

Charity Registration No. 1149165

Company Registration No. 07986504 (England and Wales)

MERSEY SCHOOL OF ANAESTHESIA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

MERSEY SCHOOL OF ANAESTHESIA

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr R S Ahearn	(Appointed 9 December 2021)
	Dr N W Airey	
	Dr N C Brooks	
	Dr V Nelson	(Appointed 9 December 2021)
	Dr S J Pedder	
	Dr N D A Scawn	
Secretary	D M A Chestnutt	
Charity number	1149165	
Company number	07986504	
Principal address	Education & Training Centre Whiston Hospital Warrington Road Prescot Merseyside L35 5DR	
Registered office	Education & Training Centre Whiston Hospital Warrington Road Prescot Merseyside L35 5DR	
Auditor	Lonsdale & Marsh 7th Floor Cotton House Old Hall Street Liverpool L3 9TX	
Bankers	Natwest Bank plc Black Bull Branch Longmoor Lane Liverpool L9 0EG	
Solicitors	Brabners LLP Horton House Exchange Flags Liverpool L2 3YL	
Investment advisors	Charles Stanley & Co Ltd 25 Luke Street London EC2A 4AR	

MERSEY SCHOOL OF ANAESTHESIA

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MERSEY SCHOOL OF ANAESTHESIA

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to advance the education of medical professionals in matters of medicine in general and anaesthesia in particular and to promote research for the public benefit in all aspects of those objects and to publish useful results.

The policies adopted in furtherance of these objects are to provide educational and revision courses for trainee anaesthetists and to dispense any surpluses generated by the charity to NHS Foundation Trusts or to institutions in accordance with its charitable objects.

A principal strategy of the charity in order to achieve its stated objects is to provide educational and revision courses for trainee anaesthetists who are preparing for their examinations, success in which is mandatory for the continuance of their training.

To become a Fellow of the Royal College of Anaesthetists (RCA), a trainee anaesthetist must pass the Primary and the Final Examinations. Those who pass both examinations may use the letters FRCA (Fellow of the Royal College of Anaesthetists) after their name.

The examinations are set and supervised by the RCA through a Board of Examiners.

The usual annual Mersey School of Anaesthesia (MSA) programme of courses for the FRCA Examinations comprises: Primary MCQ/SBA Courses, OSCE & Viva week-long and weekend Courses, Final MCQ/SBA Courses, CRQ E Club, Final Written 'Booker' Course, Final VIVA week-long and weekend Courses.

Only after having obtained the FRCA qualification can trainee anaesthetists continue the prescribed training programme of a further three or four years, at the end of which they will be granted the Certificate of Completion of Training (CCT) which renders them eligible to apply for a permanent hospital post as Consultant, Associated Specialist or Staff Grade Anaesthetist.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. The trustees have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission on public benefit. The trustees decide on any grants or donations made.

The charity makes grants to individuals and organisations sharing similar objectives at the discretion of the trustees.

MERSEY SCHOOL OF ANAESTHESIA

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

Since the first lockdown due to Covid 19 in March 2020, the School has been unable to run person-to-person courses. Despite the lifting of many of the pandemic restrictions, there has been no appetite to return to person-to-person courses.

Some of the restrictions still in place at the Education Centre at Whiston Hospital make the holding of some of our courses impractical. The limitation of rooms, social distancing guidelines and the nature of our courses makes it impossible for us to run the style of courses we formerly ran.

After almost two years of development, the new software programme to run the CRQ E club has been rolled out. The development has proved more costly than originally envisaged and taxed the patience of our staff as well as the skills of our software provider, but it has been a worthwhile exercise and enables us to run an online course which would have been impossible without the software. This will provide a regular income for future years and gives our candidates the nearest experience to the actual RCA examination.

We have planned a very limited return to holding some courses at Whiston, but currently we do not expect those to be held until the summer of 2022.

Despite these limitations, we have managed to run online our CRQ E Club, the Final Written "Booker" E-Course, Video Viva Clubs for both Primary & Final, SBA Revision & Practice Clubs for Primary & Final and Viva Weekend E-Courses for both Primary & Final which have all been greatly appreciated by over 1000 Trainees preparing for their Examinations throughout the year.

It is important that the MSA maintains a presence in the training of candidates for the examinations of the Royal College of Anaesthetists.

In very difficult circumstances, our staff have worked incredibly hard to provide some training and we hope that in 2022 we will be able to set out a more complete programme, but the emphasis will remain on online courses.

The trustees are pleased to report that in the financial year under review grants and donations totalling £10,705 were made to a variety of institutions and various other charitable causes as determined by the trustees as follows:

£1,000 Liverpool NHS Hospital Aintree Pimco Project
£1,000 Nepal Health Exchange
£1,185 Beth Peritt - computer equipment

The remaining educational grants and donations were less than £1,000 each.

Financial review

For the year ended 31 March 2021, the charity generated a deficit of £61,480 (2020 - surplus £78,174) before unrealised gains on investments of £108,619 (2020 - losses £43,739) from its charitable activities and before the charity made donations and grants of £10,705 (2020 - £43,592).

It remains the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to approximately twelve months of customary annual expenditure, being approximately £500,000. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The total value of reserves as at 31 March 2021 was £636,594 (2020 - £600,160).

MERSEY SCHOOL OF ANAESTHESIA

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

On the basis that the charity aims to retain the equivalent of twelve months expenditure in reserves, it has been agreed that a proportion of said reserves will be invested in various stocks and securities as advised by the charity's investment manager, in order to maintain the capital value of the monies invested and also generate a greater return than would be achieved from cash deposits. The trustees are satisfied that this investment objective has been met.

The total value of funds held with Charles Stanley & Co. Limited at 31 March 2021 was £548,855 of which £532,797 was invested with the remaining £16,058 held as cash for reinvestment.

In the current year, with the inability to run any on site courses, the trustees expect a loss on activities but have taken every opportunity to minimise costs as well as trying to provide some online courses to support trainees career development and generate some course income.

The trustees are satisfied that the charity has sufficient reserves to support the anticipated losses during the Covid pandemic until activities can return to a more stable trading level.

Structure, governance and management

The charity is a company limited by guarantee and is governed by the Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr R S Ahearn	
Dr N W Airey	(Appointed 9 December 2021)
Dr N C Brooks	
Dr M J Desmond	(Resigned 5 August 2021)
Dr V Nelson	
Dr S J Pedder	(Appointed 9 December 2021)
Dr G N Russell	(Resigned 5 August 2021)
Dr N D A Scawn	

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

New trustees are already familiar with the work of the charity and their induction and training includes a discussion of their role and their responsibilities with the Company Secretary and other trustees.

The Mersey School of Anaesthesia Constituency comprises the trustees and all stakeholders. The Mersey School of Anaesthesia Constituency delegate the day to day running of the charity to the Executive Administration who are responsible for the organisational, administrative and financial governance of the Mersey School of Anaesthesia (MSA).

The administration is comprised of: Ms Kirstie Gray (Chief Operating Officer), Dr Tushar Dixit, Dr Catherine Gerrard and Dr Beth Perritt (Non-Executive Directors) and Mr David Chestnutt (Company Secretary and Treasurer).

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. Other than the current Covid pandemic, the major risks identified are a change to the curriculum for the FRCA examinations and/or a change to the FRCA exam structure. The Executive Administration of the charity closely monitor any updates released by the RCA and actively engage with relevant individuals at the RCA to ensure the courses provided are updated and remain relevant.

MERSEY SCHOOL OF ANAESTHESIA

TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Statement of trustees' responsibilities

The trustees, who are also the directors of Mersey School of Anaesthesia for the purpose of company law, are responsible for preparing the Trustees' Report and the 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 adequate 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.

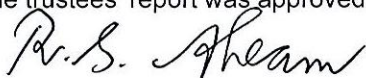
Auditor

In accordance with the company's articles, a resolution proposing that Lonsdale & Marsh be reappointed as auditor of the charity will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the board of trustees.



Dr R S Ahearn

Trustee

Dated: 9 December 2021

MERSEY SCHOOL OF ANAESTHESIA

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF MERSEY SCHOOL OF ANAESTHESIA

Opinion

We have audited the financial statements of Mersey School of Anaesthesia (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared 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 directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

MERSEY SCHOOL OF ANAESTHESIA

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MERSEY SCHOOL OF ANAESTHESIA

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 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 charitable company 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.

MERSEY SCHOOL OF ANAESTHESIA

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MERSEY SCHOOL OF ANAESTHESIA

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are those that relate to the laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and the Charities SORP (FRS102).

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

- the engagement partner ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- discussions with senior management;
- identified laws and regulations were communicated within the audit team who remained alert to instances of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including override of controls) and addressed the risk through:

- making enquires of those charged with governance as to their knowledge of actual, suspected and alleged instances of fraud;
- considering the internal controls in place to mitigate the risks of fraud.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing the minutes of meetings of those charged with governance;
- reviewing correspondence with professional advisors;
- reviewing for any transactions undertaken with related parties such as those charged with governance and/or directors;
- checking expenses are bona fide transactions of the Charity.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulations. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

MERSEY SCHOOL OF ANAESTHESIA

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MERSEY SCHOOL OF ANAESTHESIA

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 we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Elaine Frances McElroy (Senior Statutory Auditor)
for and on behalf of Lonsdale & Marsh

10 December 2021

Chartered Accountants
Statutory Auditor

7th Floor
Cotton House
Old Hall Street
Liverpool
L3 9TX

MERSEY SCHOOL OF ANAESTHESIA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Charitable activities	3	135,307	538,615
Investments	4	13,117	14,639
Total income		<u>148,424</u>	<u>553,254</u>
<u>Expenditure on:</u>			
Raising funds	5	<u>4,916</u>	<u>12,154</u>
Charitable activities	6	<u>214,407</u>	<u>501,879</u>
Total resources expended		<u>219,323</u>	<u>514,033</u>
Net gains/(losses) on investments	11	<u>107,333</u>	<u>(48,378)</u>
Net movement in funds		36,434	(9,157)
Fund balances at 1 April 2020		<u>600,160</u>	<u>609,317</u>
Fund balances at 31 March 2021		<u><u>636,594</u></u>	<u><u>600,160</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure relates to unrestricted funds.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MERSEY SCHOOL OF ANAESTHESIA

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13		1,925		2,186
Investments	14		548,855		485,383
			<u>550,780</u>		<u>487,569</u>
Current assets					
Debtors	16	94,792		48,070	
Cash at bank and in hand		16,063		92,686	
		<u>110,855</u>		<u>140,756</u>	
Creditors: amounts falling due within one year	17	<u>(25,041)</u>		<u>(28,165)</u>	
Net current assets			85,814		112,591
Total assets less current liabilities			<u>636,594</u>		<u>600,160</u>
Income funds					
Unrestricted funds			636,594		600,160
			<u>636,594</u>		<u>600,160</u>

The financial statements were approved by the Trustees on 9 December 2021



Dr R S Ahearn
Trustee

Company Registration No. 07986504

MERSEY SCHOOL OF ANAESTHESIA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	21		(132,352)		(94,615)
Investing activities					
Purchase of tangible fixed assets		(1,249)		(3,278)	
Purchase of investments		(46,426)		(79,583)	
Proceeds on disposal of investments		90,287		72,262	
Investment income received		13,117		14,639	
Net cash generated from investing activities			55,729		4,040
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(76,623)		(90,575)
Cash and cash equivalents at beginning of year			92,686		183,261
Cash and cash equivalents at end of year			16,063		92,686

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Mersey School of Anaesthesia is a private company limited by guarantee incorporated in England and Wales. The registered office is Education & Training Centre, Whiston Hospital, Warrington Road, Prescott, Merseyside, L35 5DR.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention modified to include the revaluation financial investments to their market value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised in the SOFA when the charity is legally entitled to it. The income derived from the provision of courses is recognised in the year in which the course takes place.

Investment income is accounted for on the accruals basis.

1.5 Expenditure

Resources expended are included in the SOFA on an accruals basis, inclusive of any VAT that is not recoverable.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. The costs of minor additions, being those below £500, are not capitalised. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	33% on cost per annum
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at cost.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

If material, the cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Charitable activities

	Course fees 2021 £	Course fees 2020 £
Course fees	135,307	538,615

4 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Income from listed investments	13,101	14,446
Interest receivable	16	193
	13,117	14,639

5 Raising funds

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Fundraising and publicity</u>		
Advertising	4,916	12,154
	4,916	12,154

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

	Course expenditure 2021 £	Donations and grants 2021 £	Total 2021 expenditure £	Course expenditure 2020 £	Donations and grants 2020 £	Total 2020 £
Staff costs	158,976	-	158,976	162,009	-	162,009
Depreciation and impairment	1,510	-	1,510	1,093	-	1,093
Courses	7,923	-	7,923	250,751	-	250,751
Rent	5,910	-	5,910	5,910	-	5,910
Insurance	1,262	-	1,262	1,269	-	1,269
Postage and stationery	419	-	419	7,832	-	7,832
IT costs	7,099	-	7,099	6,400	-	6,400
Legal and professional fees	5,230	-	5,230	8,596	-	8,596
Investment management fees	6,962	-	6,962	7,125	-	7,125
Sundry expenses	2,711	-	2,711	1,602	-	1,602
	<u>198,002</u>	<u>-</u>	<u>198,002</u>	<u>452,587</u>	<u>-</u>	<u>452,587</u>
Grant funding of activities (see note 7)	-	10,705	10,705	-	43,592	43,592
Share of governance costs (see note 8)	5,700	-	5,700	5,700	-	5,700
	<u>203,702</u>	<u>10,705</u>	<u>214,407</u>	<u>458,287</u>	<u>43,592</u>	<u>501,879</u>

7 Grants payable

	Donations and grants 2021 £	Donations and grants 2020 £
Grants to institutions (5 grants):		
Education and training	1,870	10,350
General charitable funding	1,500	24,703
	<u>3,370</u>	<u>35,053</u>
Grants to individuals (11 grants)	7,335	8,539
	<u>10,705</u>	<u>43,592</u>

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Audit fees	-	5,700	5,700	-	5,700	5,700
	-	5,700	5,700	-	5,700	5,700
Analysed between Charitable activities	-	5,700	5,700	-	5,700	5,700

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration, expenses or benefits during the year.

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	3	3
Employment costs	2021 £	2020 £
Wages and salaries	146,746	154,846
Social security costs	6,291	5,184
Other pension costs	5,939	1,979
	158,976	162,009

During the year ended 31 March 2020 the charity seconded a member of staff on a permanent basis from St Helens & Knowsley NHS Trust to assist with its management and administration. The cost during the year to 31 March 2020 was £18,280 and has been included within employment costs. From 1 December 2019 the staff member was wholly employed by the Charity.

There are no employees who received employee benefits (excluding employer pension costs) of more than £60,000.

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Revaluation of investments	108,619	(43,739)
Gain/(loss) on sale of investments	(1,286)	(4,639)
	<u>107,333</u>	<u>(48,378)</u>

12 Taxation

The company is a registered charity and as such is exempt from taxation on its income so long as this is applied for a charitable purpose.

13 Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
At 1 April 2020	10,354
Additions	1,249
Disposals	(3,972)
At 31 March 2021	<u>7,631</u>
Depreciation and impairment	
At 1 April 2020	8,168
Depreciation charged in the year	1,510
Eliminated in respect of disposals	(3,972)
At 31 March 2021	<u>5,706</u>
Carrying amount	
At 31 March 2021	<u>1,925</u>
At 31 March 2020	<u>2,186</u>

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 April 2020	431,152	54,231	485,383
Additions	46,426	-	46,426
Valuation changes	108,619	-	108,619
Movement in cash	-	(38,173)	(38,173)
Disposals	(53,400)	-	(53,400)
At 31 March 2021	532,797	16,058	548,855
Carrying amount			
At 31 March 2021	532,797	16,058	548,855
At 31 March 2020	431,152	54,231	485,383

	2021 £	2020 £
Investments at fair value comprise:		
UK fixed	59,216	66,564
UK equity	160,958	130,458
Overseas equity	249,913	164,854
Property	-	10,841
Alternative	40,666	38,393
Mixed	22,043	20,042
	532,796	431,152

Fixed asset investments revalued

At the year end the investments had a cost of £420,991.

15 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	532,797	431,152

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	1,100	-
Prepayments and accrued income	93,692	48,070
	<u>94,792</u>	<u>48,070</u>

17 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	3,536	3,602
Other creditors	456	107
Accruals and deferred income	21,049	24,456
	<u>25,041</u>	<u>28,165</u>

18 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £5,939 (2020 - £1,979).

19 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

20 Company limited by guarantee

The charity is a company limited by guarantee and does not have a share capital. Each of the members has undertaken to contribute an amount not exceeding £10 towards meeting the charity's debts in the event of its being wound up.

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21	Cash generated from operations	2021 £	2020 £
	Surplus/(deficit) for the year	36,434	(9,157)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(13,117)	(14,639)
	Loss on disposal of investments	1,286	4,639
	Fair value gains and losses on investments	(108,619)	43,739
	Depreciation and impairment of tangible fixed assets	1,510	1,093
	Movements in working capital:		
	(Increase) in debtors	(46,722)	(42,788)
	(Decrease) in creditors	(3,124)	(77,502)
	Cash absorbed by operations	<u>(132,352)</u>	<u>(94,615)</u>
22	Analysis of changes in net funds		
	The charity had no debt during the year.		