



THE ASSOCIATION OF ANAESTHETISTS
of Great Britain & Ireland

A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

Company Number 1888799

Registered Office	21 Portland Place London W1B 1PY
Auditors	Hartley Fowler LLP, Chartered Accountants 44 Springfield Road, Horsham RH12 2PD
Bankers	HSBC PO Box 648 27-32 Poultry, London EC2P 2BX
Solicitors	Hempsons Hempsons House 40 Villiers Street, London WC2N 6NJ

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2007

CONTENTS

Directors' Report	1 - 3
Independent Auditors' Report	4
Income and Expenditure Account	5
Statement of Total Recognised Gains and Losses	5
Balance Sheet	6
Notes to the Financial Statements	7 - 12

**ASSOCIATION OF ANAESTHETISTS
OF GREAT BRITAIN AND IRELAND**

DIRECTORS' REPORT

The directors present their annual report and the audited Financial Statements for the year to 31st March 2007.

1 Statement of Directors' Responsibilities

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

- select suitable accounting policies and then apply them consistently;
- follow applicable accounting standards;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business;
- maintain the integrity of corporate and financial information on the company's website.

The directors have taken all the steps required to make the auditors aware of any relevant audit information in connection with preparing their report.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Companies Act 1985 and United Kingdom Generally Accepted Accounting Practice (UKGAAP). They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have established systems of internal control, comprising financial estimates and annual budgets, delegated authorities for operational management and segregation of duties, reviews of financial and investment performance and the identification and management of risks.

The internal controls are subject to ongoing assessment and evaluation by the directors. At least two meetings a year are held to consider financial management and performance in detail. In addition, the Honorary Treasurer reports on financial matters to each Council meeting of the Association, comprising directors and co-opted members. These meetings record the formal review and approval of all aspects of finance, internal controls and accounts.

2 Review of Activities

The principal activities of the Association were the promotion of the development and study of anaesthetics and the fostering of research into anaesthetics and allied subjects.

A full review of activities is given in the Annual Report.

3 Nature of the Company

The Association is a Company limited by Guarantee and does not have a share capital.

**ASSOCIATION OF ANAESTHETISTS
OF GREAT BRITAIN AND IRELAND**

DIRECTORS' REPORT

4 Results

The Association made a surplus for the year amounting to £42,381 after a transfer of £100,000 to the Development Fund (2006: a surplus of £13,631). The Association is prohibited by its Memorandum of Association from paying a dividend to its Members.

Total income exceeded the previous year, primarily from growth in membership subscriptions. Exhibition income associated with scientific meetings held by the Education and Research Trust was lower, but the net surplus was maintained and forms part of the Gift Aid grant to the Trust. The Association continued the publication of its prestigious scientific journal "Anaesthesia" from which it derives a substantial income, together with "Anaesthesia News", the journal for members. In addition, the Association generated an increased income before allocated overheads from services, including administration and event management for a number of specialist societies related to anaesthesia.

Common administrative expenses continue to be shared with the Education and Research Trust and included the cost of a membership questionnaire. In total, Membership and Administrative costs were lower, principally the cost of publications which reflects the number published in the year. The membership and events database to provide member access via the website continued to be refined and the costs of development have been capitalised.

During the year, the Association increased the level of donation by Gift Aid to the Education and Research Trust to advance its educational programme and to support the cost of its activities.

The Association's investments in the stock market increased in value during the year and at the market prices ruling on 31st March 2007 generated further unrealised gains. Disposals during the year resulted in an overall gain of £134,775, which is reported as a gain of £8,514 in the year, after deducting previously recognised gains. Cash is held on deposit as part of reserves to meet future operating costs. The Association's Investment Committee takes professional advice in the selection of ethical investments and reviews portfolio performance against investment objectives. The Association has set risk objectives, and adopted guidelines on diversification of the portfolio.

A Development Fund, re-launched in 2005 to enable the Association to fund future developments, received a further transfer of £100,000 in the year.

5 Directors

The directors who served during the year were as follows:

Dr Hilary Anne Aitken	Dr Ian Gordon Johnston
Dr Richard John Scriven Birks	Professor Chandra Mohan Kumar
Dr David George Bogod	Dr Sean McDevitt
Dr John Anthony Carter	Dr Leslie Roderick McNicol
Professor William Alastair Chambers	Professor David John Rowbotham
Dr Nicholas Malcolm Denny	Professor John Robert Sneyd
Dr Leslie William Gemmell	Dr Jane Sturgess
Dr Jayne Sara Hunt	Dr Michael Yoong Kan Wee
Professor Michael Harmer	Dr David Kenneth Whitaker
Dr Allan William Harrop-Griffiths	Dr Iain Henry Wilson

**ASSOCIATION OF ANAESTHETISTS
OF GREAT BRITAIN AND IRELAND**

DIRECTORS' REPORT

5 Directors – *continued*

The following directors served until 21st September 2006:

Dr Diana Elizabeth Dickson

Dr Stephanie Kathleen Greenwell

The following directors served from 21st September 2006:

Dr Valerie Elizabeth Bythell

Dr Ranjit Verma

Dr Andrew James Hartle

6 Political and Charitable Contributions

During the year the Association made gross charitable contributions of £2,500 to the Royal Medical Benevolent Fund, £1,000 to the Royal Humane Society and £993,500 to the Association of Anaesthetists of Great Britain and Ireland Education and Research Trust.

7 Auditors

A resolution to re-appoint Hartley Fowler LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the Board

A W Harrop-Griffiths Secretary

Dated *1st June 2007*

**ASSOCIATION OF ANAESTHETISTS
OF GREAT BRITAIN AND IRELAND**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION OF ANAESTHETISTS
OF GREAT BRITAIN AND IRELAND**

We have audited the financial statements on pages 5 to 12 of the Association of Anaesthetists of Great Britain and Ireland for the year ended 31st March 2007 which comprise the Income and Expenditure Account and Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), under the historical cost convention (as modified by the revaluation of investments) and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the company's directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of affairs of the company as at 31st March 2007 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985. The Directors' Report is consistent with the financial statements.

Dated *5th June 2007*
44 Springfield Road
Horsham RH12 2PD

Hartley Fowler LLP
Chartered Accountants
Registered Auditors

**ASSOCIATION OF ANAESTHETISTS
OF GREAT BRITAIN AND IRELAND**

Income and Expenditure Account for the year ended 31st March 2007

2006 £		<i>Note</i>	£
	Income		
1,214,543	Membership Subscriptions		1,314,692
283,213	Publication of "Anaesthesia"	2	303,706
263,579	Exhibitions	3	215,468
66,989	Investment Income	4	82,148
25,000	Sponsorship and Donations		6,000
135,654	Services and Other Income		144,081
<u>1,988,978</u>			<u>2,066,095</u>
	Expenditure		
174,110	Publication of "Anaesthesia"	2	157,481
189,298	Exhibitions	3	145,080
511,658	Membership and Administrative Expenses	5	464,708
33,315	Accommodation costs		35,355
141,676	Travel, Services and Other Expenses	6	136,104
875,100	Grant to Education and Research Trust		993,500
<u>1,925,157</u>			<u>1,932,228</u>
	Surplus of Income over Expenditure before disposal of investments		133,867
63,821	Profit/(Loss) on Disposal of Investments		8,514
(190)			<u>142,381</u>
<u>63,631</u>	Surplus of Income over Expenditure		
(50,000)	Transfers (to)/from Designated Funds		(100,000)
<u>13,631</u>	Retained Surplus for the year		<u>42,381</u>

Continuing Operations

None of the Association's activities were acquired or discontinued during the current or previous years.

Statement of Total Recognised Gains and Losses

£		£
13,631	Surplus for the year	42,381
318,671	Unrealised Gain/(Loss) on Revaluation of Investments	28,023
<u>332,302</u>	Total Recognised Gains and Losses since last Annual Report	<u>70,404</u>

**ASSOCIATION OF ANAESTHETISTS
OF GREAT BRITAIN AND IRELAND**

Notes to the Financial Statements for the year ended 31st March 2007

1 ACCOUNTING POLICIES

The accounts are prepared under the historical cost convention except for fixed asset investments which are valued at market value.

All individual assets with a cost of more than £100 or forming part of a larger capital project are capitalised and included in the balance sheet at cost, including software in the course of development. Depreciation is provided at the following rates on a straight line basis:

Furnishings	10%
Office Equipment	33%

The Association operates a defined contribution pension scheme. Contributions are charged to the Income and Expenditure Account as they become payable under the scheme.

Investments are valued at market value. The unrealised gains or losses are taken to the Revaluation Reserve.

Stocks are valued at the lower of cost and net realisable value.

The subscription year runs to 30th June and one quarter of the subscriptions received for the year are carried forward as subscriptions paid in advance. No accrual is made for outstanding subscriptions.

2 PUBLICATION OF "ANAESTHESIA"

2006		
£		£
283,213	Income from Publication	303,706
<u>174,110</u>	Less: Expenses	<u>157,481</u>
<u>109,103</u>		<u>146,225</u>

3 EXHIBITIONS

2006		
£		£
263,579	Income from Marketing	215,468
<u>189,298</u>	Less: Expenses	<u>145,080</u>
<u>74,281</u>		<u>70,388</u>

The surplus on exhibitions was donated by Gift Aid to the Education and Research Trust.

**ASSOCIATION OF ANAESTHETISTS
OF GREAT BRITAIN AND IRELAND**

Notes to the Financial Statements for the year ended 31st March 2007

4 INVESTMENT INCOME

2006		£
£		
20,881	Interest on Cash Deposits	28,430
14,774	Fixed Interest Securities	15,297
31,334	Other Investments	38,421
<u>66,989</u>		<u>82,148</u>

5 MEMBERSHIP AND ADMINISTRATIVE EXPENSES

2006		£
£	<i>Gross Costs</i>	
228,738	Salaries and Other Staff Costs	223,259
98,465	Printing and Office Expenses	79,371
130,320	Travelling Expenses	126,495
37,461	Public and Membership Communication	49,143
52,430	Computer Services	40,946
8,775	Insurance	9,255
<u>50,143</u>	Depreciation of Office Equipment	<u>49,086</u>
606,332		577,555
	Recovered from Education and Research Trust	
45,000	Special Activities	45,000
<u>272,166</u>	Administrative Expenses (50%)	<u>257,278</u>
<u>317,166</u>		<u>302,278</u>
289,166	Retained by the Association	275,277
<u>17,000</u>	Special Activities	<u>18,000</u>
272,166	Administrative Expenses (50%)	257,277
84,174	Publications	34,661
12,902	Standing Committee expenses	9,582
31,202	Meetings - sundry expenses	38,600
50,487	Personal Accident Insurance for members	52,998
11,712	Linkman Conference	14,703
20,210	Legal and Professional Charges	31,124
24,950	Other Governance Costs	21,548
3,855	Audit Fee	4,215
<u>511,658</u>		<u>464,708</u>

Administrative costs for common services are shared with the Association of Anaesthetists Education and Research Trust. The remaining costs related to membership and administration have been directly attributed, such as printing publications and governance.

Standing Committees generated income which offset their costs.

**ASSOCIATION OF ANAESTHETISTS
OF GREAT BRITAIN AND IRELAND**

Notes to the Financial Statements for the year ended 31st March 2007

6 TRAVEL, SERVICES AND OTHER EXPENSES

2006		£
£		
23,961	Travelling Abroad	39,336
5,040	Subscription – WFSA	4,959
2,169	Subscription – CENSA/ESA	2,123
58,261	Specialist Society Support	52,059
10,079	Investment Management Fees	8,666
39,166	Rechargeable and Miscellaneous Expenses	25,461
2,000	Donation - Royal Medical Benevolent Fund	2,500
1,000	Donation - Royal Humane Society	1,000
<u>141,676</u>		<u>136,104</u>

7 EMPLOYEE COSTS

The average number of people employed by the Association during the year was seven, including Specialist Societies support (2006: 9). The payroll costs comprised:

2006		£
£		
227,872	Salaries	206,360
22,509	Social Security Costs	21,791
17,214	Pension Costs	17,614
<u>267,595</u>		<u>245,765</u>

The Association operates a defined contribution pension scheme. Contributions are made for eligible staff and assets are held in independently administered funds.

8 TAXATION

There is no liability to Corporation Tax arising on the surplus for the year ended 31st March 2007 (2006: Nil). Provision for deferred tax is not required.

**ASSOCIATION OF ANAESTHETISTS
OF GREAT BRITAIN AND IRELAND**

Notes to the Financial Statements for the year ended 31st March 2007

9 FURNISHINGS AND OFFICE EQUIPMENT

2006		Furniture & Furnishings	Office Equipment	Total £
471,702	Cost at beginning of year	77,269	398,215	475,484
(50,564)	Disposals this year at cost	-	(4,327)	(4,327)
24,230	Additions this year at cost	9,000	16,017	25,017
30,116	Development costs	-	11,437	11,437
<u>475,484</u>	Cost at end of year	<u>86,269</u>	<u>421,342</u>	<u>507,611</u>
	Depreciation			
375,912	Provided at beginning of year	55,732	323,386	379,118
(50,564)	Disposals this year	-	(4,327)	(4,327)
53,770	Charge for the year	4,527	49,086	53,613
<u>379,118</u>	Provision at end of year	<u>60,259</u>	<u>368,145</u>	<u>428,404</u>
<u>96,366</u>	Net Book Value at end of year	<u>26,010</u>	<u>53,197</u>	<u>79,207</u>

Costs incurred in developing the Association's database have been capitalised and depreciation has been charged.

10 INVESTMENTS

2006 £		£
1,422,164	Market value at beginning of year	1,991,338
284,031	Additions - at cost	325,958
(33,528)	Disposals	(277,499)
318,671	Net unrealised gains or losses on revaluation	28,023
<u>1,991,338</u>	Market value at end of year	<u>2,067,820</u>
	<i>Analysis of investments - at cost</i>	
1,468,247	Investment and Unit Trusts - UK listed	1,456,584
-	Shares - UK Listed	60,122
<u>1,468,247</u>		<u>1,516,706</u>

11 STOCK

2006 £		£
<u>4,596</u>	Souvenirs for sale	<u>4,735</u>

**ASSOCIATION OF ANAESTHETISTS
OF GREAT BRITAIN AND IRELAND**

Notes to the Financial Statements for the year ended 31st March 2007

12 DEBTORS

2006		£
£		
95,700	Trade Debtors	61,140
268,768	Education and Research Trust Current Account	100,587
50,333	Other Debtors	25,234
45,193	Prepayments	27,589
<u>459,994</u>		<u>214,550</u>

13 LOAN TO THE EDUCATION AND RESEARCH TRUST

The loan to the Association of Anaesthetists of Great Britain and Ireland Education and Research Trust is unsecured and repayable on demand.

14 CREDITORS

2006		£
£		
	<i>Amounts falling due within one year</i>	
71,368	Trade Creditors	29,641
90,921	Other Creditors and Accruals	93,232
16,899	Receipts in Advance	19,385
29,698	Taxes and Social Security Costs	19,972
<u>208,886</u>		<u>162,230</u>

15 REVALUATION RESERVE

2006		£
£		
204,420	At beginning of year	523,091
318,671	Movement during the year	28,023
<u>523,091</u>	At end of year	<u>551,114</u>

The revaluation reserve arises on the valuation of investments at market value.

16 DEVELOPMENT FUND

2006		£
£		
150,000	At beginning of year	200,000
50,000	Transfer (to)/from Income and Expenditure	100,000
<u>200,000</u>	At end of year	<u>300,000</u>

The Development Fund has been established to promote the future development of the speciality of anaesthesia.

**ASSOCIATION OF ANAESTHETISTS
OF GREAT BRITAIN AND IRELAND**

Notes to the Financial Statements for the year ended 31st March 2007

17 GENERAL FUND

2006		
£		£
2,340,353	At beginning of year	2,353,516
13,631	Surplus for the year	42,381
(468)	Transfer of realised gains/(losses)	126,261
<u>2,353,516</u>	At end of year	<u>2,522,158</u>

The Association is prohibited by its Memorandum of Association from paying a dividend to its Members. The company is controlled by its members and managed by a Council elected by the members.

18 FUTURE CAPITAL EXPENDITURE

There were no amounts contracted but not provided for in the Accounts.