tenants for the following future minimum lease payments:

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Within one year	563	563	–	–
In the second to fifth years inclusive	843	1,391	–	–
After five years	29	45	–	–

15. Investment in subsidiaries

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Cost of shares in group undertakings	–	–	4,600	4,600

The directors are of the opinion that the aggregate value of the investment is in excess of the amounts stated above.

Information about the subsidiaries	Country of incorporation	Principal activity	Holding	Percentage held
1908 Property Holdings Limited, 91–94 Saffron Hill, London EC1N 8QP	United Kingdom	Property holding	4,600,000 ordinary shares of £1 each	100%
CMDH Limited, Enterprise House, O'Brien Road, Carlow, Ireland (non trading)	Ireland	European Representative for data protection	100 ordinary shares of €1 each	100%
1908 Property Holdings (No.1) Limited. 91–94 Saffron Hill, London EC1N 8QP (non trading)	United Kingdom	Property holding	1 ordinary shares of £1 each	100%

16. Other financial investments

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Valuation				
Shares and other variable yield securities	180,389	183,295	180,389	183,295
Debt and other fixed interest securities	106,642	92,386	106,642	92,386
Deposits with credit institutions	–	529	–	–
Total other financial investments	**287,031**	**276,210**	**287,031**	**275,681**
Cost				
Shares and other variable yield securities	123,895	101,846	123,895	101,846
Debt and other fixed interest securities	94,652	80,689	94,652	80,689
Deposits with credit institutions	–	529	–	–
Total other financial investments	**218,547**	**183,064**	**218,547**	**182,535**

The Group and the Society have a portfolio of investments in private equity and debt funds. The structure of these funds is such that the commitment is drawn down over the investment period. The total amount committed, net of drawdown, at the balance sheet date for the Group and the Society was £5.042 million (2020: £11.444 million).

The credit risk profile of fixed interest securities and deposits with credit institutions shown above is as follows:

	2021 Group	2020 Group	2021 Society	2020 Society
Investment grade	90%	89%	90%	89%
Sub-investment grade	5%	5%	5%	5%
Unrated	5%	6%	5%	6%

17. Debtors

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Due from members	3	2	3	2
Other debtors	930	714	929	690
Amounts owed by subsidiaries	–	–	11,581	6,986
Total debtors	**933**	**716**	**12,513**	**7,678**

18. Tangible fixed assets

	2021 £000 Group Fixtures, fittings, plant and equipment	2021 £000 Group Computer equipment and software	2021 £000 Group Total	2021 £000 Society Fixtures, fittings, plant and equipment	2021 £000 Society Computer equipment and software	2021 £000 Society Total
Cost						
At the start of the year	498	7,940	8,438	472	7,940	8,412
Additions	8	193	201	8	193	201
Disposals	(7)	(2)	(9)	(7)	(2)	(9)
At the end of the year	**499**	**8,131**	**8,630**	**473**	**8,131**	**8,604**
Accumulated depreciation and impairment						
At the start of the year	484	2,814	3,298	458	2,814	3,272
Charge for the year	6	844	850	6	844	850
Eliminated on disposal	(7)	–	(7)	(7)	–	(7)
At the end of the year	**483**	**3,658**	**4,141**	**457**	**3,658**	**4,115**
Net book value						
At the start of the year	14	5,126	5,140	14	5,126	5,140
At the end of the year	**16**	**4,473**	**4,489**	**16**	**4,473**	**4,489**

19. Analysis of investments by fair value hierarchy

Where possible, the group will use the price quoted in an active market for an identical asset as at the measurement date as a measurement of fair value. If this information is not available, the board will follow the fair value hierarchy, as set out by FRS 102 and outlined below, to estimate the fair value.

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Land and buildings				
Level 1	–	–	–	–
Level 2	–	–	–	–
Level 3	15,800	15,500	–	–
Total	**15,800**	**15,500**	**–**	**–**
Shares and other variable yield securities				
Level 1	176,502	179,457	176,502	179,457
Level 2	–	–	–	–
Level 3	3,887	3,838	3,887	3,838
Total	**180,389**	**183,295**	**180,389**	**183,295**
Debt and other fixed interest securities				
Level 1	98,119	88,119	98,119	88,119
Level 2	–	–	–	–
Level 3	8,523	4,267	8,523	4,267
Total	**106,642**	**92,386**	**106,642**	**92,386**
Deposits with credit institutions				
Level 1	–	529	–	–
Level 2	–	–	–	–
Level 3	–	–	–	–
Total	**–**	**529**	**–**	**–**

Transfers between levels of fair value hierarchy

For investments that are measured at fair value, the Group determines whether transfers have occurred between the levels of the fair value hierarchy by re-assessing the categorisation at the end of each reporting period. No such transfers occurred in the period.

20. Fund for future appropriations

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
At the start of the year	206,219	206,508	192,851	193,202
Transfer from/(to) the income and expenditure account	19,957	(289)	24,507	(351)
At the end of the year	**226,176**	**206,219**	**217,358**	**192,851**
Excess capital under the UK prudential regulatory regime for insurance firms				
Fund for future appropriations	226,175	206,219	217,358	192,851
Revaluation of assets under the UK prudential regulatory regime for insurance firms	(4,374)	(5,008)	(4,374)	(5,008)
Solvency capital requirement	(137,508)	(121,910)	(137,508)	(121,910)
Excess capital	**84,293**	**79,301**	**75,476**	**65,933**

The revaluation of assets under the UK prudential regulatory regime for insurance firms relates to items of computer equipment and software which are not admissible as assets under the regulations.

The directors are of the opinion that the excess capital under the UK prudential regulatory regime for insurance firms as opposed to the fund for future appropriations is more representative of the amounts available for distribution to members.

21. Technical provisions

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Charged/(Credited) to the income and expenditure account				
Change in best estimate liability of the insurance portfolio	4,116	623	4,116	623
Change in best estimate of future bonus account liabilities	(1,112)	(617)	(1,112)	(617)
Change in risk margin	516	1,100	516	1,100
Change in technical provisions	**3,520**	**1,106**	**3,520**	**1,106**
Best estimate liability of the insurance portfolio				
At the start of the year	(25,734)	(26,357)	(25,734)	(26,357)
Changes in assumptions	639	(2,695)	639	(2,695)
Changes in membership	934	999	934	999
Other surpluses and deficits	2,543	2,319	2,543	2,319
At the end of the year (A)	**(21,618)**	**(25,734)**	**(21,618)**	**(25,734)**
Best estimate liability of the members' bonus accounts				
At the start of the year	114,843	115,258	114,843	115,258
Changes in assumptions	(508)	493	(508)	493
Changes in membership	6,202	2,789	6,202	2,789
Other surpluses and deficits	(5,584)	(3,697)	(5,584)	(3,697)
At the end of the year (B)	**114,953**	**114,843**	**114,953**	**114,843**
Analysed as:				
Members' bonus accounts	90,941	89,719	90,940	89,719
Best estimate of future bonus account liabilities	24,012	25,124	24,013	25,124
At the end of the year	**114,953**	**114,843**	**114,953**	**114,843**
Risk margin				
At the start of the year	19,634	18,534	19,634	18,534
Change in risk margin	516	1,100	516	1,100
At the end of the year (C)	**20,150**	**19,634**	**20,150**	**19,634**
Negative technical provisions (A)	**(21,618)**	**(25,734)**	**(21,618)**	**(25,734)**
Technical Provisions (B) + (C)	**135,103**	**134,477**	**135,103**	**134,477**
Maturity profile of negative technical provisions				
On demand, no fixed maturity or within one year	440	(55)	440	(55)
Between one and five years	(1,638)	(789)	(1,638)	(789)
Between five and ten years	(4,929)	(5,753)	(4,929)	(5,753)
More than ten years	(15,491)	(19,137)	(15,491)	(19,137)
	(21,618)	**(25,734)**	**(21,618)**	**(25,734)**
Maturity profile of technical provisions				
On demand, no fixed maturity or within one year	88,170	83,891	88,170	83,891
Between one and five years	14,464	15,134	14,464	15,134
Between five and ten years	13,836	15,543	13,836	15,543
More than ten years	18,633	19,909	18,633	19,909
	135,103	**134,477**	**135,103**	**134,477**

Key assumptions

The significant assumptions used to determine the insurance technical provisions are set out below.

Assumption	Details
Short term and future morbidity	This represents expected future sickness and varies by age and gender. This is set with reference to the Group's recent experience.
Claims in payment morbidity	This represents the recovery of currently sick members and varies by length of time a member has been sick. This is set with reference to the Group's recent experience.
Persistency	This represents members choosing to terminate their policies. This is set with reference to the Group's recent experience.
Inflation	This is set with reference to the market implied inflation curve published by the Bank of England.
Expenses	This is set with reference to the Group's expected future costs in administering the policies and assets for insured members.
Future interest and dividend	This is set with reference to the prevailing interest rate with consideration of the UK spot yield curve produced by EIOPA. The dividend rates are set assuming a continuation of the last declared dividend rates.
Loyalty bonus	This is set assuming a continuation of the prevailing loyalty bonus at the end of the reporting year.
Discount rate	The UK and Euro spot yield curve produced by EIOPA.

The following table sets out the tables used in calculating the short term and future morbidity experience. In calculating the technical provisions, 50% of the table for males and 65% of the table for females is used as these proportions represent a best estimate of future experience.

Modified weeks of sickness table – Females

Age	First six months	Second six months	Thereafter
25	0.5954	0.0922	0.1038
35	0.6620	0.0973	0.2468
45	0.8660	0.1893	1.0210
55	1.3360	0.5038	2.8861

Modified weeks of sickness table – Males

Age	First six months	Second six months	Thereafter
25	0.4428	0.0517	0.0582
35	0.4924	0.0545	0.1384
45	0.6441	0.1062	0.5726
55	1.0221	0.4408	3.2370

22. Provision for liabilities

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
At the start of the year	2,075	1,959	2,075	1,959
Charged/(credited) to the income and expenditure account	548	116	548	116
At the end of the year	**2,623**	**2,075**	**2,623**	**2,075**

The provision comprises obligations in respect of compensation and employee entitlements. The entire provision is expected to be settled after 12 months.

23. Provision for deferred tax

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
At the start of the year	1,464	2,118	–	–
Charged/(credited) to the income and expenditure account	537	(654)	–	–
At the end of the year	**2,001**	**1,464**	**–**	**–**

The provision relates to the revaluation gains recognised on the Group's land and buildings.

24. Creditors

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Due within one year				
Creditors arising out of direct insurance operations	200	221	201	221
Other creditors including taxation and social security	1,800	2,867	1,481	1,766
Amounts owed by subsidiaries	–	–	72	10
Total creditors	**2,000**	**3,088**	**1,754**	**1,997**

25. Leases

At 31 December, the Society had contracted to pay the following future minimum operating lease payments:

	2021 £000 Group	2020 £000 Group	2021 £000 Society	2020 £000 Society
Within one year	–	–	95	47
Two to five years inclusive	–	–	–	–
After more than five years	–	–	–	–

26. Actuaries

The Chief actuary of the Society is Miss Alexandra Kim Durniat, a Partner in Barnett Waddingham LLP. The Society has requested Miss Durniat to furnish it with the particulars required under Section 77 of the Friendly Societies Act 1992. Miss Durniat has confirmed that neither she nor her family, nor any of the partners in Barnett Waddingham LLP were members of the Society, nor have they any financial or pecuniary interest in the Society, with the exception of fees paid to Barnett Waddingham LLP for professional services, which amounted to £0.176 million (2020: £0.212 million).

27. Related party transactions

All members of the board are members of the Society and are required to pay premiums to the Society. Individuals practising dentistry are entitled to claim sickness benefits in the event of being unable to carry out their normal duties.

Any such payment would be made under the same terms and conditions as those applicable to all other members of the Society. Premiums paid by the directors amounted to £99,400 (2020: £101,036). Sickness payments to the directors amounted to £NIL (2020: £NIL). Capital withdrawals amounted to £NIL (2020: £NIL). There were no outstanding amounts in relation to either at the year end (2020: £NIL).

The Group has taken advantage of the exemptions conferred by Financial Reporting Standard 102, section 33, from reporting details of transactions between the Society and its subsidiaries. Details of outstanding balances between Dentists' Provident and 1908 Property Holdings Limited are set out in the notes 17 and 24.

Details of remuneration related transactions between the Group and its key management personnel are detailed in the remuneration report and notes 12 and 22.

28. Valuation report

The actuarial valuation required under the UK prudential regulations has been prepared as at 31 December 2021. The valuation report is available for inspection at the registered office of the Society.

Other information

Notice of the annual general meeting

Notice is hereby given that the twenty ninth annual general meeting of the members will be held at 91–94 Saffron Hill, London, EC1N 8QP on Friday 27 May 2022 at 2.00 p.m. (the 'AGM') for the purposes set out below:

1. To elect the officers of the Society

1.1. Mr Matthew Payne MBA was co opted onto the board with effect from 29 November 2021 and under the rules of the Society, has offered himself for election

1.2. The following directors retire by rotation and have indicated their willingness to offer themselves for re election:

a. Giles Kidner BDS, MSc, LDS, FDS(Orth), MOrthRCS
b. Farrukh Mirza FCA
c. Raj Rattan MBE BDS, FFDGDP(UK), FICD, FFFLM
d. Brian Bourke BA, BDentSc, MDentSc(Orth), FDS(Orth)RCS, MOrthRCS, FFDRCSI
e. Simon Elliott
f. Martyn Green BDS, FDSRCPS, MFGDP(UK), DPDS
g. Jim Karim ACA
h. Kirby Mardle FCCA
i. Melanie Stern BDS, FDSRCS(Eng), MSc, MOrth RCS, FDS (Orth)
j. Alister Weightman BDS
k. Huw Winstone BDS, LDSRCS, DGDP(UK)

2. To appoint the following as arbitrators of the Society

a. Professor Robert Lee
b. Sunit Malhan
c. Saleem Malik
d. Shiv Pabary MBE
e. Susie Sanderson OBE

3. To approve the remuneration policy of the Society for the year ended 31 December 2021

4. To approve the remuneration report of the Society for the year ended 31 December 2021 by way of an advisory vote

5. To approve the annual report and financial statements of the Society for the year ended 31 December 2021

6. To reappoint BDO LLP as auditor and to authorise the board of directors to fix the auditor's remuneration

By order of the board

Kirby Mardle

Kirby Mardle
Director and Group secretary
23 March 2022

Arbitrators

Complaints procedure

We take all complaints extremely seriously and formal procedures are in place for handling them. We deal with all complaints as a matter of urgency and they are handled by suitably qualified employees. We aim to resolve all complaints, usually within four weeks of being notified.

Serious complaints are dealt with by the Head of compliance and risk. If a complaint is not resolved to the complainant's satisfaction, they can refer the matter to County Court, but only if both parties agree to this method. We will normally only agree to this course of action on disputes regarding a point of law. Alternatively, the complainant can refer the matter to a panel of three independent arbitrators or refer the matter to the Financial Ombudsman Service.

If the complainant refers the matter for arbitration, they have the right to select the members of the panel from the individuals listed below. Both parties will be bound by the decision of the panel and there is no further right of appeal to the Ombudsman.

Prof Robert Lee – dentist

Robert retired as professor and consultant in 2016 and was awarded Distinction in Orthodontics by the British Orthodontic Society. He is co author to a textbook on Orthodontics, which is published worldwide. Robert continues to submit research reports, teaches part time and works in clinical practice privately.

Sunit Malhan – dentist

After qualifying from The University of London in 1985, Sunit worked at The Eastman Dental Hospital for six months as an SHO in oral surgery. Initially, he was an associate in general practice and then purchased a practice in Hendon in 1988, followed by an Enfield practice in 1997. In 2001, he gained an additional qualification (DPDS) from the University of Bristol. Cosmetic dentistry and nervous patients are Sunit's areas of special interest.

Saleem Malik – senior legal adviser

Saleem qualified as a lawyer over 30 years ago and during that time he has worked in house for banks and for major city law firms. His specialisation is banking law. He is recognised by leading legal directories as a leading lawyer in the field of Islamic finance, an area in which he has practised for over 16 years.

For the past twenty years he has been an adviser to several city law firms and has his own niche practice serving banks and corporate clients. He works with clients on transactions in England, the Middle East and Far East.

Saleem lectures and writes regularly and has been a contributor to a number of publications.

Shiv Pabary MBE – dentist

Shiv is a graduate of Newcastle dental school and qualified in 1985. Becoming a principal in 1988, he now works between three NHS practices as a general dental practitioner in addition to being a provider within two NHS orthodontic practices in Newcastle and Gateshead. He is also a dental adviser for NHS England (Cumbria and NE) and a past chairman of the GDC's professional conduct committee and health committee. He is currently a GDC Educational Associate Inspector for dental programmes.

Having obtained his membership of the Faculty of General Dental Practitioners in 1992, Shiv has held a part time teaching post at Newcastle Dental Hospital in the restorative dentistry department since 1996. He is a member of the British Dental Association's General Dental Practice Committee (GDPC) having been elected on the Executive Committee in 2018. He has been a GDPC member from 1996 to 2015 and currently sits on the Education/Ethics sub committee. He is also vice chair of the British Dental Guild. He has been a vocational trainer for over 30 years and has been a Postgraduate Dental Tutor within Health Education North East since 1995. He is currently the tutor in Clinical Governance for the Northern Deanery and is past chairman of the Oral Health Improvement Group in Newcastle. He was a lay magistrate from 1995 to 2015 and holds a Law Degree (LLB Hons) from Northumbria University. He has also worked as a part time Associate Dento-Legal Adviser for Dental Protection.

In 2009, the Queen awarded Shiv with the MBE for his services to NHS dentistry.

Susie Sanderson OBE – dentist

A general dentist and practice owner for many years, Susie was a dentolegal advisor for Dental Protection, past president of the British Dental Association (BDA) and Speaker of the General Assembly of the World Dental Federation (FDI).

She was the elected Chair of the British Dental Association's executive board from 2006 to 2012 and a member of the principal executive committee until 2015. Currently a member of its health and science committee, Susie continues to represent the BDA on issues relating to the Minamata Treaty, the implementation of the EU Mercury regulation and on dentistry's significance in reducing antimicrobial resistance.

Susie has been involved in the BDA at local and national level for a number of years enjoying a wide scope of involvement including education, finance, healthcare policy, GDPC, DCPs, students and young dentists. She chaired the UK conference of Local Dental Committees in 2005.

Internationally, Susie was until recently a board member and treasurer of the council of European dentists and continues as a UK delegate. She is a member of the CED's Working Group on Dental Materials and Medical Devices and its Working Group on Oral Health with a special interest in Antimicrobial Stewardship.

Susie represents FDI and its science committee on issues relating to AMR in dentistry and was recently one of the speakers in the AMR Forum at the Madrid Annual Congress of FDI.

As a dentolegal advisor for Dental Protection, Susie was a member of the London case management team supporting and advising members who are subject to regulatory investigations by the GDC and other bodies.

In the 2012 New Year's honours list, Susie received the OBE for services to dentistry.

Dentists'
Provident

PO Box 76944, London, EC1P 1LG
Telephone: +44 (0) 20 7400 5700   Calls are recorded for our mutual security, training and monitoring purposes.
Fax: +44 (0) 20 7400 5701   **www.dentistsprovident.co.uk**   **www.dentistsprovident.ie**