



**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 60 Queen Victoria Street London EC4N 4TR
Solicitors	Hempsons Hempsons House 40 Villiers Street, London WC2N 6NJ

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST MARCH 2009**

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**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 2009.

**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;

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 advancement and promotion of patient care and safety, the promotion of education and research into anaesthetics and the support of members.

A full review of activities is given in the Annual Report published on the Association's website.

**3 Nature of the Company**

The Association is a Company limited by Guarantee and does not have a share capital. During the year the company adopted revised Memorandum and Articles of Association.

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

**DIRECTORS' REPORT**

**4 Results**

The Association continued to financially support the AAGBI Foundation (formerly the Association of Anaesthetists Education and Research Trust), which primarily provides education and training for anaesthetists. In addition to an annual grant, the Association made a gift of investments of just over £1.2 million to the Foundation to increase the resources available to the charity. The results also reflect the fall in global stock market values with reported losses of over £0.5 million, mainly related to the gifted investment portfolio. Overall, there was a deficit for the year amounting to £1,425,808 met from the General Fund (2008: a surplus of £62,042 after a transfer of £200,000 to the Development Fund). 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 AAGBI Foundation and services. The Association substantially increased income 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 AAGBI Foundation. In total, Membership and Administrative costs were higher, with increases in staff, printing and travel costs. The membership and events database to provide member access via the website was launched, together with membership cards. Legal fees were incurred for advice in advancing members' interests in relation to private practice medicine.

Other expenses include representation of the Association at European and international conferences and gatherings of anaesthetists. In the previous year, additional expenditure was incurred for the World Congress of Anaesthesiologists held in Cape Town. Costs associated with the provision of services were also higher, reflecting the increase in the income generated.

During the year, the Association raised the level of donation by Gift Aid to the AAGBI Foundation to advance its educational programme and to support the cost of its activities. Together with the gift of investments, the Association made a major contribution to the funding of the Foundation in the year of its re-launch. The Foundation's charitable activities are central to the Association's commitment to improving patient care through education and research.

Investments fell sharply in value during the year, reflecting the global collapse of stock market values. At the market prices ruling on 31st March 2009, the realised losses were mainly incurred on the investments gifted to the AAGBI Foundation. This is included in disposals during the year which realised an overall loss, reported as a loss of £578,383 in the year, after deducting previously recognised gains of £156,330. The Association retains its investment portfolio related to the Development Fund, which is to fund future developments. The programme of transition to ethical investments was completed.

Cash is held on deposit as part of reserves to meet future operating costs and grants and at the year end cash was held on its behalf by the AAGBI Foundation, which is able to hold deposits in lower risk banking institutions. 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. Investment performance was reviewed and fees were incurred in undertaking a professional review of investment management and selection of a new manager.

ASSOCIATION OF ANAESTHETISTS  
OF GREAT BRITAIN AND IRELAND

DIRECTORS' REPORT

**5 Directors**

The directors who served during the year were as follows:

Dr Richard John Scriven Birks	Dr Janusz Bernard Liban
Dr David George Bogod	Dr Christopher Ian Sutherland Meadows
Dr Valerie Elizabeth Bythell	Dr Ellen Patricia O'Sullivan
Dr Nicholas Malcolm Denny	Professor John Robert Sneyd
Dr Leslie William Gemmell	Dr Ranjit Verma
Dr Andrew James Hartle	Dr David Kenneth Whitaker
Dr Felicity Emma Howard	Dr Iain Henry Wilson
Dr Ian Gordon Johnston	Dr Steven Mark Yentis
Professor Chandra Mohan Kumar	

The following directors served until 18th September 2008:

Professor William Alastair Chambers	Professor David John Rowbotham
Dr Allan William Harrop-Griffiths	Dr Michael Yoong Kan Wee
Dr Sean McDevitt	

The following directors served from 18th September 2008:

Dr Paul Anthony Clyburn	Dr Isabeau Alexandra Walker
Dr Richard Griffiths	

**6 Political and Charitable Contributions**

During the year the Association made gross charitable contributions of £2,000 to the Royal Medical Benevolent Fund, £1,000 to the Royal Humane Society and £1,050,000 to the AAGBI Foundation. In addition, the Association made a gift of investments to the AAGBI Foundation valued at £1,213,107.

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

*L W Gemmell* Secretary

Dated 5th June 2009

**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 2009 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 2007), 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 2009 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 *10<sup>th</sup> June 2009*  
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 2009*

2008 £		Note	£
	<b>Income</b>		
1,413,200	Membership Subscriptions		1,531,351
328,008	Publication of "Anaesthesia"	2	333,768
231,469	Exhibitions	3	243,475
99,354	Investment Income	4	97,094
40,311	Sponsorship and Donations		-
135,045	Services and Other Income		239,256
<u>2,247,387</u>			<u>2,444,944</u>
	<b>Expenditure</b>		
164,245	Publication of "Anaesthesia"	2	179,461
132,023	Exhibitions	3	137,986
-	Research		53,500
454,749	Membership and Administrative Expenses	5	483,400
34,410	Accommodation costs		40,959
152,798	Travel, Services and Other Expenses	6	133,956
1,010,000	Grant to AAGBI Foundation		1,050,000
<u>1,948,225</u>			<u>2,079,262</u>
	<b>Surplus of Income over Expenditure before exceptional item and disposal of investments</b>		365,682
299,162			
-	Exceptional item - gift of investments to AAGBI Foundation		(1,213,107)
	<b>Surplus/(deficit) of Income over Expenditure before disposal of investments</b>		<u>(847,425)</u>
299,162			
(37,120)	Loss on Disposal of Investments		(578,383)
<u>262,042</u>	<b>Surplus/(deficit) of Income over Expenditure</b>		<u>(1,425,808)</u>
(200,000)	Transfer to Development Fund	15	-
<u>62,042</u>	Retained Surplus/(deficit) for the year		<u>(1,425,808)</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

£		£
62,042	Surplus/(deficit) for the year	(1,425,808)
(410,895)	Unrealised Loss on Revaluation of Investments	(237,740)
<u>(348,853)</u>	Total Recognised Gains and Losses since last Annual Report	<u>(1,663,548)</u>



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

*Notes to the Financial Statements for the year ended 31st March 2009*

**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 General Fund.

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"**

2008		
£		£
328,008	Income from Publication	333,768
<u>164,245</u>	Less: Expenses	<u>179,461</u>
<u>163,763</u>		<u>154,307</u>

**3 EXHIBITIONS**

2008		
£		£
231,469	Income from Marketing	243,475
<u>132,023</u>	Less: Expenses	<u>137,986</u>
<u>99,446</u>		<u>105,489</u>

The surplus on exhibitions was donated by Gift Aid to the AAGBI Foundation



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

*Notes to the Financial Statements for the year ended 31st March 2009*

**4 INVESTMENT INCOME**

2008		£
£		
46,855	Interest on Cash Deposits	36,598
16,563	Fixed Interest Securities	12,600
<u>35,936</u>	Other Investments	<u>47,896</u>
<u>99,354</u>		<u>97,094</u>

**5 MEMBERSHIP AND ADMINISTRATIVE EXPENSES**

2008		£
£	<i>Gross Costs</i>	
221,543	Salaries and Other Staff Costs	258,130
60,290	Printing and Office Expenses	78,851
119,672	Travelling Expenses	137,265
13,040	Public and Membership Communication	23,853
42,620	Computer Services	46,681
-	Legal and Professional Charges	9,930
9,848	Insurance	8,711
<u>53,301</u>	Depreciation of Office Equipment	<u>21,191</u>
520,314		584,612
	Recovered from AAGBI Foundation	
45,000	Special Activities	48,000
<u>228,657</u>	Administrative Expenses (50%)	<u>259,306</u>
<u>273,657</u>		<u>307,306</u>
246,657	Retained by the Association	277,306
<u>18,000</u>	Special Activities	<u>18,000</u>
228,657	Administrative Expenses (50%)	259,306
30,379	Publications	37,698
16,542	Standing Committee expenses	13,777
50,348	Meetings - sundry expenses	39,561
51,513	Personal Accident Insurance for members	50,056
12,906	Linkman Conference	7,121
25,270	Legal and Professional Charges	44,493
34,859	Other Governance Costs	26,038
4,275	Audit Fee	5,350
<u>454,749</u>		<u>483,400</u>

Administrative costs for common services are shared with the AAGBI Foundation. 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 2009*

**6 TRAVEL, SERVICES AND OTHER EXPENSES**

2008		£
£		
57,063	Travelling Abroad	19,545
6,300	Subscription – WFSA	8,578
2,439	Subscription – CENSA/ESA	3,335
41,103	Specialist Society Support	45,110
13,348	Investment Management Fees	8,033
29,545	Rechargeable and Miscellaneous Expenses	46,355
2,000	Donation - Royal Medical Benevolent Fund	2,000
1,000	Donation - Royal Humane Society	1,000
<u>152,798</u>		<u>133,956</u>

**7 EMPLOYEE COSTS**

The average number of people employed by the Association during the year was seven, including Specialist Societies support (2008: 7). The payroll costs comprised:

2008		£
£		
206,360	Salaries	230,999
21,791	Social Security Costs	24,682
17,614	Pension Costs	17,864
<u>245,765</u>		<u>273,545</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 2009 (2008: 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 2009*

**9 FURNISHINGS AND OFFICE EQUIPMENT**

2008		Furniture & Furnishings	Office Equipment	Total £
507,611	Cost at beginning of year	93,693	431,614	525,307
(9,133)	Disposals this year at cost	-	(11,035)	(11,035)
25,142	Additions this year at cost	1,649	13,112	14,761
1,687	Development costs	-	3,600	3,600
<u>525,307</u>	Cost at end of year	<u>95,342</u>	<u>437,291</u>	<u>532,633</u>
	Depreciation			
428,404	Provided at beginning of year	65,528	412,313	477,841
(9,133)	Disposals this year	-	(11,035)	(11,035)
58,570	Charge for the year	4,954	21,191	26,145
<u>477,841</u>	Provision at end of year	<u>70,482</u>	<u>422,469</u>	<u>492,951</u>
<u>47,466</u>	Net Book Value at end of year	<u>24,860</u>	<u>14,822</u>	<u>39,682</u>

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

**10 INVESTMENTS**

2008 £		£
2,067,820	Market value at beginning of year	1,962,112
763,984	Additions - at cost	1,031,806
(458,797)	Disposals	(2,553,462)
(410,895)	Net unrealised gains or losses on revaluation	(237,740)
<u>1,962,112</u>	Market value at end of year	<u>202,716</u>
	<i>Analysis of investments - at cost</i>	
1,270,365	Investment and Unit Trusts - UK listed	122,807
551,528	Shares - UK Listed	169,014
-	Fixed Interest Securities	8,416
<u>1,821,893</u>		<u>300,237</u>

Disposals include investments gifted to the AAGBI Foundation charity of £1,213,107.

**11 STOCK**

2008 £		£
7,710	Medals	6,115
4,606	Souvenirs for sale	3,410
<u>12,316</u>		<u>9,525</u>

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

*Notes to the Financial Statements for the year ended 31st March 2009*

**12 DEBTORS**

2008		£
£		
209,279	Trade Debtors	175,168
210,420	AAGBI Foundation	1,409,151
31,967	Other Debtors	76,610
<u>26,666</u>	Prepayments	<u>27,906</u>
<u>478,332</u>		<u>1,688,835</u>

**13 LOAN TO THE AAGBI FOUNDATION**

The loan to the AAGBI Foundation (formerly the Association of Anaesthetists of Great Britain and Ireland Education and Research Trust) is unsecured and repayable on demand. The loan was reduced by a repayment during the year.

**14 CREDITORS**

2008		£
£		
	<i>Amounts falling due within one year</i>	
31,700	Trade Creditors	34,506
131,315	Other Creditors and Accruals	241,534
93,501	Receipts in Advance	18,735
55,000	Grant for future publications	55,000
<u>46,175</u>	Taxes and Social Security Costs	<u>25,450</u>
<u>357,691</u>		<u>375,225</u>

**15 DEVELOPMENT FUND**

2008		£
£		
300,000	At beginning of year	500,000
<u>200,000</u>	Transfer from Income and Expenditure	<u>-</u>
<u>500,000</u>	At end of year	<u>500,000</u>

The Development Fund is a designated fund established to promote the future development of the specialty of anaesthesia.

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

*Notes to the Financial Statements for the year ended 31st March 2009*

**16 REVALUATION RESERVE**

2008		£
£		
551,114	At beginning of year	140,219
<u>(410,895)</u>	Movement during the year	<u>(237,740)</u>
<u>140,219</u>	At end of year	<u>(97,521)</u>

**17 GENERAL FUND**

2008		£
£		
2,522,158	At beginning of year	2,717,447
62,042	Surplus/(deficit) for the year	(1,425,808)
<u>133,247</u>	Transfer of realised gains	<u>156,330</u>
<u>2,717,447</u>	At end of year	<u>1,447,969</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.