



The Medical Council on Alcohol
(A company limited by guarantee)

Report and Financial Statements
Year ended 31 March 2023

Charity number: 265242
Company number: 952312
VAT number: 128992569

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REPORT OF THE TRUSTEES & DIRECTORS OF THE MEDICAL COUNCIL ON ALCOHOL FOR THE YEAR ENDED 31 MARCH 2023

The Medical Council on Alcohol is a Registered Charity (Number 265242) and a Company Limited by Guarantee and not having a share capital (Company Registration Number 952312) as well as being VAT registered (128992569). It is governed by its Memorandum and Articles of Association dated 28 February 1967 under which one third of the Executive Committee is elected or re-elected at each Annual General Meeting. The Executive Committee appoints the Chairman and is also entitled to appoint new Trustees and determine the method of their appointment.

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31 March 2023 which are prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 October 2019).

MEDICAL DIRECTOR'S REPORT

At the time of writing this report, the MCA office has fully reopened at 2 St Andrew's Place and the final digital and technical tweaks are being completed, including new IT support and the first steps towards a new website. The MCA team is currently working on a hybrid basis and a discussion at a recent Executive Committee meeting concluded that Committee meetings would continue to be held on-line, which has had the effect of increasing attendance and reducing travel time and costs.

During the past year, the MCA has continued its work to reduce alcohol-related health harm, primarily through educational measures for health professionals. We continued to work with health professionals in the alcohol and health harm arena including of course students, promoting education for this group; our Journal is highly regarded in the field; we work with organisations which support health professionals themselves in difficulty with alcohol; and we remain committed to achieving evidence-based policy change through our links with the Alcohol Health Alliance and other organisations.

The 2022 MCA Symposium on Alcohol and Health was held in person for the first time since 2019. The event took place at the RCP and the day ran very smoothly. The Max Glatt lecture by Professor Colin Drummond is available to view for all via the MCA website and the other talks are also available for delegates to view for six months after the event, thus giving an opportunity for increased exposure and impact. A total of 75 delegates attended the event on the day and a further 20 viewed the event subsequently online. The event got excellent feedback and delegates greatly valued the opportunity to interact once again in person. The finances of in-person events are much tighter than for digital ones, with many additional costs such as speakers, travel and accommodation and delegates catering. Through a combination of judicious pricing and attracting sponsorship very

pleasingly the event made a small surplus.

Other regular educational projects include our competitions, of which there have been two in the past year. The new competition was launched last year for newly qualified doctors, to present a poster reporting an alcohol-related Quality Improvement project resulted in three winners. Their posters were exhibited at the 2022 Symposium and the authors were presented with their prizes in person. It is of note that this competition is engaging a group with which we have not so far worked, but which is particularly important in terms of improving the care of patients with alcohol related health harm. The 2022 Essay prize on the theme of managing a situation in which a more senior colleague has an alcohol problem also resulted in excellent entries and the prize winning essay was published in our annual report. We are continuing our discussions with colleagues at the Society for the Study of Addiction to develop digital materials for students and other health professionals in training, particularly once our new website is in place.

Our Journal is a key element of the MCA portfolio, both financially and educationally. Our excellent relationship with Oxford University Press, our Journal co-owners, and most importantly the dedication of the chief Editors, are key to the on-going success of Alcohol and Alcoholism. The Journal is our principal source of income and over the past year this has resulted in an income of £154,826,120,215 (2022: £169,457,134,821). Discussions on maintaining and improving the income are on-going with OUP and the Editors. Most pleasingly, the Impact Factor improved to 3.913, the highest it has ever been. Our longstanding contact at OUP, Paul Kidd, has now stood down and been replaced by Rachel Moriarty, with whom we are continuing a collegiate and supportive relationship. Importantly, Professor Jonathan Chick, longstanding Editor in Chief, has announced his decision to stand down this year. Professor Chick deserves the highest praise and thanks for his contribution to the Journal and to the MCA over the years. Together with OUP and the remaining Editor in Chief, Lorenzo Leggio, the MCA has started the search leading to a new appointment to replace Professor Chick, hopefully within the next few months. This is a crucial appointment in maintaining and growing the income and impact of Alcohol and Alcoholism.

Our investment income of course depends on the performance of the financial markets, which inevitably have been affected by Covid and more recent geopolitical events. We have benefited from the oversight of our financial advisors Charles Stanley with whom members of the Executive Committee and the Treasurer meet regularly.

Our aim for the next year is to continue our activities to meet our mission of improved outcomes for patients with alcohol related health harm, through all our streams of work and with the development of new initiatives. We aim to do this while staying in budget which requires careful scrutiny of all our activities and maximisation of fundraising opportunities.

OUR PURPOSE AND ACTIVITIES

Objectives

The Council was established in 1967 for “the benefit of the community to provide an organisation of registered health care professionals with a view to the co-ordination of effort, the better understanding of alcoholism and its prevention and the treatment and after-care of alcoholics”.

Our purpose

- To ensure that all doctors, medical students, nurses and other professionals allied to medicine understand the risks to their patients from alcohol and act effectively to prevent and manage these.
- To work with health care professionals to increase their understanding of the risks associated with their own alcohol consumption and of the measures to address these.
- To promote scientific advancement in the understanding, prevention and management of alcohol-related harm through our Journal and other publications and activities.
- To work with other organisations on public health and policy interventions to reduce alcohol-related harm.

The vision that shapes our annual activities remains to create a workforce of health professionals educated and supported to reduce health harm from alcohol. Improving the competence of health professionals in the alcohol field will improve the quality of treatment for patients in the UK. The charity also supports healthcare professionals who have developed problems with their own use of alcohol.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission’s guidance on public benefit, including the guidance ‘public benefit: running a charity’.

Educational Activities

We run a range of educational activities including student competitions and a yearly symposium. The income from this event is intended to ensure that the event itself is at least cost neutral, but ideally to increase sponsorship and price delegate income to create a small surplus to aid in covering the costs of educational activities. Our activities have the benefit of improving the competence of health care professionals, particularly at the beginning of their careers, to manage health harm from alcohol in their patients.

Membership

The MCA has a small membership body of 120, all from the healthcare field. The membership fees cover the cost of the thrice-quarterly newsletter and also allow the MCA to offer reduced rates for members to its educational events. Membership increases exposure to the MCA’s activities, which in turn has increased the competence of health care professionals.

Journal

The MCA owns a 50% share with Oxford University press of the 'Alcohol and Alcoholism' journal. The income from the journal contributes towards the operational costs of the organisation.

Within the next 3-5 years it is hoped that the impact factor will continue to increase and that the presence of the Journal in the US and Asia will have a positive influence on income. The Journal meets the MCA's vision and mission statements by contributing to the academic endeavours of improving the knowledge and understanding of alcohol-related health harm. This in turn improves the management of patients with alcohol-related health issues.

ACHIEVEMENTS AND PERFORMANCE

Performance Review 2022-2023

EDUCATIONAL GOAL	DID WE ACHIEVE IT?	COMMENTS
To hold one AGM as stated in the MCA memorandum. To arrange one symposium with the aim to break even financially, and to have a minimum attendance of at least 100 people.	YES	The 2022 event was held in person. It was well attended and had excellent feedback. It achieved a surplus of around £XX28,565.
To produce x3 copies of the newsletter 'Alcoholis'	YES	We produced 3 copies of the Alcoholis newsletter.
JOURNAL GOAL	DID WE ACHIEVE IT?	COMMENTS
To continue to increase the impact factor with the aspiration of achieving an impact factor of 2.5 – 3 within a 3- year period	YES	Annual impact factor was 3.913 with a 5- year impact factor of 3.209 (an excellent increase)
To produce 6 issues of A&A Journal a year, with at least 100 pages per edition	YES	
POLICY GOAL	DID WE ACHIEVE IT?	COMMENTS
To maintain links to the AHA (Alcohol and Health Alliance) and other organisations on issues of policy relevance e.g. minimum pricing	YES	Supported them financially as well as via social media
SUPPORT GOAL	DID WE ACHIEVE IT?	COMMENTS
To continue to work with the BDDG and SDT to promote both organisations and sign post healthcare professionals suffering from an alcohol problem to these organisations	YES	Many links including committee membership

This year the Journal's impact factor increased from 2.826 to 3.913, an extremely gratifying increase. The MCA strengthened its links with the AHA by supporting them financially with a £1,500 grant whilst we also highlighted each other's social media campaigns. The MCA also continued to work closely with the BDDG (British Doctors and Dentists Group) and the SDT (Sick Doctors Trust).

The MCA Symposium on Alcohol and Health in 2022 was held once again in person, after two years of on-line events. It had 75 attendees and made a small positive income. The plans for the 2023 Symposium are currently in progress, again hopefully for an in-person event.

FINANCIAL REVIEW

The MCA recorded a net income for the year of £2,682 (2022: £42,626) before realised and unrealised investment losses of £25,641 (2022: £7,739) showing a net decrease in funds for the year of £22,959 (2022: increase of £50,365). At the year end the Council had net funds of £894,576,222,959 (2022: £917,535).

Income

The Symposium was held in person in 2022 and a small surplus was achieved. MCA also benefited from the receipt of further legacy income amounting to approximately £7,200.

Journal income showed a decline over the previous year to £154,826 decrease over the previous year (2022: £169,457), primarily due to a reduction in non-subscription income.

Following the reduction in dividend income in 2022 due to the Covid-19 pandemic, there was a significant recovery this year, with over £25,000 being received (2022: £19,468).

Expenditure

Total expenditure for the year was £203,995 (2022: £171,781). Whilst MCA expenses continued to benefit from the effect of 'working from home' for a large part of the financial year, other costs, principally related to changes in personnel during the period, meant that there was an overall increase in the level of expenditure compared to the previous year.

Effective from 1 July 2022, MCA moved into its new premises on the RCP estate and the revised charging structure commenced.

Investment portfolio and cash balances

The value of MCA's investment portfolio fluctuated significantly during the financial year as a result of events both in the UK and abroad. As stated above, dividends from the portfolio increased substantially compared to the previous year.

Since the beginning of calendar 2023, there has been a recovery in the portfolio value, although the valuation of £672,835 (including cash) at 31 March 2023 was approximately £30,000 below the £702,828 shown at 31 March 2022.

MCA ended the financial year with significant cash balances amounting to circa £228,000 (2022: £166,000). It is the current intention of the Trustees to continue to hold a high level of cash balances (see Reserves Policy below) and during the current year we will seek to improve the interest return from these balances.

Our Membership and Symposium Policies

The MCA's pricing policies with regards to membership and events reflect our strategy of being accessible and cost effective to all types of healthcare professionals especially as budgets within the NHS are very strict at present, whilst aiming for the MCA to remain financially viable.

Investment Powers and Policy

The Council has appointed Charles Stanley and Co. as MCA's investment managers and members of the Executive Committee and the Treasurer have regular meetings with the investment manager to monitor performance. The investment manager is aware of the Council's ethical stance on alcohol-

related investments.

Reserves Policy

The Council's policy is to retain sufficient cash and easily liquidated investments to cover at least 9 months estimated future expenditure, which in 2022/2023 was approximately £150,000. During the year the Trustees reviewed the level of cash balances to be held as part of this cover and decided that, for the present, this should be in the region of £125,000. At the year-end MCA's cash at bank and investments amounted to approximately £900,00. All investment holdings are considered to be capable of being liquidated quickly should the need arise.

Aims for the Future

The Council's continuing aim is for its income and expenditure to be in reasonable balance before any major charitable projects. The Council's intention is to put income from its activities towards financing such projects, whilst being aware that there may be occasions when a project is of such importance that it may be appropriate to support out of the Council's retained funds.

We will continue to strengthen our links with healthcare professionals through our membership, educational activities and Journal as well as using social media to raise the profile of the organisation.

Through our collaboration with OUP, we will continue to work to increase the income generated from the Journal. In particular we are aiming for an increase in the impact factor and the reach of the Journal in the USA particularly and other parts of the world.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Medical Council on Alcohol is a company limited by guarantee governed by its Memorandum and Articles of Association dated 1967. It is registered as a charity with the Charity Commission.

The Council is governed by the Executive Committee and its subordinate Committees: Education and Public Health and Journal. There is a network of Regional Advisors associated principally with Medical Schools and Universities, and a current membership of 76. Members of the Executive Committee are Directors under Company Law and Trustees under Charity Law. Members of the Company guarantee to contribute an amount not exceeding £1 each to the assets of the Company in the event of a winding-up during their membership or within one year of their ceasing to be a member. The total of such guarantees at 31 March 2023 was £76 (2022: £76).

1st March valuation of Appointment of Trustees

Under the company's articles, directors of the company are known as members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Executive Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting. The directors retire by rotation and, if eligible, can offer themselves for re-election.

Most trustees are already familiar with the practical work of the Charity. Additionally, new trustees are encouraged to attend meeting sessions to familiarise themselves with the Charity and the context within which it operates.

Trustee Induction and Training

New trustees are briefed on their legal obligations under charity and company law, the Charity Commission guidance on public benefit and receive a copy of the Memorandum and Articles of Association. New trustees are presented with any recent financial documents and business plans.

Organisation

The board of trustees, which can have up to 30 members, administers the charity. The board normally meets three times a year. A Chairman is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chairman has delegated authority, within the terms of delegation approved by the trustees, for operational matters including finance, employment and membership to the Medical Director and other committees (Education & Journal).

Related Parties and Co-operation with other Organisations

The Medical Council on Alcohol has formal Agreements only with the Journal Publisher (Oxford University Press) and the European Society for Biological Research into Alcohol (a charity with similar objectives, subject to Belgian National Law, but administered from Vienna).

In pursuance of its charitable objectives The Medical Council on Alcohol co-operates with bodies such as the Sick Doctors Trust, the Alcohol Health Alliance and the British Doctors' and Dentists' Group but has no formal relationship with these bodies.

The Medical Council on Alcohol became affiliated to the Royal College of Physicians in 2006: this affiliation does not affect the independence of The Medical Council on Alcohol as a Charity.

Pay Policy for Senior Staff

The directors, who are also the trustees, give of their time freely and no director received remuneration in the year. Details of directors' expenses are related party transactions and are disclosed in note 9 in the accounts.

The pay of MCA staff is reviewed annually in accordance with pay in other comparable organisations.

Risk Management

The Council is exposed to operational and financial risks as a result of its operating activities. To mitigate these risks a system of internal financial controls has been implemented that is designed to provide reasonable (although not absolute) assurance against material misstatement or loss.

The trustees have a risk management strategy which comprises:

- An annual review of the principal risk and uncertainties that the charity faces;
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review;
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise

This work has identified that financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of the investment portfolio and active management of debtors and creditors balances to ensure sufficient working capital.

The Council is also exposed to market risk as a result of holding investments in equities and bonds. To manage this risk the Council has given clear guidelines to the investment manager on the investment strategy to be followed and receives regular reports from the investment manager on the performance of the portfolio. Members of the Executive Committee and the Treasurer meet regularly with the manager to review investment performance.

Attention has also been focused on non-financial risks arising from fire and health and safety issues. These risks are managed by ensuring that all office machines are PAT tested regularly, having set policies and procedures in place, maintenance of equipment, back-up of data to an external server and regular staff training.

REFERENCE AND ADMINISTRATIVE DETAILS:

Charity number: 265242

Company number: 952312

VAT number: 128992569

Registered Office: 2 St Andrews Place, London NW1 4LB

Our Advisors:

Independent Examiner:	Martin Myers, Goldwyns	109 Baker Street, London, W1U 6RP
Bankers:	Natwest	PO Box 2022, London, W1A 1FH
Investment Manager:	Charles Stanley	25 Luke Street, London, EC2A 4AR

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees as at 31 March 2023 were as follows:

OFFICERS		
President Vice President	Professor Sir Ian Gilmore Dr Bruce Ritson,	MD, FRCP, DL OBE, MD, FRCPsych, FRCP (Ed)
EXECUTIVE COMMITTEE		
Officers: Chairman	Prof Colin Drummond	MB ChB, MD, FRCP, FRCPsych, FFPH, FRCGP(Hon)
Education Committee Chair	Dr Iain Smith	MB ChB, BSc, FRCPsych
Journal Committee Chair	Dr Peter Rice	MB ChB, FRCPsych
Members:	Prof Jonathan Chick, Prof Eilish Gilvary, Dr Clare Gerada (until June 22) Dr Zul Mirza (until June 22) Dr Anne McCune (until Nov 22), Dr Jane Marshall (from Nov 22), Dr Steve Masson (from Nov 22) Dr Marsha Morgan, Dr Andrew Thillainayagam, Dr Alistair Young Dr Michael Dougan	MA, MPhil, MBChB, DSc, FRCP(Ed), FRCPsych MBE, FRCP, FRCGP, MRCPsych FRPsych, MRCGP, DCH, FRCPI MD, FRCP MBChB, DCH, DRCOG, MRCP, FFAEM, Tox FRCM MB ChB, FRCP MD, FRCP MB ChB, MRCPsych MB, ChB, LLB, DA. (UK), FFARCSI, CCGPT BA (Hons), PhD
In attendance: Honorary Treasurer: Medical Director: Executive Assistant:	Mr Graham Warner Dr Dominique Florin Ms Trine Lyngsholm (until Nov 22) Ms Jess Luxon (from Nov 22) Ms Clare Farrow	MBA, FCA MA, MB BS, MRCGP, MD, FFPHM BA(Hons), AISTD BA(Hons)
Admin Assistant:		

Distinguished Fellow	Professor Peter Brunt	CVO, OBE, MD, FRCP, FRCP(Ed),FRCS(Ed)

Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of The Medical Council on Alcohol for the purposes 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. Under Company Law, the trustees must not approve the Financial Statement unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the 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 (FRS 102);
- Make judgments 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company 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 corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board:



Dr Dominique Florin Date: 22nd June 2023

Medical Director

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MEDICAL COUNCIL ON ALCOHOL FOR THE YEAR ENDED 31 MARCH 2023

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2023 which are set out on pages 19 to 33.

Responsibilities and Basis of Report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities, applicable to charities preparing their accounts in accordance with the Financial reporting standard applicable in the UK (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached

MAMYERS

MAMYERS (Jun 29, 2023 12:56 GMT+1)

MARTIN MYERS, FCA CTA
GOLDWYNS Chartered
Accountants 109 Baker Street
London
W1U 6RP

Date: 22nd June 2023

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Donations and Legacy Income	4	7,449	1,420	6,029	10,557
Membership		5,737	-0	5,737	3,610
Investment Income	6	26,028	26,028	-0	19,468
		39,214	27,448	11,766	33,635
From charitable activities					
Journal		154,826	103,151	51,675	169,457
Symposium	5	12,506	12,506	-0	9,605
Publication Sales		87	87	-0	-0
Sundry Income		44	44	-0	1,710
		167,463	167,463	51,675	180,772
Total Income		206,677	143,236	63,441	214,407
Expenditure on or:					
Charitable Activities	7a / 7b	147,547	84,106	63,441	118,988
Governance & Administration	7c	55,804	55,804	-0	52,033
Other		644	644	-0	760
Total Expenditure		203,995	140,554	63,441	171,781
Net Incoming Resources		26822,682	26822,682	-0	42,626
Gains / (Losses) on Investments					
Realised investment gains		(6,607)	(6,607)	-0	9,964
Change in value of the investment portfolio		(19,034)	(19,034)	-0	(2,225)
		(25,641)	(25,641)	-0	7,739
Net Movement in Funds		(22,959)	(22,959)	-0	50,365
Reconciliation of Funds					
Total funds Brought Forward		917,535	917,535	-0	867,170
Total funds Carried Forward	16	894,576	894,576	-0	917,535

The statement of financial activities includes all gains and losses in the year. All income and expenditure derive from continuing activities. The notes on pages 20 to 27 form part of these financial statements.

BALANCE SHEET AS AT 31 MARCH 2023

	Notes	2023 £	2022 £	
Fixed Assets				
Listed Investments	12	627672,835	702,828	
Current Assets				
Debtors	13	13,742	71,912	
Cash at Bank and in hand		228,785	166,896	
Total Current Assets		242,477	238,808	
Creditors: amounts falling due within 1 year	14	20,786	24,101	
Net Assets		221,741	214,708	
Total Assets less Current Liabilities		894,576	917,535	
Funds of the charity				
Unrestricted funds	15	824,938	828,861	
Restricted funds		-	-	
Revaluation Reserve	15a	69,638	88,674	
Total Funds		894,576	917,535	

For the March company year ended 31 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Executive Committee on 21st June 2023 and signed on its behalf,



Professor C Drummond,
Chairman, Executive Committee



Mr G Warner, MBA, FCA
Honorary Treasurer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Preparation

The financial statements have been prepared in accordance with 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 October 2019) - (Charities SORP (FRS 102)) and the Companies Act 2006.

The MCA meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Going Concern

The Financial Statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these Financial Statements. The budgeted income and expenditure, coupled with the level of reserves, is considered sufficient for the charity to be able to continue as a going concern.

Income

Income is accounted for gross (excluding Value Added Tax where applicable) when receivable, as long as it is capable of financial measurement. This includes donations, subscriptions, income from publications and investment income. Income received in advance of a specific event is deferred until the criteria for income measurement are met.

Interest Receivable

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

Bank.

Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the MCA's work or for specific projects being undertaken by the charity.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably

All expenditure is accounted for gross or net of value added tax where applicable, and when incurred. Rentals paid under operating leases are charged to the income and expenditure account on a straight-line basis over the term of the lease.

Allocation of Support Costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Seventy five percent of staff costs, rent/service charge, rates, insurance, and office expenses have been allocated to the charitable activities listed in note 7b.

Operating Leases

The charity leases its premises from the Royal College of Physicians. The lease is renewed periodically. The previous lease expired on 31st December 2019 and the MCA has agreed, but not yet signed, a new lease with RCP (see note 17).

Tangible Fixed Assets

Depreciation on office equipment is provided on a straight-line basis at a rate of 20% per annum. Items of expenditure are capitalised where the purchase price exceeds £1,000.

Debtors

Debtors are recognised initially at fair value. Trade and other debtors are recognised at the amount due on the day they arise. Prepayments are

amounts paid in advance and are stated at the actual amount that has been prepaid.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and deposits in the bank or similar accounts.

Investments

The listed investment portfolio is stated at market value.

Foreign Currencies

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of execution. Exchange differences are taken to the SOFA. Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date.

Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event or activities and the amount due to settle the obligation can be measured or estimated reliably.

Financial Instruments

The MCA only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pensions

The Medical Director of the charity receives an employer's contribution to a NHS pension on a monthly basis. The MCA is part of the NEST scheme with employer contributions in line with the government approved percentage. If staff meet the government requirements for a pension, then the MCA pay into either NEST on their behalf or into a private pension scheme at the same rate as the NEST scheme.

2. Legal Status of the Charity

The MCA is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. For the purposes of the Companies Act, the persons regarded as Directors and the Board of

Directors respectively, are the Members of the Executive Committee.

3. Financial Performance of the Charity

The statement of financial activities shows the overall income and expenditure of the charity.

4. Income from Donations and Legacies

	2023	2022
	£	£
GiftAid	292	786
Member & Product donations	-0	217
Unrestricted Legacies	7,157	9,554
	<u>7,449</u>	<u>10,557</u>

The income from donations and legacies was £7,449 (2022: £10,557) of which £7,157 was unrestricted (2022: £9,554) and £292 restricted (2022: £1,003).

The MCA benefits greatly from the involvement and enthusiastic support of its many board members, Regional Advisors and volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of these people is not recognised in the accounts.

5. Income from Charitable Activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Income from Symposium	<u>12,506</u>	<u>9,605</u>

6. Investment Income

	2023	2022
	£	£
Dividends on investments	25,252,028	19,452,468
Interest receivable on bank deposits	776	16
	<u>25,252,804</u>	<u>19,468,484</u>

7(a)
of

(See details
Restricted Expenditure):

7. Expenditure

Breakdown costs by charitable activities note 16 for of

	Direct Costs	Support	Total
	£	£	£
Journal (Inc. Committee costs)	35,533	6,319	41,852
Member Communication	2,001	25,277	27,278
Education: External Events		18,958	18,958
Journal (Inc. Committee costs)	35,533	6,319	41,852
Publications	2,001	6,319	6,319
Member Communication	104	25,277	27,278
Other	-	2,528	2,632
Education: External Events	12,469	18,958	18,958
Symposia	-	29,069	41,538
Publications	2,650	6,319	6,319
Competitions	104	6,319	8,969
Other	52,756	2,528	2,632
Symposia	12,469	94,790	147,547
Competitions	2,650	29,069	41,538
	52,756	6,319	8,969
	52,756	94,790	147,547

5% 20% 15% 5% 2% 23% 5% 25%

	Journal	Member Com	Education: External Events	Education: Publications	Education: Other	Education: Symposium	Education: Comp	Governance & Admin	Total
	£	£	£	£	£	£	£	£	£
Staff	103,626	5,181	20,725	15,544	5,181	2,073	23,834	5,181	25,906
Premises	19,868	993	3,974	2,980	993	397	4,570	993	4,967
Other	2,894	145	579	434	145	58	666	145	723
Office	126,387	6,319	25,277	18,958	6,319	2,528	29,069	6,319	31,597
						Total	£94,790		

7(b) Analysis of costs by financial activity

7(c) Governance and Administration costs:

	2023		2022	
	£	2023	£	2022
Support Costs	31,597	£	25,212	£
Professional Fees	17,845	31,597	20,251	25,212
Executive Committee Costs	0	17,845	(107)	20,251
Investment management fees	4,777	4,777	5,102	(107)
Funding & subscriptions to other organisations	1,585	1,585	1,576	5,102
other organisations		55,804		52,033
		55,804		52,033

8. Net Income/(expenditure) for the year is stated after charging the following:

	2023	2022
	£	£
Operating leases	19,868	16,456
Bank interest receivable	(776)	(16)
Accountancy services	8,123	7,564

9. Analysis of staff costs, trustee remuneration and expenses

	2023	2022
	£	£
Wages and Salaries	83,599	72,760
Social Security contributions	2,559	2,379
Pension contributions	6,579	6,170
Staff Travel	78	529
Recruitment	10,810	-
Total	103,626	81,839
Average number of employees during the year	3	3

No trustees were paid or received any other benefits from employment with the organisation in the year (2022: £nil) other than Professor J Chick who received an Honorarium for his editorship of the Journal which totalled £16,000 (2022: £16,000).

No charity trustee received payment for professional or other services supplied to the charity (2022: £nil). No payments were made to (2022: Nil) Executive Committee members in reimbursement of travelling expenses incurred in attending meetings. No employees had remuneration and employee benefits in excess of £60,000.

10. Staff Numbers

The MCA employs 3 part-time members of staff. It also employs additional part-time staff when necessary, during peak activity times (e.g. Symposium, other events etc).

11. Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12. Fixed Assets – Listed Investments

	2023	2022
	£	£
Cost of investments at start of financial year	615,285	604,203
Additions at cost during the year	58,890	16,968
Disposals during the year	(68,997)	(15,850)
Realised gains on investments during the year	(6,607)	9,964
<i>Cost of investments at end of financial year</i>	<u>598,571</u>	<u>615,285</u>
Unrealised gains (loss) at year end	69,638	88,674
<i>Market Value at end of financial year</i>	<u>668,209</u>	<u>703,959</u>
Cash held pending investment	4,626	(1,131)
	<u>672,835</u>	<u>702,828</u>

All investments were listed on a recognised stock exchange.

13. Debtors: Amounts Falling Due Within One Year

	2023	2022
	£	£
Prepayments & Accrued Income	13,645	71,245
	13,645	71,245
Trade Debtors	97	667
	<u>13,742</u>	<u>71,912</u>

14. Creditors: Amounts Falling Due Within One Year

	2023	2022
	£	£
Accruals & Deferred Income	8,622	22,634
Trade Creditors	1,558	968
VAT payable	10,606	499
	<u>20,786</u>	<u>24,101</u>

15. Analysis of Net Assets Between Funds

	2023	2022
	£	£
Unrestricted Funds, Net Current Assets	824,938	828,861
Unrealised gains on revaluation of investments	69,638	88,674
	<u>894,576</u>	<u>917,535</u>

15a. Movement in Revaluation Reserve

	2023	2022
	£	£
Brought Forward balance at 1 April	88,674	90,896

Net movement for the year	(19,036)	(2,222)
Balance at 31 March	69,638	88,674

16. Movement in Funds

	2023	2022
	£	£
Unrestricted Funds:		
At 1 April	917,535	867,170
Transfer from restricted funds	-	-
Net Movement in funds for year	(22,959)	50,365
<i>At 31 March</i>	<i>894,576</i>	<i>917,535</i>
Restricted Funds:		
At 1 April	-	-
Income	63,441	56,288
Expenditure	63,441	56,288
Transfer to unrestricted funds		
<i>At 31 March</i>	<i>-</i>	<i>-</i>

Restricted funds received during the year and their subsequent expenditure was for:

	Amount	Expenditure
	£	
<i>GiftAid Donations:</i> Donations by members for members only activities, such as AGM costs	6,029	Members contribution towards AGM costs (to aid in covering costs)
<i>Membership:</i> The MCA receives yearly subscriptions to pay for member activities	5,737	AGM costs, newsletter, website and member activity costs
<i>Journal:</i> The MCA receives monthly income from Oxford University Press to contribute to editorial and board expenses	51,675	Editors' honoraria and editorial meetings and expenses
	<u>63,441</u>	

17. Operating Lease Commitments

MCA's previous lease on premises it occupies at the Royal College of Physicians expired on 31 December 2019. A lease for new premises has been agreed with the College at an approximate annual cost of £19,867 (including service charge) with effect from 1 July 2022, but not yet signed.

The combined rent and service charges in respect of leased premises included in these accounts is £19,867 (2022: £16,456).

18. Post Balance Sheet Events

There are no post-balance sheet events after the Balance Sheet date that required to be disclosed.

19. Related Parties

Other than the items shown in Note 9 above, there are no related party transactions that require disclosure.