

Charity registration number 1149165

Company registration number 07986504 (England and Wales)

MERSEY SCHOOL OF ANAESTHESIA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

LONSDALE & MARSH
CHARTERED ACCOUNTANTS

MERSEY SCHOOL OF ANAESTHESIA

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr R S Ahearn	
	Dr N W Airey	(Appointed 9 December 2021)
	Dr N C Brooks	
	Dr V Nelson	
	Dr S J Pedder	(Appointed 9 December 2021)
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 509-510 Cotton Exchange Bixteth Street Liverpool L3 9LQ	
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 55 Bishopgate London EC2N 3AS	

MERSEY SCHOOL OF ANAESTHESIA

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MERSEY SCHOOL OF ANAESTHESIA

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

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 (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

This is the second year in which our ability to run our full suite of courses has been severely disrupted by the effects of the pandemic. We had hoped to recommence person-to-person courses at the Education Centre at Whiston during the year but the rise in Covid cases over the winter of 2021/22 and the restrictions in operating at Whiston prevented this.

Some of the social distancing restrictions and the limitation of available rooms has made usage of the Education Centre more difficult. In addition, the Centre has been designated as a Regional Vaccination Hub which has necessarily taken priority over its availability to us and other organisations.

The development of the software programme to run the CRQ-E club has been completed. The result is that after many teething problems, the programme is running, in the main, to the level we envisaged when we initiated the project. As is often the way with innovative software development, the project ran over time and the original cost estimates. The final cost was £109,215 and is to be written off over 5 years. The funds generated from the CRQ-E club annually will become a substantial recurring source of income for the MSA.

Again, in challenging circumstances, our staff and course leaders have worked incredibly hard to provide some much needed online training for those seeking to pass the examinations of the Royal College of Anaesthetists.

The trustees are pleased to report that in the financial year under review grants and donations totalling £5,094 were made to a variety of institutions and various other charitable causes as determined by the trustees. All grants and donations were less than £1,000 each.

Financial review

For the year ended 31 March 2022, the charity generated a deficit of £29,424 (2021 - deficit £61,480) before unrealised gains on investments of £10,534 (2021 - gains £108,619) from its charitable activities and before the charity made donations and grants of £5,094 (2021 - £10,705).

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 2022 was £612,611 (2021 - £636,594).

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 2022 was £528,137 of which £502,506 was invested with the remaining £25,632 held as cash for reinvestment.

MERSEY SCHOOL OF ANAESTHESIA

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods

In the current year we have already held four well attended person-to-person courses.

The operational issues in organising the courses at the Education Centre proved insurmountable so the courses have been run at the Village Hotel which is less than two miles from Whiston Hospital. The costs incurred in putting on the courses at the hotel are slightly higher than at Whiston but with many of the trainees staying in the hotel, other logistics are easier.

The feedback from those attending is greatly appreciative of the MSA's continuing efforts to provide pre exam coaching and experience.

With these additional person-to-person courses as well as the online courses, we hope to return to nearer break-even after two years operating at a deficit.

Because of the nature of the examinations now held by the Royal College, it is unlikely that the pre Covid course programme will ever return to the number of courses previously offered but the Chief Executive remains determined to provide as full an offering as resources permit.

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

(Appointed 9 December 2021)

Dr N W Airey

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

(Resigned 27 June 2022)

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 may be elected at any time by the existing trustees at trustee board meetings. Recruiting and training the right trustees is an important aspect of governing the charity and the trustees will target a balance of individuals with a range of skills and backgrounds who are able to contribute to the governance process. New trustees will already be 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 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. 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.

Gradually there is a return to more normal operations with the regular weekly finance meetings being held in person again after two years of numerous Zoom meetings. The Annual General and Trustee Meetings were also held in person after a gap of two years.

MERSEY SCHOOL OF ANAESTHESIA

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

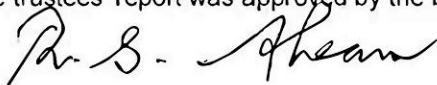
Auditor

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

5 December 2022

MERSEY SCHOOL OF ANAESTHESIA

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS 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 2022 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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 the provisions available for small entities, in the circumstances set out in note 23 to the financial statements, 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.

MERSEY SCHOOL OF ANAESTHESIA

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MERSEY SCHOOL OF ANAESTHESIA

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 for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report 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 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 MEMBERS 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 charitable company.

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.

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 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.



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

5 December 2022

Chartered Accountants
Statutory Auditor

509-510 Cotton Exchange
Bixteth Street
Liverpool
L3 9LQ

MERSEY SCHOOL OF ANAESTHESIA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Income from:</u>			
Charitable activities	3	168,989	135,307
Investments	4	13,176	13,117
Total income		<u>182,165</u>	<u>148,424</u>
<u>Expenditure on:</u>			
Raising funds	5	<u>4,360</u>	<u>4,916</u>
Charitable activities	6	<u>225,425</u>	<u>214,407</u>
Total expenditure		<u>229,785</u>	<u>219,323</u>
Net gains/(losses) on investments	11	<u>23,637</u>	<u>107,333</u>
Net movement in funds		(23,983)	36,434
Fund balances at 1 April 2021		<u>636,594</u>	<u>600,160</u>
Fund balances at 31 March 2022		<u><u>612,611</u></u>	<u><u>636,594</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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13		87,789		1,925
Investments	14		528,137		548,855
			<u>615,926</u>		<u>550,780</u>
Current assets					
Debtors	16	6,092		94,792	
Cash at bank and in hand		14,965		16,063	
		<u>21,057</u>		<u>110,855</u>	
Creditors: amounts falling due within one year	17	(24,372)		(25,041)	
Net current (liabilities)/assets			<u>(3,315)</u>		<u>85,814</u>
Total assets less current liabilities			<u>612,611</u>		<u>636,594</u>
Income funds					
Unrestricted funds			612,611		636,594
			<u>612,611</u>		<u>636,594</u>

The financial statements were approved by the Board of Trustees on 5 December 2022 and signed on its behalf by:



Dr R S Ahearn
Trustee

Company registration number 07986504

MERSEY SCHOOL OF ANAESTHESIA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	21		50,586		(132,352)
Investing activities					
Purchase of tangible fixed assets		(109,215)		(1,249)	
Purchase of investments		(27,518)		(46,426)	
Proceeds from disposal of investments		71,873		90,287	
Investment income received		13,176		13,117	
Net cash (used in)/generated from investing activities			(51,684)		55,729
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(1,098)		(76,623)
Cash and cash equivalents at beginning of year			16,063		92,686
Cash and cash equivalents at end of year			14,965		16,063

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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
Computer software	20% on cost per annum

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 the statement of financial activities.

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.

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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.

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 2022 £	Course fees 2021 £
Course fees	168,989	135,307

4 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Income from listed investments	13,176	13,101
Interest receivable	-	16
	13,176	13,117

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Advertising	4,360	4,916
	<u>4,360</u>	<u>4,916</u>

6 Charitable activities

	Course expenditure 2022 £	Donations and grants 2022 £	Total 2022 £	Course expenditure 2021 £	Donations and grants 2021 £	Total 2021 £
Staff costs	155,642	-	155,642	158,976	-	158,976
Depreciation and impairment	23,351	-	23,351	1,510	-	1,510
Courses	2,228	-	2,228	7,923	-	7,923
Rent	5,910	-	5,910	5,910	-	5,910
Insurance	785	-	785	1,262	-	1,262
Postage and stationery	348	-	348	419	-	419
IT costs	7,957	-	7,957	7,099	-	7,099
Legal and professional fees	4,940	-	4,940	5,230	-	5,230
Investment management fees	7,531	-	7,531	6,962	-	6,962
Sundry expenses	5,639	-	5,639	2,711	-	2,711
	<u>214,331</u>	<u>-</u>	<u>214,331</u>	<u>198,002</u>	<u>-</u>	<u>198,002</u>
Grant funding of activities (see note 7)	-	5,094	5,094	-	10,705	10,705
Share of governance costs (see note 8)	6,000	-	6,000	5,700	-	5,700
	<u>220,331</u>	<u>5,094</u>	<u>225,425</u>	<u>203,702</u>	<u>10,705</u>	<u>214,407</u>

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Grants payable

	Donations and grants 2022 £	Donations and grants 2021 £
Grants to institutions (1 grants):		
Education and training	661	1,870
General charitable funding	-	1,500
	<u>661</u>	<u>3,370</u>
Grants to individuals (15 grants)	4,433	7,335
	<u>5,094</u>	<u>10,705</u>

8 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Audit fees	-	6,000	6,000	5,700
	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>5,700</u>
Analysed between Charitable activities	-	6,000	6,000	5,700
	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>5,700</u>

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:

2022 Number	2021 Number
3	3
<u>3</u>	<u>3</u>

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

		(Continued)	
10	Employees		
	Employment costs	2022 £	2021 £
	Wages and salaries	142,902	146,746
	Social security costs	7,394	6,291
	Other pension costs	5,346	5,939
		<u>155,642</u>	<u>158,976</u>

The key management personnel of the charity comprise the trustees and the administration committee which includes the Chief Operating Officer, the Company Secretary, Dr T Dixit, Dr C Gerrard and Dr B Merritt. The employee benefits of the key management personnel are £101,000 (2021: £97,022).

There were no employees whose annual remuneration was more than £60,000.

11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Unrealised gain/(loss) of investments	10,534	108,619
Realised gain/(loss) on sale of investments	13,103	(1,286)
	<u>23,637</u>	<u>107,333</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.

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

13 Tangible fixed assets

	Fixtures, fittings & equipment £	Computer software £	Total £
Cost			
At 1 April 2021	7,631	-	7,631
Additions	-	109,215	109,215
At 31 March 2022	7,631	109,215	116,846
Depreciation and impairment			
At 1 April 2021	5,706	-	5,706
Depreciation charged in the year	1,508	21,843	23,351
At 31 March 2022	7,214	21,843	29,057
Carrying amount			
At 31 March 2022	417	87,372	87,789
At 31 March 2021	1,925	-	1,925

14 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 April 2021	532,797	16,058	548,855
Additions	27,518	-	27,518
Valuation changes	10,534	-	10,534
Movement in cash	-	9,574	9,574
Disposals	(68,344)	-	(68,344)
At 31 March 2022	502,505	25,632	528,137
Carrying amount			
At 31 March 2022	502,505	25,632	528,137
At 31 March 2021	532,797	16,058	548,855

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

14	Fixed asset investments	(Continued)	
		2022 £	2021 £
	Investments at fair value comprise:		
	UK fixed	68,724	59,216
	UK equity	137,491	160,958
	Overseas equity	227,304	249,913
	Alternative	47,985	40,666
	Mixed	21,001	22,043
		<u>502,505</u>	<u>532,796</u>

Fixed asset investments revalued

At the year end the investments had a cost of £379,681 (2021 - £420,991) .

15	Financial instruments	2022 £	2021 £
	Carrying amount of financial assets		
	Instruments measured at fair value through statement of financial activities	<u>502,505</u>	<u>532,797</u>

16	Debtors	2022 £	2021 £
	Amounts falling due within one year:		
	Other debtors	4,700	1,100
	Prepayments and accrued income	1,392	93,692
		<u>6,092</u>	<u>94,792</u>

17	Creditors: amounts falling due within one year	2022 £	2021 £
	Other taxation and social security	3,620	3,536
	Other creditors	385	456
	Accruals and deferred income	20,367	21,049
		<u>24,372</u>	<u>25,041</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 statement of financial activities in respect of defined contribution schemes was £5,346 (2021 - £5,939).

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

19 Related party transactions

There were no disclosable related party transactions during the year (2021 - 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.

21 Cash generated from operations	2022 £	2021 £
(Deficit)/surplus for the year	(23,983)	36,434
Adjustments for:		
Investment income recognised in statement of financial activities	(13,176)	(13,117)
(Gain)/loss on disposal of investments	(13,103)	1,286
Fair value gains and losses on investments	(10,534)	(108,619)
Depreciation and impairment of tangible fixed assets	23,351	1,510
Movements in working capital:		
Decrease/(increase) in debtors	88,700	(46,722)
(Decrease) in creditors	(669)	(3,124)
Cash generated from/(absorbed by) operations	50,586	(132,352)

22 Analysis of changes in net funds

The charity had no debt during the year.

23 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to assist with the preparation of the financial statements.