

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 2023

MERSEY SCHOOL OF ANAESTHESIA

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr R S Ahearn Dr N Airey Dr N C Brooks Dr V M Blanchard (nee Nelson) Dr S Pedder
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 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

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.

Achievements and performance

After two years of major disruptions caused by the pandemic the trustees hoped this year would be unaffected by Covid. Following the effects of the pandemic the Executive had already decided that the charity would not return to a full programme of courses, as run in 2019/20 and previous years, but would instead run a reduced programme. There would be a mix between online courses and person-to-person courses. However, from the start of the year there was a hangover from the pandemic and the first intended person-to-person courses could not be held. In addition, after three years of no such courses the trustees had to commit to the costs of running courses without knowing what the uptake would be from candidates. As a result, the first few courses were run well under capacity but it was clear there was an appetite for courses and subsequent courses have been oversubscribed, such is the power of social media and word of mouth endorsements from candidates amongst all their colleagues.

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

MERSEY SCHOOL OF ANAESTHESIA

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

The trustees are pleased to report that in the financial year under review grants and donations totalling £19,372 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 except for the donation of £10,000 to the DEC Ukraine Humanitarian Appeal.

Financial review

For the year ended 31 March 2023, the charity generated a deficit of £44,444 (2022 - deficit £29,423) before unrealised losses on investments of £26,865 (2022 - gains £10,534) from its charitable activities and before the charity made donations and grants of £19,372 (2022 - £5,094).

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 £400,000. 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 2023 was £521,930 (2022 - £612,611).

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 2023 was £454,139 of which £438,482 was invested with the remaining £15,657 held as cash for reinvestment.

Plans for future periods

In the current year the charity has already held ten (2023 - five) well attended person-to-person courses.

The operational issues in organising the courses at the Education Centre in Whiston 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 both online and person-to-person courses 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, the trustees hope to return to nearer break-even position this year after three 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

Dr N Airey

Dr N C Brooks

Dr V M Blanchard (nee Nelson)

Dr S Pedder

Dr N D A Scawn

(Resigned 27 June 2022)

MERSEY SCHOOL OF ANAESTHESIA

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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 Executive Officer), Dr Tushar Dixit, Dr Beth Perritt and Dr Kristianne Jones (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.

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.

The trustees are responsible for the maintenance and integrity of the charity 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.

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.

MERSEY SCHOOL OF ANAESTHESIA

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2023*

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

4 December 2023

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 2023 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 2023 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;
- testing and reviewing journal entries;
- 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

4 December 2023

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 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Income from:</u>			
Charitable activities	3	271,950	168,989
Investments	4	12,536	13,176
Total income		284,486	182,165
<u>Expenditure on:</u>			
Raising funds	5	3,540	4,360
Charitable activities	6	341,352	225,425
Total expenditure		344,892	229,785
Net gains/(losses) on investments	11	(30,275)	23,637
Net movement in funds		(90,681)	(23,983)
Fund balances at 1 April 2022		612,611	636,594
Fund balances at 31 March 2023		521,930	612,611

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 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		65,529		87,789
Investments	14		454,139		528,137
			<u>519,668</u>		<u>615,926</u>
Current assets					
Debtors	16	543		6,092	
Cash at bank and in hand		18,457		14,965	
		<u>19,000</u>		<u>21,057</u>	
Creditors: amounts falling due within one year	17	(16,738)		(24,372)	
Net current assets/(liabilities)			<u>2,262</u>		<u>(3,315)</u>
Total assets less current liabilities			<u>521,930</u>		<u>612,611</u>
Income funds					
Unrestricted funds			521,930		612,611
			<u>521,930</u>		<u>612,611</u>

The financial statements were approved by the Board of Trustees on 4 December 2023 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 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	21		(52,767)		50,586
Investing activities					
Purchase of tangible fixed assets		-		(109,215)	
Purchase of investments		(40,466)		(27,518)	
Proceeds from disposal of investments		84,189		71,873	
Investment income received		12,536		13,176	
Net cash generated from/(used in) investing activities			56,259		(51,684)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			3,492		(1,098)
Cash and cash equivalents at beginning of year			14,965		16,063
Cash and cash equivalents at end of year			18,457		14,965

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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 2019). 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 2023

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 2023

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 2023 £	Course fees 2022 £
Course fees	271,950	168,989

4 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from listed investments	12,533	13,176
Interest receivable	3	-
	12,536	13,176

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Advertising	3,540	4,360
	<u>3,540</u>	<u>4,360</u>

6 Charitable activities

	Course expenditure 2023 £	Donations and grants 2023 £	Total 2023 £	Course expenditure 2022 £	Donations and grants 2022 £	Total 2022 £
Staff costs	160,965	-	160,965	155,642	-	155,642
Depreciation and impairment	22,260	-	22,260	23,351	-	23,351
Courses	88,017	-	88,017	2,228	-	2,228
Rent	5,910	-	5,910	5,910	-	5,910
Insurance	912	-	912	785	-	785
Postage and stationery	6,058	-	6,058	348	-	348
IT costs	6,150	-	6,150	7,957	-	7,957
Legal and professional fees	5,998	-	5,998	4,940	-	4,940
Investment management fees	6,256	-	6,256	7,531	-	7,531
Sundry expenses	11,054	-	11,054	5,639	-	5,639
	<u>313,580</u>	<u>-</u>	<u>313,580</u>	<u>214,331</u>	<u>-</u>	<u>214,331</u>
Grant funding of activities (see note 7)	-	19,372	19,372	-	5,094	5,094
Share of governance costs (see note 8)	8,400	-	8,400	6,000	-	6,000
	<u>321,980</u>	<u>19,372</u>	<u>341,352</u>	<u>220,331</u>	<u>5,094</u>	<u>225,425</u>

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Grants payable

	Donations and grants 2023 £	Donations and grants 2022 £
Grants to institutions (5 grants):		
Education and training	1,581	661
Other	10,386	-
Grants to individuals (18 grants)	7,405	4,433
	<u>19,372</u>	<u>5,094</u>

8 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Audit fees (2023)	-	7,200	7,200	-	6,000	6,000
Audit fees (2022 underprovision)		1,200	1,200			
	<u>-</u>	<u>8,400</u>	<u>8,400</u>	<u>-</u>	<u>6,000</u>	<u>6,000</u>
Analysed between Charitable activities	-	8,400	8,400	-	6,000	6,000
	<u>-</u>	<u>8,400</u>	<u>8,400</u>	<u>-</u>	<u>6,000</u>	<u>6,000</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:

2023 Number	2022 Number
<u>3</u>	<u>3</u>

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Employees

(Continued)

Employment costs	2023 £	2022 £
Wages and salaries	148,728	142,902
Social security costs	9,653	7,394
Other pension costs	2,584	5,346
	<u>160,965</u>	<u>155,642</u>

The key management personnel of the charity comprise the trustees and the executive committee which includes the Chief Executive Officer, the Company Secretary, Dr T Dixit, Dr B Perritt and Dr K Jones. The employee benefits of the key management personnel are £107,242 (2022: £101,000).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,001-£70,000	<u>1</u>	<u>-</u>

11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Revaluation of investments	(26,865)	10,534
Gain/(loss) on sale of investments	(3,410)	13,103
	<u>(30,275)</u>	<u>23,637</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 2023

13 Tangible fixed assets

	Fixtures, fittings & equipment £	Computer software £	Total £
Cost			
At 1 April 2022	7,631	109,215	116,846
Disposals	(3,104)	-	(3,104)
At 31 March 2023	4,527	109,215	113,742
Depreciation and impairment			
At 1 April 2022	7,214	21,843	29,057
Depreciation charged in the year	417	21,843	22,260
Eliminated in respect of disposals	(3,104)	-	(3,104)
At 31 March 2023	4,527	43,686	48,213
Carrying amount			
At 31 March 2023	-	65,529	65,529
At 31 March 2022	417	87,372	87,789

14 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 April 2022	502,505	25,632	528,137
Additions	40,466	-	40,466
Valuation changes	(26,865)	-	(26,865)
Movement in cash	-	(9,975)	(9,975)
Disposals	(77,624)	-	(77,624)
At 31 March 2023	438,482	15,657	454,139
Carrying amount			
At 31 March 2023	438,482	15,657	454,139
At 31 March 2022	502,505	25,632	528,137

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14	Fixed asset investments	(Continued)	
		2023 £	2022 £
	Investments at fair value comprise:		
	UK fixed	64,189	68,724
	UK equity	118,359	137,491
	Overseas equity	186,764	227,304
	Alternative	49,282	47,985
	Mixed	19,888	21,001
		<u>438,482</u>	<u>502,505</u>

Fixed asset investments revalued

At the year end the investments had a cost of £367,727 (2022 - £379,681) .

15	Financial instruments	2023 £	2022 £
	Carrying amount of financial assets		
	Instruments measured at fair value through statement of financial activities	<u>438,482</u>	<u>502,505</u>

16	Debtors	2023 £	2022 £
	Amounts falling due within one year:		
	Other debtors	-	4,700
	Prepayments and accrued income	543	1,392
		<u>543</u>	<u>6,092</u>

17	Creditors: amounts falling due within one year	2023 £	2022 £
	Other taxation and social security	3,678	3,620
	Other creditors	300	385
	Accruals and deferred income	12,760	20,367
		<u>16,738</u>	<u>24,372</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 £2,584 (2022 - £5,346).

MERSEY SCHOOL OF ANAESTHESIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

19 Related party transactions

There were no disclosable related party transactions during the year (2022 - 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	2023 £	2022 £
Deficit for the year	(90,681)	(23,983)
Adjustments for:		
Investment income recognised in statement of financial activities	(12,536)	(13,176)
Loss/(gain) on disposal of investments	3,410	(13,103)
Fair value gains and losses on investments	26,865	(10,534)
Depreciation and impairment of tangible fixed assets	22,260	23,351
Movements in working capital:		
Decrease in debtors	5,549	88,700
(Decrease) in creditors	(7,634)	(669)
Cash (absorbed by)/generated from operations	(52,767)	50,586

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.