

The European Association for Cardio-Thoracic Surgery

Annual Report and Consolidated Financial Statements

31 March 2022

Company Limited by Guarantee
Registration Number
07401765 (England and Wales)

Charity Registration Number
1140274

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Reference and administrative details

Trustees	J H Ankersmit J Bavaria F Beyersdorf F Casselman M Hazekamp J Hörer R Milton P Myers P Perier R Sadaba M Siepe K Tsagakis M Whiteling A Zientara
President	F Beyersdorf
Secretary General	R Sadaba
Registered office	EACTS House Madeira Walk Windsor Berkshire SL4 1EU
Company registration number	07401765
Charity registration number – England & Wales	1140274
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Report of the Secretary General

It has been one of the greatest privileges of my professional life to serve EACTS as Secretary General over the last 18 months. Although unsought and unexpected, my period in office has been one of extraordinary reward; of challenge and hard work of course, but more than anything, a time of learning, of memorable shared experiences with valued colleagues, and of fun.

The year being reported upon in these pages, charts a period of regrowth for our Association as we emerged from the uncertainties of the global pandemic and began once again to connect – both in person and online – with our global membership. Whether through our highly successful in-person Annual Meeting in Barcelona in October 2021, or via our busy Academy programme, EACTS continued in its drive to bring world leading education and training to our members and the broader surgical community. Our Publications – the EJCTS, ICVTS and our on-line video textbook, MMCTS – have also gone from strength to strength with growing impact factors and increasing reach. The vital work of the European Board of Cardio-Thoracic Surgery, driven by EACTS, has also been able to thrive despite the challenges of intermittent lockdowns and travel restrictions. Under the leadership of my good friend Ruggero de Paulis, I have also been humbled to see the Francis Fontan Fund for Education – the Association's grant making foundation for early career stage surgeons and leaders of the future – go from strength to strength. Not only are we now supporting more, and a wider selection of fellowship candidates, but for those Fellows who 'graduated' from the Fellowship scheme in its inaugural years, we are seeing the life-changing, career enhancing impact of the awards. I am thrilled that the Fund continues to mature into a key aspect of the Association's educational offering.

We have maintained an extraordinarily busy year of activity and I would like to thank all our members and volunteers who make up our Committee, Domain and Task Force infrastructure, for their selfless dedication and service.

Our continuing efforts to further professionalise the EACTS executive office in Windsor (UK) have also reaped rewards. I was delighted when, in October 2021, Mark Whiting was formally elected by the EACTS General Assembly, to the role of Treasurer on Council. Mark brings an enormous wealth of commercial and financial experience to the Association which is already making a difference to how we run the business of the charity. Key staff appointments within our Windsor base are also adding to the reality of an increasingly robust and expert group of professionals working on all our behalf.

Patrick Myers now assumes the mantle of Secretary General and I send him all my best wishes in his new and important role. Patrick steps into his leadership role at a time when EACTS has never been stronger. The year ahead offers the prospect of a refreshed organisational strategy, a new vision and mission, a long overdue rebrand and a new website. I look forward to continuing on Council, as Education Chair, and of supporting Patrick and the rest of the EACTS team as we maintain our single minded focus on the provision of world-leading educational opportunities to support our members in their pursuit of ever-improving treatments and outcomes for our patients.

Professor Rafa Sádaba
Secretary General & Trustee

Introduction

The Trustees present their annual report together with the financial statements of the European Association for Cardio-Thoracic Surgery ("EACTS") for the year ended 31 March 2022. The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purpose of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 25 to 28 of the attached financial statements and comply with the charitable company's memorandum and articles of association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

About EACTS

The charitable objects of EACTS are to advance education in the field of cardiac, thoracic and vascular interventions and to promote for the public benefit research into cardiovascular and thoracic physiology, pathology and therapy and to correlate and disseminate the useful results thereof.

It pursues these objects through four core sub-specialty Domains: Acquired Cardiac Disease, Congenital Heart Disease, Vascular Disease and Thoracic Disease.

EACTS aims to achieve its charitable objects through its key areas of activity:

The EACTS Annual Meeting

The largest cardiothoracic meeting in the world bringing together the cardiothoracic community to present and discuss the latest scientific developments across its four Domains.

EACTS Education

The education programme including:

- ◆ The EACTS Academy, a comprehensive high-quality structured curriculum for all levels from trainee through to experienced surgeons and delivering courses covering specialist areas of development and interest; and
- ◆ The European Board examinations.

To further support trainees through their career development, EACTS operates the Francis Fontan Fund grants programme for trainee placements.

EACTS Publishing

EACTS publishes two peer-reviewed journals for the dissemination of high-quality research:

- ◆ The European Journal of Cardio-Thoracic Surgery (EJCTS),
- ◆ Interactive Cardio Vascular and Thoracic Surgery (ICVTS).

As well as an online textbook of cardio-thoracic surgery video-based tutorials;

- ◆ The Multimedia Manual of Cardio-Thoracic Surgery (MMCTS).

EACTS also produces clinical practice guidelines to support best practice in the field.

The Quality Improvement Programme (QUIP)

To facilitate continuing improvement of clinical outcomes in adult cardiothoracic surgery through education and research initiatives, the QUIP operates two international benchmarking databases for adult cardiac surgery (the Adult Cardiac Database – ACD) and for patients with mechanical circulatory support systems (EUROMACS). Through data collection, data sharing and regular reports, the QUIP allows units to assess their performance regularly by identifying areas of excellence and areas in need of improvement.

EACTS also supports advocacy of global health initiatives in the field of cardiothoracic surgery through partnership with other relevant organisations.

All EACTS activities are coordinated through the Association's headquarters in Windsor.

The charity currently has four 100% owned subsidiaries registered in England and Wales:

- ◆ EACTS Trading Company Limited;
- ◆ EACTS Publishing Limited;
- ◆ The European Academy for Thoracic and Cardiac Surgery; and
- ◆ The European School for Cardio-Thoracic Surgery Limited (which is dormant).

The three active companies separate risk and financial management of different areas of activity around Events, Education and Publishing. Any surpluses arising in any of these subsidiaries are distributed to the charity via Gift Aid. EACTS Publishing Limited and the European Academy for Thoracic and Cardiac Surgery Limited are both in deficit. Both of these entities undertake largely charitable activities and the losses arising are supported by the parent charity. Further details of the subsidiary undertakings are included in note 16.

Public benefit statement

In setting the objectives of EACTS and planning activities, the Trustees have given careful consideration to the Charity Commission guidance on public benefit. EACTS' primary beneficiaries, including its members, are professionals practicing in the field of cardiothoracic surgery, and the patients that they provide surgical care to are the ultimate beneficiaries of the improvements in knowledge and skills resulting from EACTS activities.

Impact and Achievements 2021/22

The total number of EACTS members reached 4,037 by the year end in March 2022. In spite of some member lapses, 632 new individuals joined EACTS during the year being reported upon, resulting in an overall addition in member numbers from 2021 (3,978).

In the year to the end of March 2022 EACTS achieved the following towards its key objectives:

1. Publications

Despite significant operational changes within the EACTS publications teams, including the appointment of the Publications Director in November 2021 and the closure of the Editorial Office in Freiburg at the end of 2021, the portfolio continued to progress and perform strongly.

Impact and Achievements 2021/22 (continued)

1. Publications (continued)

The EACTS journals continue to publish the latest, high-quality research within cardiothoracic surgery from across the globe. Both the European Journal of Cardio-Thoracic Surgery (EJCTS) and the Interactive CardioVascular and Thoracic Surgery Journal (ICVTS) saw their Impact Factors (IF) increase further, with the journals being awarded 2021 IF's of 4.534 and 1.978 respectively.

EJCTS continued to go from strength to strength in 2021, maintaining a high number of submissions (2,397); the quality of submitted articles increased which is reflected in the increased acceptance rate to 29% in 2021 and 32% in 2022 YTD (21% in 2020); and the journal saw a 3% increase in usage at over 1.2 million article views and over 650,000 PDF downloads. The global pandemic did impact turnaround times, with the average number of days from submission to first decision increasing to 35 days (29 days in 2020), however reviewer turnaround times improved to less than 8 days on average from acceptance of invitation to return of reviewer feedback (8.5 days in 2020). The journal turnaround times continue to be a focus for improvement within the publication development plans.

Following the conversion of ICVTS to Open Access and the introduction of Article Publishing Charges, the journal continued to perform well receiving over 600 new submissions and 200 transfers from EJCTS. Like EJCTS, ICVTS also saw an increase in the quality of submissions received, with the 43% acceptance rate reflecting this. ICVTS also saw significant growth in usage with a 22% increase in article views to over 630,000 views and 2% increase in PDF downloads to nearly 400,000 downloads.

Within our PubMed indexed virtual textbook, The Multimedia Manual of Cardio-Thoracic Surgery (MMCTS), EACTS published 83 surgical tutorials, now with a total database of nearly 500 freely available step-by-step narrated video tutorials from international experts in cardiothoracic surgery. MMCTS saw a 13% increase in website page views in 2021, with over 12k subscribers on YouTube and 149 followers on the newly launched Vimeo platform. Our audience joins us from across the globe, with the highest viewership from the United States, India, the United Kingdom, Italy and Canada.

2. Annual Meeting 2021

Amidst the challenge of a continuing global pandemic, EACTS was able to stage its first hybrid Annual Meeting in Barcelona which afforded its members and the larger cardiothoracic community a long-awaited opportunity to reconnect face-to-face as well as virtually via a new online platform.

The duration of the Annual Meeting was extended to 4 days to incorporate a stand-alone, one-day Techno-College programme focusing on innovation and technological breakthroughs in the field of cardiovascular and thoracic surgery as well as interventional cardiology.

A total of 3,086 delegates attended the 2021 Annual Meeting from 87 countries, 2,132 attending in person and 954 attending virtually. The Techno-College day additionally attracted an attendance of 675 delegates.

Impact and Achievements 2021/22 (continued)

2. Annual Meeting 2021 (continued)

106 sessions offered didactic education and surgical training over 8 session rooms, all streamed in real time via the online platform. 343 original abstracts were presented from the 799 submitted, all showcasing new research, and 12 'hands-on' training sessions offered attendees tailored expert training within an EACTS 'learning lab' setting.

44 companies participated in the complementary trade exhibition allowing attendees to keep up-to-date with new to market technology, state of the art products, innovations and developments in the cardiothoracic market. 16 industry symposia sessions were also presented.

To ensure international collaboration towards global health goals, EACTS continued to host colleagues from other key international Societies working in the field.

3. EACTS Education Programme

The pandemic brought about new challenges, but the EACTS Academy programme was adapted to ensure we delivered our continuing commitment to education.

The Education Committee, together with the associated relevant task force, changed the format of many courses, making use of digital platforms so they remained accessible to our members and colleagues across the world.

Developed by EACTS committees and task forces, 4 new courses were added to the Academy calendar to ensure we continued to offer many high-quality educational courses. Due to the continuing global pandemic, these courses were held online, however a mixed format will be adopted in the future.

A total of 15 online courses and 3 live courses were held this year. The overall satisfaction scores for these courses remained high at 97% and 96% said they would recommend the course to their colleagues. All courses had high registration numbers and attracted 1,225 attendees from 46 different countries.

4. The European Board of Cardio-Thoracic Surgeons (EBCTS)

EACTS also administers **The European Board of Cardio-Thoracic Surgeons (EBCTS)** which provides examinations to certify appropriate levels of theoretical knowledge for residents completing their training.

2021 was the second year that the Level 1 (MEBCTS) examination was administered using a remote live proctored examination.

Some 50 new applications for the Level 1 (MEBCTS) were submitted and a total of 73 examinees (including re-sits) sat the Adult Cardiac & Congenital examination and 21 sat the Thoracic Surgery examination from their own homes or offices around the world. 14 candidates sat the examination in both specialties. 3 candidates passed the Thoracic examination, and 27 candidates passed the Adult Cardiac & Congenital examination.

Impact and Achievements 2021/22 (continued)

4. The European Board of Cardio-Thoracic Surgeons (EBCTS) (continued)

The effects of the pandemic led to exceptional challenges in delivering professional high stakes examinations whilst maintaining the security of the question bank. Many professional assessments within surgery and other medical specialities around the world have faced these difficult circumstances with some notable high-profile failures and problems in examination delivery. EBCTS pioneered the use of a remotely proctored system for the Membership examination in October 2020 and September 2021, monitoring candidates sitting the examination in their home or office through video and audio recording from their computer webcam as well as a second camera positioned to view the candidate at their desk. Trained invigilators monitored candidates in a 1:6 ratio flagging breaches of behaviour or actions for the Board to review later.

Given the extraordinary circumstances of examination delivery during the pandemic this process has proven to be successful with very high levels of candidate acceptance. Our surveys have indicated that 95% felt that the examination was accessible with clear instructions and covered the breadth of the EBCTS syllabus. 80% of respondents felt that it was the best examination that they had taken during their medical careers and 95% would recommend it to their colleagues.

The Level 2 (FEBCTS) examinations took place in June 2021 remotely over Zoom. There was a total of 27 new applications across the three specialties. Including re-sits and after some postponements the final number taking the exams were – Adult Cardiac 14, Thoracic 4 and Congenital 9. The results were: Adult Cardiac 12 passed, Thoracic 3 passed and Congenital 8 passed.

5. The Francis Fontan Fund educational grants programme

The Francis Fontan Fund for Education offers EACTS Members an unrivalled, unique and exciting opportunity to advance their surgical education and learn from very best cardiothoracic surgeons in the world in some of the most prestigious institutions. The Fellows are then able to take their experience and knowledge and implement it directly in their home institutions, where they too can teach their peers. The breadth of Fellowship programmes available fosters professional development throughout many areas of cardiothoracic education and the international reach strengthens the global cardiothoracic community through increased skills and knowledge share and learning.

As at 31 March 2022, there are eight Fellowship Schemes in total;

- ◆ Advanced Postoperative Care
- ◆ Atrial Fibrillation
- ◆ Aortic Root and Valve Repair
- ◆ Off-Pump CABG
- ◆ MICS CABG
- ◆ TEVAR
- ◆ Quality and Outcomes at MSTCVS
- ◆ The TSF / FFF International Fellowship.

Impact and Achievements 2021/22 (continued)

5. The Francis Fontan Fund educational grants programme (continued)

The Fellowship scheme has been running since 2018, however in 2020 and 2021 recruitment and training was paused due to the pandemic.

In July 2021 recruitment restarted, and in February 2022 in-hospital activity slowly began to resume. As at 31 March 2022, a total of 18 Fellows have completed their training, with a further 30 Fellows set to complete by 31 December 2022. In the financial year 2022-23 a further 25 Fellows will be recruited for a total of eleven Fellowship programmes. During the year, all programmes underwent a cost of living analysis to ensure that the appropriate grant amount is provided to Fellows.

6. Quality Improvement Programme

Aiming to integrate quality monitoring and improvement into daily practice and to improve outcomes for patients, EACTS continues to develop its two database registries, the Adult Cardiac Database (ACD) and the European registry for patients with mechanical circulatory support (EUROMACS).

From 2021 to 2022 the number of cardiac surgical procedures in the ACD has increased from 200,000 to 230,000, while data from 66 different centres across Europe have been included. Data validation is an essential step in creating a useful database with assured consistency and completeness, in the year reported, a data validation protocol was put in place and centres have been receiving a detailed data validation report to review their data and receive advice on methods to improve data quality.

The EUROMACS Registry offers the tools to collect clinical procedural updates as well as scientific data for patients receiving mechanical circulatory support (MCS). March 2021-March 2022 activities were concentrated on the consolidation of data from participating centres through the actualization of follow-up. A report with respect to the status of EUROMACS was submitted to the EJCTS. Studies with data from EUROMACS were published in peer reviewed journals.

7. Governance and Management Review

EACTS aspires to the highest possible standards in all outputs, including its governance and management processes. To this end the EACTS Council (Board of Trustees) continues to improve the management and governance processes of the Association and to educate and support both existing and new Council members in the fulfilment of their important Trustee duties. To support the Association in improving these processes, EACTS appointed a Governance and Operations Manager to oversee key governance duties and operation functions essential to the work of the Association, supporting the Chief Executive and Council to manage and ensure effective governance and management processes are in place.

Impact and Achievements 2021/22 (continued)

8. Future Plans

1. **Publications.** To support EACTS in achieving the publications strategic development goals and enable us to launch new initiatives, the publications team will plan to recruit for three new positions, including a Managing Editor to work across all three publications; a Digital Projects Manager to manage the MMCTS website, oversee the EACTS website redesign and support on the implementation of publication podcast series and webinars; and a Guidelines Programme Manager to support on the production and promotion of our Guidelines programme. We hope to appointment a successful candidate for each of these roles before the end of 2022. In addition, in October 2022 we will announce the relaunch of ICVTS with a unique mission to meet the needs of the evolving thoracic and cardiovascular surgical community and enable EACTS to provide a comprehensive suite of publications for authors and readers alike. We also plan to organise a schedule of Publishing Workshops to take place at key conferences and meetings. The workshops will allow authors to learn more about the EACTS publications and the publishing processes.
2. **The EACTS Annual Meeting.** We will deliver another world-leading Annual Meeting: continuing our innovation in programming and expanding on key successful themes. The theme of the 2022 meeting is Learning Together. We will gather together our members and industry partners in-person to explore, discover and educate in order to effectively support our global community and ultimately improve cardiothoracic surgery to achieve better patient outcomes. Those unable to attend due to health or travel restrictions will be encouraged to participate by tuning in online to our innovative EACTS TV and video on demand channel. Free registration will be offered to our Ukrainian based members who are able to attend in-person or via our EACTS TV Channel.
3. **The EACTS Education Programme.** Building on the success of the new online course format, the EACTS Academy will continue to include remote learning opportunities. Remaining accessible to our global members and colleagues is imperative to the EACTS Academy.
4. **Quality Improvement Programme.** EACTS Council has encouraged a stronger focus on the development and future of the Quality Improvement Programme, initiating plans for a new QUIP Committee to update the strategy of the Programme and its databases and is developing the prospect of a new database in robotic surgery.

Structure, Governance and Management

The European Association for Cardio-Thoracic Surgery is a charitable company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association (charity number 1140274; company number 07401765).

Trustees and Induction

The Council are Trustees of the Charity (as listed in the articles of association) for the purposes of the Charities Act 2011 and are company directors for the purposes of the Companies Act.

Structure, Governance and Management (continued)

Trustees and Induction (continued)

The business of the EACTS is conducted by the Council under the leadership of the Secretary General. In any matters concerning interpretation of the rules, the decision shall rest with the Trustees, who will also decide any matters concerning the Association which are not covered by the rules. The full rules for the appointment of Trustees, and their obligations, are contained within the Memorandum & Articles of Association.

Members who become Councilors are entitled to become Trustees after being recommended by a nominating committee. As part of their induction process, Trustees spend time with the Secretary General and Chief Executive and attend a meeting at the Head Office in Windsor (or via video conference), with the chance to meet key staff members. They are provided with job descriptions, annual reports, minutes of previous meetings and provided with access to information about the history of the EACTS and reference to the Charity Commission information on effective governance.

The Trustees serving during the year and their positions held at the financial year end were as follows:

Trustee	Appointed to new post	Retired from post	Role
Elected by members:			
J. Rafael Sádaba	06/03/2021		Secretary General
Mark Hazekamp	09/10/2020	15/10/2021	President
Mark Hazekamp	15/10/2021		Past President
Matthias Siepe	09/10/2020 ¹		Editor-in-Chief
Patrick Myers	09/10/2019	15/10/2021	Acquired Cardiac Disease Chair
Patrick Myers	15/10/2021		Secretary General Elect
Konstantinos Tsagakis	09/10/2020		Vascular Disease Domain Chair
Alicja Zientara	09/10/2020		Resident Representative
Friedhelm Beyersdorf	27/03/2013	01/10/2019	Editor-in-chief
Friedhelm Beyersdorf	01/10/2019	15/10/2021	Vice-President
Friedhelm Beyersdorf	15/10/2021		President
Joseph Bavaria	15/10/2021		International Councillor
Patrick Perier	01/10/2018	15/10/2021	Councillor
Patrick Perier	15/10/2021		Vice President
Mark Whiteling	06/05/2021		Treasurer
Hendrik Jan Ankersmit	15/10/2021		Councillor
Richard Milton	15/10/2021		Thoracic Disease Domain Chair
Filip Casselman	10/02/2022		Acquired Cardiac Domain Chair

¹ Voted in 09/10/2019 as ex-officio but officially appointed in role in 09/10/2020

Structure, Governance and Management (continued)

Committees, Domains and Task Forces

The work of the Council is supported by a number of Committees and task forces towards effective achievement of the range of activities and objectives. EACTS has 4 Domains which represent the principal areas of clinical activity, the Chairs of these important Domains are Council members (Trustees). The Domains manage key activities across the Association, including the management of the task forces. As at March 2022, EACTS has 4 Domains, 8 active Committees and 18 Task Forces (excluding Task Forces set up for Guidelines' purposes).

EACTS liaises with the Chairs to manage the governance, membership, terms of references and activities of the groups below. Members and official changes to terms of reference (included Task Force names, objectives and activities) are subject to approval by the relevant Domain Chair and EACTS Council.

Updates in March 2021-March 2022

As at March 2022, EACTS has 8 active Committees. The Finance and Operations Committee was established to ensure best processes and transparency in the financial management of the Association, ensuring the Council is well informed and budgets are in place. All Committees are governed by EACTS and play an active role in helping the Association meet its objectives across a broad range of areas.

As at March 2022, EACTS has 18 Task Forces. New or reactivated Task Forces set up in 2021/2022 include the Robotic Surgery Task Force and Aviation Medicine and Cardiac Surgery Task Force. The Quality Collaborative Group was inactive during this period. The Basic Science Task Force name has officially changed to the Translational Research and Surgical Science Task Force.

Domain	Task Forces	Committees
Acquired Cardiac Disease	Adult Cardiac Database	Clinical Guidelines
Vascular Disease	Aortic Dissection	Education
Congenital Heart Disease	Aortic Valve including AV Repair	Euromacs
Thoracic Disease	Arrhythmia	Finance and Operations
	Aviation Medicine and Cardiac Surgery	Francis Fontan Fund
	Cerebral and Visceral Protection	Residents
	Connective Tissue Disease	Nominating
	Coronary	Women in Cardio-Thoracic Surgery
	Endovascular Aortic Repair	
	Heart Failure	
	Imaging	
	Mitral and Tricuspid Valve Surgery	
	New Technology	
	Quality Improvement Collaborative	
	Group Research Methodology	
	Robotic Surgery	
	Transcatheter Techniques	
	Translational Research and Surgical Science	

Structure, Governance and Management (continued)

Updates in March 2021-March 2022 (continued)

The above groups are the backbone of the organisation and play an important role in the EACTS mission, leadership and activities. EACTS is updating the governance processes of the above groups to better reflect the transparency and impartiality with which EACTS governs. Opportunities to join Domains, Committees and Task Forces are open to all EACTS membership. Members are selected based on the relevant skill set, experience and/or requirements for the specific group's purpose. In some cases (e.g. for Committee Chair role), interviews may be held by an EACTS Panel. The selected candidates will require approval from the Secretary General and proposed at quarterly Council meetings.

Key management personnel and staffing

At the end of March 2022, EACTS employed a total of 12 employees in the Windsor office, two of whom work part time, to support the delivery of the organisation's objectives.

During the year, 6 new staff members were employed in the EACTS Headquarters in Windsor, UK, including the Chief Executive. The Editorial Office at the University of Freiburg was closed and the editorial office was incorporated by the EACTS Headquarters in Windsor, under the auspices of the new Publications Director, with additional contracted support from our publisher, OUP. EACTS engages the support of individuals at the University of Birmingham to deliver the Quality Improvement Programme; although funded by EACTS, these are not EACTS employees.

The Association considers its key management personnel to comprise its Trustees: including Executive Committee (the Officers of the Association), the Secretary General, the Chief Executive, the Events Director and the Publishing Director.

Remuneration policy

The Trustees do not receive any remuneration for their services as Trustees. EACTS reviews employee pay annually. The organisation considers an award to reflect inflation (considering national guidance for inflation and average earnings for the preceding year). The Secretary General reviews pay for the Chief Executive on behalf of the Trustees, and the Chief Executive oversees this process for the staff team. The organisation is reviewing its processes for performance appraisal and reward for the year ahead.

Risk management

The Trustees have considered the risks to which the Association is exposed, and in the financial year have continued to review and address governance / management to support risk evaluation.

Higher impact areas of risk identified at present include:

- ◆ The Annual Meeting;
- ◆ Reserves management;
- ◆ Staffing; and
- ◆ Ensuring effective operational delivery as the organisation grows.

Structure, Governance and Management (continued)

Risk management (continued)

The organisation relies heavily on its Annual Meeting for the delivery of its charitable objects and to cover operating costs. Significant risks relate to the failure of any one event. This risk is currently mitigated through a combination of: an operating subsidiary to separate out this charitable trading activity; operating a generous reserves policy to protect future operations; appropriate event insurance; and highly skilled staff and suppliers to ensure the highest possible standards of delivery and ongoing engagement of key sponsors.

Proactive investment of reserves has also been limited around managing the direct risk from the Annual Meeting but diversification of cash/investments has now been prioritised to better protect against financial institutional risks. EACTS operates in different countries and in different currencies also making it vulnerable to foreign exchange fluctuation. EACTS maintains balances in different currencies appropriate to operating needs to avoid unnecessary speculation or exposure to currency risk.

The Association operates with a lean core staff team placing some reliance on key staff members. A full review of staffing structure and functions has been undertaken and follow up is ongoing to protect the organisation better for the future.

A governance review has been undertaken to identify key areas to improve in oversight, financial governance and management, and additional risk mitigation strategies included in the report relate to clearer policies and procedures and a full financial review.

Financial review

Financial position

The statement of financial activities on page 22 summarises income and expenditure for the year for the charity and its subsidiaries. The balance sheet which shows the position of the charitable company at the year end and which the Trustees consider to be strong, is on page 23. The Trustees consider the level of current reserves of €22.1m is sufficient to meet future commitments. The organisation continues to hold levels of reserves due to high-risk income streams and in order to provide for sustainable future funding.

Results for the year

The Association has enjoyed another good financial year with income almost doubling as we emerged from the COVID-19 lockdowns and began to resume business closer to usual (€4,118,162 in 2021/22 compared to €2,802,154 in the previous year – an increase of 47%). With more activity, expenditure inevitably increased (from €3,310,073 in 2020/21 compared to €4,358,398 in this year under report – an increase of 32%). Overall, the charity generated a deficit on its activities of €240,236 (2020/21 – €507,919).

Financial review (continued)

Results for the year (continued)

We continue in our drive to address the major cost centres within the Association. The pattern of reducing costs is marked in our Publications activity and is set to reduce still further, following the closure of our Freiburg Editorial office, last year. The costs associated with our Academy programme have increased significantly (€442,806 compared to €185,244 last year) as in-person meetings picked up again following the pandemic; full attendance is still developing, hence income not recovering fully (€281,047 this year compared to €46,360 in 2020/21) but we are confident that the current year will show increasing attendances and the diminishing of the loss ratio. Reassuringly, despite not yet returning to pre-COVID-19 numbers, our Annual Meeting has made a profit this year of €642,964 (loss in 2020/21 of €8,127).

Reserves policy

Trustees continue to exercise a cautious reserves policy, sensitive to uncertainties that persist in the global economic position as post-COVID-19 recovery continues and the Russian-Ukraine war reverberates around the world. We have elected to keep a minimum of two years' operating costs to protect the organisation for the future and allow it to continue operating in the event that an Annual Meeting were to fail and no payment from the trading subsidiary should arise.

This equates to €12,000,000 (based on pre-COVID-19 levels of activity) and as at 31 March 2022 free reserves totalled €20,447,020 (2020/21 - €20,628,256). Trustees note that reserves exceed the minimum required level and have undertaken in the next financial year to move the organisational strategy forward. Discussions are ongoing with the prospect of an 'Innovation Strategy' that may result in guided investments in cardiothoracic medical technologies, better placement of funds with our newly appointed investment manager and an increasing number of Fellowships offered through the Francis Fontan Fund for Education.

Investment policy

Traditionally additional reserves have been kept as available cash funds in line with reserves policy and the risk averse strategy around high-risk income relating to the Annual Meeting and complexity around different currency holdings and managing foreign exchange risk. As part of the recent review of governance the charity has diversified its reserves. At the end of March 2022, EACTS has invested approximately €13 million with Insignis Cash Solutions. During the last few months, EACTS has also appointed Sarasin Partners LLP as our investment managers and agreed to place up to €10 million (in Sterling) in the Sarasin diversified endowment fund.

Fundraising statement

EACTS does not engage in public fundraising and does not use professional fundraisers or commercial participators. It nevertheless observes relevant fundraising regulations and codes. During the year there was no non-compliance with these regulations and codes and no complaints were received around fundraising practice.

Financial review (continued)

Volunteers

EACTS relies on and is extremely grateful for the support of groups of members who commit their time voluntarily and without remuneration to support the work of committees and task forces in pursuit of the organisation's objects. Volunteers support all areas of the Association's work; creating and reviewing educational content and courses, supporting the Journal's Editorial process and delivering the highest quality Annual Meeting programme.

Related party transactions

Related party transactions are disclosed under note 16.

Statement of Trustees' responsibilities

The Trustees (who are also directors of the European Association for Cardio-Thoracic Surgery for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the Trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ♦ so far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ♦ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Statement of Trustees' responsibilities (continued)

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

Approved by the Trustees and signed on their behalf by:

A handwritten signature in blue ink, appearing to read 'J Rafael Sádaba', with a large, stylized flourish above it.

J Rafael Sádaba MD PhD FRCS CTh

Trustee

Approved by the Trustees on: 5 October 2022

Independent auditor's report to the Trustees and members of The European Association for Cardio-Thoracic Surgery

Opinion

We have audited the financial statements of The European Association for Cardio-Thoracic Surgery ('the parent charity') and its subsidiaries (together known as 'the group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the balance sheets, the consolidated statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 March 2022 and of the group's income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

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 are independent of the group 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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 company'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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- ◆ adequate accounting records have not been kept by the charitable parent company; or
- ◆ the charitable parent company financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the group's and the parent charity'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 Trustees either intend to liquidate the group or the parent charity 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006) and those that relate to data protection (General Data Protection Regulation).

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Auditor's responsibilities for the audit of the financial statements (continued)

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters that we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



15 December 2022

Katharine Patel (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Consolidated statement of financial activities (including income and expenditure account)
Year to 31 March 2022

	Notes	Unrestricted funds €	Restricted funds €	Total funds 2022 €	Unrestricted funds €	Restricted funds €	Total funds 2021 €
Income from:							
Charitable activities	2						
. Member subscriptions		725,413	—	725,413	606,462	—	606,462
. Corporate and partnership		36,800	—	36,800	(15,000)	—	(15,000)
. Other		500	—	500	8,368	—	8,368
Other trading activities	2						
. Annual Conference		2,484,240	—	2,484,240	1,214,604	—	1,214,604
. Publications and journals		416,579	—	416,579	675,116	—	675,116
. Educational activities		281,047	—	281,047	46,360	—	46,360
Investments	1	15,500	—	15,500	14,818	—	14,818
Exchange gain		158,083	—	158,083	251,426	—	251,426
Total income		4,118,162	—	4,118,162	2,802,154	—	2,802,154
Expenditure on:							
Trading activities							
. Annual Conference		1,841,276	—	1,841,276	1,222,731	—	1,222,731
. Publications and journals		816,088	—	816,088	1,183,606	—	1,183,606
. Educational activities		442,806	—	442,806	185,244	—	185,244
Charitable activities							
. Member subscriptions		1,258,228	—	1,258,228	718,492	—	718,492
Total expenditure	2	4,358,398	—	4,358,398	3,310,073	—	3,310,073
Net (expenditure) for the year and net movement in funds	4	(240,236)	—	(240,236)	(507,919)	—	(507,919)
Reconciliation of funds:							
Total fund balances brought forward at 1 April	13	22,092,564	—	22,092,564	22,600,483	—	22,600,483
Total fund balances carried forward at 31 March		21,852,328	—	21,852,328	22,092,564	—	22,092,564

All of the group and charity's activities derived from continuing operations during the above two financial periods.

All recognised gains or losses are included in the above statement of financial activities.

Balance sheets 31 March 2022

	Notes	Group 2022 €	Group 2021 €	Charity 2022 €	Charity 2021 €
Fixed assets:					
Intangible fixed assets	8	25,013	91,713	—	—
Tangible fixed assets	9	1,380,295	1,372,595	1,375,213	1,364,936
Investments	10	—	—	3	3
Total fixed assets		1,405,308	1,464,308	1,375,216	1,364,939
Current assets:					
Debtors	11	966,845	734,821	1,570,266	1,304,232
Cash at bank and in hand		20,933,232	21,275,722	19,370,883	19,695,557
Total current assets		21,900,077	22,010,543	20,941,149	20,999,789
Liabilities:					
Creditors: amounts falling due within one year	12	(1,453,057)	(1,382,287)	(655,823)	(484,958)
Net current assets		20,447,020	20,628,256	20,285,326	20,514,831
Total net assets		21,852,328	22,092,564	21,660,542	21,879,770
The funds of the charity:					
Unrestricted funds	13	21,852,328	22,092,564	20,660,542	21,879,770
		21,852,328	22,092,564	20,660,542	21,879,770

Signed on behalf of the Trustees by:



J Rafael Sádaba MD PhD FRCS CTh

The European Association for Cardio-Thoracic Surgery, Company Limited by Guarantee
Company Registration Number 07401765 (England and Wales)

Approved by the Trustees on: 5 October 2022

Consolidated statement of cash flows Year to 31 March 2022

	Notes	2022 €	2021 €
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(302,018)	382,000
Cash flows from investing activities:			
Investment income		15,500	14,818
Purchase of tangible fixed assets		(55,972)	(68,048)
Net cash used in investing activities		(40,472)	(53,230)
Change in cash and cash equivalents in the year		(342,490)	328,770
Cash and cash equivalents at 1 April	B	21,275,722	20,946,952
Cash and cash equivalents at 31 March	B	20,933,232	21,275,722

Notes to the statement of cash flows for the year to 31 March 2022:

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2022 €	2021 €
Net movement in funds (as per the statement of financial activities)	(240,236)	(507,919)
Adjustments for:		
Depreciation charge	48,272	60,142
Amortisation charge	66,700	66,700
Investment income	(15,500)	(14,818)
(Increase) decrease in debtors	(232,024)	698,151
Increase in creditors	70,770	79,744
Net cash (used in) provided by operating activities	(302,018)	382,000

B Analysis of cash and cash equivalents

	2022 €	2021 €
Cash at bank and in hand	20,933,232	21,275,723
Total cash and cash equivalents	20,933,232	21,275,723

C Analysis of changes in net debt

	At 1 April 2021 €	Cash flows €	At 31 March 2022 €
Cash at bank and in hand	21,275,722	(342,490)	20,933,232
Total	21,275,722	(342,490)	20,933,232

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 March 2022 and are presented in euros and are rounded to the nearest euro.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

Basis of consolidation

The statement of financial activities and the balance sheet consolidate the assets, liabilities, income and expenditure of the charity and its wholly owned subsidiaries: EACTS Trading Company Limited, EACTS Publishing Limited and European Academy for Thoracic and Cardiac Surgery Limited. The results of the subsidiary undertakings are consolidated on a line-by-line basis.

No separate statement of financial activities has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible and intangible fixed assets for the purposes of determining a depreciation and amortisation rate;
- ◆ determining the value of designated funds needed at the year end;
- ◆ estimating the value of the bad debt provision; and
- ◆ estimating future cashflows for the purpose of assessing going concern.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements. They have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the group and the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above.

From March 2022, the activities of EACTS have continued to be somewhat impacted by the COVID-19 pandemic and the war in Ukraine. Despite this, we see increasing signals that the appetite for in-person Education courses and attending the Annual Meeting, is returning. We do not believe our assessment of going concern needs to be addressed as our reserves level continues to offer reassurance that we can continue our business long-term despite the post-COVID-19 rate of regrowth and global, economic uncertainties.

Income recognition

Income is recognised in the period in which the group and the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises subscriptions, meeting registration fees, income from other trading activities and interest receivable.

Subscription income is accounted for in the period it is receivable. The income arising from meetings is recognised on a receivable basis. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the group and the charity; this is normally upon notification of the interest paid or payable by the bank.

Income in relation to distributions received under Gift Aid are recognised at the time of the distribution.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the group and the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

Expenditure recognition (continued)

- ◆ Expenditure on raising funds which includes all expenditure associated with raising funds for the group and the charity, and those incurred in trading activities that raise funds.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the group and the charity through the provision of its charitable activities. Such costs include direct and support costs, including governance costs.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the group and the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Intangible fixed assets

Intangible assets costing €1,000 or more are capitalised when future economic benefits are probable and the cost of value or the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision of impairment.

Amortisation is provided for at rates calculated to write off the cost of the asset, less its residual value, over its expected useful life on the following basis:

Rights to the European Journal of Cardio-Thoracic Surgery	10% straight line
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Tangible fixed assets

All assets costing more than €1,000 and with an expected useful life exceeding one year are capitalised. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value and recoverable amounts are recognised as impairments through the statement of financial activities.

All tangible fixed assets are capitalised and depreciated at rates calculated in order to write off the cost less residual value over their estimated useful lives:

Long leasehold property	2% straight line
Fixtures and fittings	25% reducing balance
Office equipment	33% reducing balance
Computer equipment	33% reducing balance

Investments

Investments in subsidiary undertakings are included at cost with provision being made for any permanent diminution in value.

Fund accounting

Restricted funds comprise monies raised for, or their use is restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objectives.

Designated funds represent monies which the Trustees have set aside for a specific purpose.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the group and the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Pension costs

The group and the charity operates a defined contribution scheme on behalf of its employees. The assets are held in separately administered funds. Contributions are charged to the statement of financial activities in the year in which they fall due.

Financial instruments

The charity only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

1 Investment income

	Unrestricted funds €	Restricted funds €	2022 Total funds €	Unrestricted funds €	Restricted funds €	2021 Total funds €
Interest receivable	15,500	—	15,500	14,818	—	14,818

2 Charitable and other trading income

	Unrestricted funds €	Restricted funds €	2022 Total funds €	Unrestricted funds €	Restricted funds €	2022 Total funds €
Charitable activities:						
. Member subscriptions	725,413	—	725,413	606,462	—	606,462
. Corporate and partnership	36,800	—	36,800	(15,000)	—	(15,000)
. Other	500	—	500	8,368	—	8,368
Other trading activities:						
. Annual conference	2,484,240	—	2,484,240	1,214,604	—	1,214,604
. Publications and journals	416,579	—	416,579	675,116	—	675,116
. Educational activities	281,047	—	281,047	46,360	—	46,360
	3,944,579	—	3,944,579	2,787,336	—	2,787,336

3 Total expenditure

Allocation of support costs to charitable activities:

	Direct costs €	Support costs €	2022 Total funds €	Direct costs €	Support costs €	2021 Total funds €
Charitable activities:						
. Member subscriptions	504,269	753,959	1,258,228	(113,155)	831,647	718,492
Trading activities:						
. Annual conference	1,408,894	432,382	1,841,276	936,835	285,896	1,222,731
. Publications and journals	659,029	157,059	816,088	1,022,564	161,042	1,183,606
. Educational activities	417,707	25,099	442,806	176,934	8,310	185,244
	2,989,899	1,368,499	4,358,398	2,023,178	1,286,895	3,310,073

Support costs are apportioned on a basis consistent with the use of resources.

3 Total expenditure (continued)

Support costs comprise the following:

	2022 Total €	2021 Total €
Staff costs (note 7)	353,706	404,890
Other staff related costs	53,649	24,106
Council expenses	7,158	—
Office costs	42,161	47,488
Depreciation (note 9)	48,272	60,141
Amortisation (note 8)	66,700	66,700
Premises	98,367	44,294
EBTCS costs	17,416	20,279
Marketing	151,635	14,899
Software development	84,736	58,188
Consultancy	348,191	361,125
Governance costs (note 4)	74,376	178,393
Bank charges	49,715	35,712
Sundry expenses	323	(9,540)
Bad debt expense	(27,906)	(19,780)
	1,368,499	1,286,895

4 Governance costs

	Unrestricted funds €	Restricted funds €	2022 Total funds €	Unrestricted funds €	Restricted funds €	2021 Total funds €
Legal and professional fees	17,877	—	17,877	76,949	—	76,949
Audit and accountancy fees	56,499	—	56,499	101,444	—	101,444
	74,376	—	74,376	178,393	—	178,393

5 Net income/(expenditure)

This is stated after charging:

	2022 Total €	2021 Total €
Staff costs (note 7)	919,707	404,890
Depreciation of tangible fixed assets:		
. Owned by the charitable group (note 9)	48,272	60,142
Amortisation of intangible fixed assets (note 8)	66,700	66,700
Auditors' remuneration:		
. Audit services – current year	27,857	26,640
. Audit services – prior year	227	3,895
. Non audit services	26,244	50,035

6 Trustees' remuneration

During the year, no Trustees received any remuneration or any benefits in kind (2021 – none). During the year ended 31 March 2021, EACTS reimbursed the employing trust of the Secretary General for his time, amounting to €41,480. No such payments were made in 2021/22.

During the year, four Trustees received reimbursement of travel expenses of €1,565 (2021: €1,904 to one trustee).

7 Staff costs and remuneration of key management personnel

	2022 Total €	2021 Total €
Wages and salaries	606,491	577,454
Wages and salaries of staff employed by external organisations	249,067	327,192
Social security costs	49,353	56,509
Other pension costs	14,796	15,997
	919,707	977,152

Total staff costs have been allocated to direct staff costs and support costs based on an estimate of time spent in each area. These are allocated as follows:

	2022 Total €	2021 Total €
Direct staff costs	566,001	572,262
Support costs (note 3)	353,706	404,890
	919,707	977,152

The average number of persons employed by the group during the year was as follows:

	2022 Total No.	2021 Total No.
Administration staff	3	4
Operational staff	6	5
Other staff members employed by external organisations	4	7
	13	16

Number of employees (excluding those employed by external organisations) whose total emoluments fall within the following ranges for the year:

	2022 Total No.	2021 Total No.
€60,001 - €70,000	2	—
€70,001 - €80,000	1	1
€90,001 - €100,000	—	1
€140,001 - €150,000	—	1

Pension contributions for these employees were €4,761 (2021: €4,700).

7 Staff costs and remuneration of key management personnel (continued)

The key management personnel of the charity in charge of directing, and controlling, running and operating the charity on a day to day basis comprise the Trustees, the CEO, the Events Director and Publishing Director. The total employment costs (including employers' national insurance and pension contributions) of the key management personnel for the year was €209,993 (2021: €302,369).

8 Intangible fixed assets

Group	Journal title €	Total €
Cost		
At 1 April 2021 and 31 March 2022	667,000	667,000
Amortisation		
At 1 April 2021	575,287	575,287
Charge for the year	66,700	66,700
At 31 March 2022	641,987	641,987
Carrying amount		
At 31 March 2022	25,013	25,013
At 31 March 2021	91,713	91,713

9 Tangible fixed assets

Group	Long leasehold property €	Fixtures & fittings €	Office equipment €	Computer equipment €	Total €
Cost					
At 1 April 2021	1,593,816	102,564	18,611	240,423	1,955,414
Additions	—	—	—	55,972	55,972
At 31 March 2022	1,593,816	102,564	18,611	296,395	2,011,386
Depreciation					
At 1 April 2021	296,484	95,323	13,362	177,650	582,819
Charge for the year	22,880	1,810	1,701	21,881	48,272
At 31 March 2022	319,364	97,133	15,063	199,531	631,091
Net book value					
At 31 March 2022	1,274,452	5,431	3,548	96,864	1,380,295
At 31 March 2021	1,297,332	7,241	5,249	62,773	1,372,595

9 Tangible fixed assets (continued)

Charity	Long leasehold property €	Fixtures & fittings €	Office equipment €	Computer equipment €	Total €
Cost					
At 1 April 2021	1,593,816	101,928	13,220	184,631	1,893,595
Additions	—	—	—	55,972	55,972
At 31 March 2022	1,593,816	101,928	13,220	240,603	1,949,567
Depreciation					
At 1 April 2021	296,484	94,727	8,441	129,007	528,659
Charge for the year	22,880	1,800	1,503	19,512	45,695
At 31 March 2022	319,364	96,527	9,944	148,519	574,354
Net book value					
At 31 March 2022	1,274,452	5,401	3,276	92,084	1,375,213
At 31 March 2021	1,297,332	7,201	4,779	55,624	1,364,936

10 Fixed asset investments

	2022 Total €	2021 Total €
Charity: investment in group undertakings		
Market value		
At 1 April 2021 and 31 March 2022	3	3

All the fixed asset investments are held within the UK. For further details, please see note 17.

11 Debtors

	Group 2022 €	Group 2021 €	Charity 2022 €	Charity 2021 €
Trade debtors	733,116	698,204	651,300	458,093
Amounts owed by group undertakings	—	—	709,707	684,436
VAT recoverable	—	—	209,259	89,371
Other debtors	50,571	36,617	—	—
Prepayments and accrued income	183,158	—	—	—
	966,845	734,821	1,570,266	1,231,900

12 Creditors: Amounts falling due within one year

	Group 2022 €	Group 2021 €	Charity 2022 €	Charity 2021 €
Trade creditors	123,243	408,028	142,702	69,236
Other taxation and social security	102,388	192,900	—	—
Other creditors	329,278	171,076	651	622
Accruals and deferred income	898,148	610,283	512,470	342,768
	1,453,057	1,382,287	655,823	412,626

12 Creditors: Amounts falling due within one year (continued)

Included with creditors is deferred income relating to members subscriptions received in advance and future meetings and publications as set out below:

	2022 Total €	2021 Total €
Deferred income at 1 April	584,597	502,760
Resources deferred in year	565,550	584,597
Amounts released in year	(584,597)	(502,760)
Deferred income at 31 March	565,550	584,597

13 Statement of funds

	Balance at 1 April 2021 €	Income €	Expenditure €	Balance at 31 March 2022 €
Group: 2022				
Unrestricted funds				
General funds	22,092,564	4,118,162	(4,358,398)	21,852,328
Restricted funds	—	—	—	—
Total funds	<u>22,092,564</u>	<u>4,118,162</u>	<u>(4,358,398)</u>	<u>21,852,328</u>

	Balance at 1 April 2021 €	Income €	Expenditure €	Balance at 31 March 2022 €
Charity: 2022				
Unrestricted funds				
General funds	21,879,770	1,039,003	(1,258,231)	21,660,542
Restricted funds	—	—	—	—
Total funds	<u>21,879,770</u>	<u>1,039,003</u>	<u>(1,258,231)</u>	<u>21,660,542</u>

	Balance at 1 April 2020 €	Income €	Expenditure €	Balance at 31 March 2021 €
Group: 2021				
Unrestricted funds				
General funds	22,600,483	2,802,154	(3,310,073)	22,092,564
Restricted funds	—	—	—	—
Total funds	<u>22,600,483</u>	<u>2,802,154</u>	<u>(3,310,073)</u>	<u>22,092,564</u>

13 Statement of funds (continued)

	Balance at 1 April 2020 €	Income €	Expenditure €	Balance at 31 March 2021 €
<i>Charity: 2021</i>				
<i>Unrestricted funds</i>				
. General funds	21,890,930	695,837	(706,997)	21,879,770
<i>Restricted funds</i>	—	—	—	—
<i>Total funds</i>	<u>21,890,930</u>	<u>695,837</u>	<u>(706,997)</u>	<u>21,879,770</u>

14 Analysis of net assets between funds

	Unrestricted funds 2022 €	Restricted funds 2022 €	Total funds 2022 €	Unrestricted funds 2021 €	Restricted funds 2021 €	Total funds 2021 €
Group:						
Intangible fixed assets	25,013	—	25,013	91,713	—	91,713
Tangible fixed assets	1,380,295	—	1,380,295	1,372,595	—	1,372,595
Current assets	21,900,077	—	21,900,077	22,010,543	—	22,010,543
Creditors due within one year	(1,453,057)	—	(1,453,057)	(1,382,287)	—	(1,382,287)
	<u>21,852,328</u>	<u>—</u>	<u>21,852,328</u>	<u>22,092,564</u>	<u>—</u>	<u>22,092,564</u>

	Unrestricted funds 2022 €	Restricted funds 2022 €	Total funds 2022 €	Unrestricted funds 2021 €	Restricted funds 2021 €	Total funds 2021 €
Charity:						
Tangible fixed assets	1,375,213	—	1,375,213	1,364,936	—	1,364,936
Investments	3	—	3	3	—	3
Current assets	20,941,149	—	20,941,149	20,999,789	—	20,999,789
Creditors due within one year	(655,823)	—	(655,823)	(484,958)	—	(484,958)
	<u>21,660,542</u>	<u>—</u>	<u>21,660,542</u>	<u>21,879,770</u>	<u>—</u>	<u>21,879,770</u>

15 Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to €14,796 (2021 – €15,997). Contributions totalling €nil (2021 – €nil) were payable to the fund at the balance sheet date and are included in creditors.

16 Related party transactions

Amounts owed to the charity by its subsidiary undertakings:

	2022 €	2021 €
EACTS Trading Company Limited	709,707	684,436
EACTS Publishing Limited	—	—
European Academy for Thoracic and Cardiac Surgery Limited	—	—
	709,707	684,436

During the year, the group paid the University of Freiburg a total of €68,542 (2021: €79,049) for editorial services for the charity's publications. The University is related to the group as a result of F Beyersdorf and M Siepe, Trustees of EACTS, being employed in a senior role at the University. There were no further related party transactions.

During the year, the group made payments to the University Hospital Birmingham totalling €224,641 for services provided (2021: €41,480 for the services of the Secretary General). The Hospital is related to the group as a result of D Pagano, the previous Secretary General and a Trustee of EACTS, being employed in a senior role at the Hospital.

17 Subsidiaries

EACTS Trading Company Limited

Company registration number	03987972
Basis of control	Equity Shareholding and member
Equity shareholding %	100%
Total assets as at 31 March 2022	6,579,502
Total liabilities as at 31 March 2022	(214,346)
Total equity as at 31 March 2022	6,365,156
Turnover for the year ended 31 March 2022	2,484,240
Expenditure for the year ended 31 March 2022	(1,943,468)
Profit for the year ended 31 March 2022	541,513

EACTS Publishing Limited

Company registration number	06396790
Basis of control	Equity Shareholding and member
Equity shareholding %	100%
Total assets as at 31 March 2022	83,745
Total liabilities as at 31 March 2022	(3,918,206)
Total equity as at 31 March 2022	(3,834,461)
Turnover for the year ended 31 March 2022	416,579
Expenditure for the year ended 31 March 2022	(817,100)
Loss for the year ended 31 March 2022	(400,521)

17 Subsidiaries (continued)

European Academy for Thoracic and Cardiac Surgery Limited

Company registration number	05047175
Basis of control	Voting rights
Total assets as at 31 March 2022	259,608
Total liabilities as at 31 March 2022	(2,598,506)
Total equity as at 31 March 2022	(2,338,898)
Turnover for the year ended 31 March 2022	281,047
Expenditure for the year ended 31 March 2022	(443,048)
Loss for the year ended 31 March 2022	(161,001)

European School for Cardio-Thoracic Surgery Limited

Company registration number	04795997
Basis of control	Equity shareholding and member
Equity shareholding %	100%
Total assets as at 30 June 2022	1
Total equity as at 30 June 2022	1
Trading status	Dormant