

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012
FOR
ASSOCIATION OF ANAESTHETISTS OF
GREAT BRITAIN AND IRELAND**

**ASSOCIATION OF ANAESTHETISTS OF
GREAT BRITAIN AND IRELAND (REGISTERED NUMBER: 01888799)**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	5
Profit and Loss Account	6
Statement of Total Recognised Gains and Losses	7
Balance Sheet	8
Notes to the Financial Statements	9

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

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2012**

DIRECTORS:

Dr P A Clyburn
Dr K Ferguson
Dr R Griffiths
Dr A W Harrop-Griffiths
Dr A J Hartle
Dr I G Johnston
Dr N J Love
Dr A Mallick
Dr B J Nicholls
Dr R G Paul
Dr F S Plat
Dr M T Popat
Dr N Redfern
Dr S Shinde
Dr S Q M Tighe
Dr I A Walker
Dr I H Wilson
Dr T E Woodcock
Dr S M Yentis

REGISTERED OFFICE:

21 Portland Place
London
W1B 1PY

REGISTERED NUMBER:

01888799

AUDITORS:

Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
44 Springfield Road
Horsham
West Sussex
RH12 2PD

BANKERS:

HSBC
60 Queen Victoria Street
London
EC4N 4TR

SOLICITORS:

Hempsons
Hempsons House
40 Villiers Street,
London
WC2N 6NJ

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2012**

The directors present their report with the financial statements of the company for the year ended 31 March 2012.

PRINCIPAL ACTIVITY

The principal activities of the Association were the advancement of patient care and safety in the field of anaesthesia, the promotion of education and research into anaesthetics; the support of members and development of international co-operation between anaesthetists.

REVIEW OF BUSINESS

In 2011-12, following a trainee recruitment drive, the Association's membership retention averaged 95.4% over the year, with 10,525 members as at March 2012 and with ongoing active promotion of membership, there was no decline in this primary income stream of the Association. Indeed, membership fees were frozen for a third successive year in 2011-12, although costs rose, in part, due to increased investment in services provided. However, an increase in fees in line with cost of living is planned for the 2012-13 financial year, along with a review of membership rates which may lead to further increases in 2013-14.

The Association is committed to delivering value to its members at all stages in their professional career and undertook a full membership survey in 2011 with Eventure Research. This attracted a high response rate (25%) and results will guide future development of the Association's member services. It was encouraging that 85% of respondents rated their experience of interacting with AAGBI as good or excellent and 91% said their subscription was good value for money.

Members value highly, as demonstrated in the survey, the publications they receive as part of their subscription package: both the journal 'Anaesthesia', and the guidelines and updates on current topics in clinical practice and care. The journal published in partnership with Wiley Blackwell continued to attract strong readership and to generate revenue of £387k (2010-11: £352k, equating to a 10% increase on the prior year) for the Association which when taken into account with a reduction in costs of 12% (or £26K) resulting in a net surplus of £193K (2010-11: £133K, equating to a 45% increase on the prior year).

Other publications produced during the year were: 'Ultrasound in Anaesthesia and Intensive Care', 'Day Case and Short Stay Surgery 2', the 'SAS Handbook' and 'Malignant Hyperthermia Guidelines'. A further achievement was successfully bringing the design of the members' newsletter, 'Anaesthesia News', in-house, which reduced costs and environmental impact. In 2011, members' survey, 98% of members who responded say they read the magazine regularly.

Much progress during the year has been made in providing services and communicating with members online. The re-design of the website and electronic newsletters for members offer improved online access; further steps to provide e-education and associated CPD services online are planned.

As a professional association, the AAGBI is constantly active in representing the interests of anaesthetists and acting as a voice for the profession. In the last year this has involved responding to healthcare reform and the Health and Social Care Bill (now Act) and to the Office of Fair Trading investigation of private healthcare and joining the debate on manpower planning in the NHS and the future consultant role.

The Association continued to make progress in its drive to become more environmentally friendly, for example using more energy efficient lighting and encouraging recycling wherever possible. Glossies are available for download from the website and there is now a limited print run and hard copy distribution to reduce the environmental impact.

Two new specialist societies, the 'Society for Anaesthetists in Radiology' together with the 'Scottish Intensive Care Society', were provided with in-house support and administrative expertise including the introduction of electronic elections facilities.

Ongoing investment in the Association's infrastructure included the implementation of a new finance system on a hosted IT infrastructure; the Association's first move towards a fully hosted IT infrastructure with increased resilience and redundancy.

**ASSOCIATION OF ANAESTHETISTS OF
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**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2012**

Finally, the Association continued to provide major grant funding to enable its sister charity, the 'AAGBI Foundation', to undertake its work promoting patient safety through education, research and international projects and maintaining the national anaesthesia heritage centre. The Association and Foundation collaborate closely; following a strategic review during the year, a new standard resources agreement has been put in place between the two organisations. AAGBI members benefit from the opportunity to take part in a wide range of professional education events offered by the Foundation: in 2012 59 seminars were held, together with the largest attended annual congress to date with over 780 delegates visiting the meeting and the largest WSM since 2007.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2011 to the date of this report.

Dr P A Clyburn
Dr R Griffiths
Dr A J Hartle
Dr I G Johnston
Dr N J Love
Dr A Mallick
Dr B J Nicholls
Dr F S Plaat
Dr M T Papat
Dr S Shinde
Dr S Q M Tighe
Dr I A Walker
Dr I H Wilson
Dr S M Yentis

Other changes in directors holding office are as follows:

Dr R J S Birks - resigned 22 September 2011
Dr R H Broomhead - resigned 30 June 2011
Dr K Ferguson - appointed 22 September 2011
Dr A W Harrop-Griffiths - appointed 22 September 2011
Dr J B Liban - resigned 22 September 2011
Dr E P O'Sullivan - resigned 22 September 2011
Dr R G Paul - appointed 30 June 2011
Dr N Redfern - appointed 22 September 2011
Dr T E Woodcock - appointed 22 September 2011

POLITICAL AND CHARITABLE CONTRIBUTIONS

During year the Association made gross charitable contributions of £5,000 to the Royal Medical Benevolent Fund and £1,050,000 to the AAGBI Foundation.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2012**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

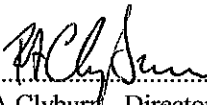
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Hartley Fowler LLP has expressed their willingness to continue in office. A resolution to re-appoint them has been approved by the directors.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
Dr P A Clyburn - Director

Date: 7/9/12

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

We have audited the financial statements of Association of Anaesthetists of Great Britain and Ireland for the year ended 31 March 2012 on pages six to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 company's members those matters we are required to state to them in a Report of the Auditors 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 explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors.

I R Gilchrist (Senior Statutory Auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
44 Springfield Road
Horsham
West Sussex
RH12 2PD



Date: 10th September 2012

**ASSOCIATION OF ANAESTHETISTS OF
GREAT BRITAIN AND IRELAND (REGISTERED NUMBER: 01888799)**

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	2012 £	2011 £
TURNOVER	2	2,706,077	2,573,642
Cost of sales		338,596	352,914
GROSS PROFIT		2,367,481	2,220,728
Administrative and other expenses		974,899	781,546
OPERATING PROFIT	4	1,392,582	1,439,182
Profit on sale of investments	5	10,690	45,328
		1,403,272	1,484,510
Grants to AAGBI Foundation	6	1,050,000	1,050,000
		353,272	434,510
Research		86,529	71,710
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		266,743	362,800
Tax on profit on ordinary activities	7	-	-
PROFIT FOR THE FINANCIAL YEAR		266,743	362,800

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

The notes form part of these financial statements

**ASSOCIATION OF ANAESTHETISTS OF
GREAT BRITAIN AND IRELAND (REGISTERED NUMBER: 01888799)**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2012**

	2012 £	2011 £
PROFIT FOR THE FINANCIAL YEAR	266,743	362,800
Unrealised Gain on Investments	-	27,286
Unrealised Loss on Investments	(44,735)	-
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>222,008</u>	<u>390,086</u>

The notes form part of these financial statements

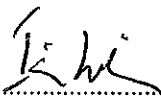
**ASSOCIATION OF ANAESTHETISTS OF
GREAT BRITAIN AND IRELAND (REGISTERED NUMBER: 01888799)**

**BALANCE SHEET
31 MARCH 2012**

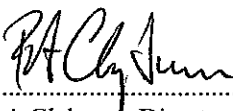
	Notes	2012		2011	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		147,273		87,506
Investments	9		2,790,512		2,342,584
			<u>2,937,785</u>		<u>2,430,090</u>
CURRENT ASSETS					
Stocks		10,875		10,876	
Debtors	10	474,664		555,023	
Prepayments and accrued income		33,599		40,418	
Cash at bank		722,705		895,567	
		<u>1,241,843</u>		<u>1,501,884</u>	
CREDITORS					
Amounts falling due within one year	11	957,220		931,574	
			<u>284,623</u>		<u>570,310</u>
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>3,222,408</u>		<u>3,000,400</u>
RESERVES					
Revaluation reserve	13		217,106		342,734
Development Fund	13		1,050,000		1,050,000
Profit and loss account	13		1,955,302		1,607,666
	16		<u>3,222,408</u>		<u>3,000,400</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 7th September 2012 and were signed on its behalf by:



.....
Dr I H Wilson - Director



.....
Dr P A Clyburn - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments which are held at market value.

Turnover

Turnover represents membership subscriptions, publication royalties, net invoiced sales of goods and services, excluding value added tax, investment and other income.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 10% on cost
Office Equipment	- 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Fixed Asset Investments

Investment are held at market value. Unrealised gains or losses are taken to the Revaluation Reserve.

Income Recognition

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

Defined contribution pension scheme

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

**ASSOCIATION OF ANAESTHETISTS OF
GREAT BRITAIN AND IRELAND (REGISTERED NUMBER: 01888799)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012**

2. TURNOVER

	2012	2011
	£	£
Membership Subscriptions	1,745,989	1,693,647
Publication of "Anaesthesia"	386,844	352,280
Exhibitions	249,599	249,013
Investment Income	81,493	51,880
Services and Other Income	242,152	226,822
	<u>2,706,077</u>	<u>2,573,642</u>

3. STAFF COSTS

	2012	2011
	£	£
Anaesthesia Publication	193,784	219,284
Exhibitions	144,812	133,630
	<u>338,596</u>	<u>352,914</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2012	2011
	£	£
Depreciation - owned assets	26,242	16,952
Depreciation - assets on finance leases	3,866	3,866
Auditors' remuneration	5,062	5,000
	<u>-</u>	<u>-</u>
Directors' remuneration and other benefits etc	-	-

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012**

5. ADMINISTRATIVE AND OTHER EXPENSES

	2012	2011
	£	£
Salaries and other staff costs	515,109	420,203
Travelling expenses	120,633	120,837
Public and membership communication	2,595	18,199
Office and other costs	127,429	153,043
	<u>765,766</u>	<u>712,282</u>
Administrative expenses recoveries	(77,000)	(77,000)
Shared costs recovered from AAGBI Foundation	(193,194)	(317,641)
	<u>495,572</u>	<u>317,641</u>
Personal Accident Insurance for members	53,227	53,117
Meetings expenses	46,303	40,516
Publications	40,655	22,364
Governance, legal and professional	82,796	56,368
Other administrative expenses	68,015	55,931
	<u>786,568</u>	<u>545,937</u>
Membership and administrative expenses	38,760	39,520
Accommodation	131,596	180,206
Travel, services and other expenses	17,975	15,883
Investment management fees	<u>974,899</u>	<u>781,546</u>

6. GRANTS TO AAGBI FOUNDATION

	2012	2011
	£	£
Grants to AAGBI Foundation	<u>1,050,000</u>	<u>1,050,000</u>

7. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2012 nor for the year ended 31 March 2011.

**ASSOCIATION OF ANAESTHETISTS OF
GREAT BRITAIN AND IRELAND (REGISTERED NUMBER: 01888799)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012**

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Office Equipment £	Totals £
COST			
At 1 April 2011	96,267	512,233	608,500
Additions	13,500	79,375	92,875
Disposals	-	(3,000)	(3,000)
	<u>109,767</u>	<u>588,608</u>	<u>698,375</u>
At 31 March 2012			
DEPRECIATION			
At 1 April 2011	79,618	441,376	520,994
Charge for year	3,015	27,093	30,108
	<u>82,633</u>	<u>468,469</u>	<u>551,102</u>
At 31 March 2012			
NET BOOK VALUE			
At 31 March 2012	<u>27,134</u>	<u>120,139</u>	<u>147,273</u>
At 31 March 2011	<u>16,649</u>	<u>70,857</u>	<u>87,506</u>

Costs incurred in redeveloping the Association's website and introducing new accounting software have been capitalised. The website redevelopment and implementation of the new accounting software was completed during the year, and therefore depreciation has been charged accordingly.

Fixed assets, included in the above, which are held under finance leases are as follows:

	Office Equipment £
COST	
At 1 April 2011 and 31 March 2012	<u>11,686</u>
DEPRECIATION	
At 1 April 2011	3,866
Charge for year	3,866
	<u>7,732</u>
At 31 March 2012	
NET BOOK VALUE	
At 31 March 2012	<u>3,954</u>
At 31 March 2011	<u>7,820</u>

**ASSOCIATION OF ANAESTHETISTS OF
GREAT BRITAIN AND IRELAND (REGISTERED NUMBER: 01888799)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012**

9. FIXED ASSET INVESTMENTS

	Listed investments £
COST OR VALUATION	
At 1 April 2011	2,342,584
Additions	789,324
Disposals	(215,768)
Revaluations	(125,628)
	<u>2,790,512</u>
At 31 March 2012	2,790,512
NET BOOK VALUE	
At 31 March 2012	<u>2,790,512</u>
At 31 March 2011	<u>2,342,584</u>

Cost or valuation at 31 March 2012 is represented by:

	Listed investments £
Valuation in 2012	217,106
Cost	2,573,406
	<u>2,790,512</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Trade debtors	131,518	93,745
Amounts owed by group undertakings	332,127	445,468
Other debtors	11,019	15,810
	<u>474,664</u>	<u>555,023</u>

Amounts owed by AAGBI Foundation include an unsecured loan of £350,000 (2011: £350,000) repayable on demand.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Finance Leases (see note 9)	5,450	9,937
Trade creditors	64,400	21,911
Taxation and social security	44,613	51,244
Other creditors	307,274	311,813
Receipts in advance	535,483	536,669
	<u>957,220</u>	<u>931,574</u>

**ASSOCIATION OF ANAESTHETISTS OF
GREAT BRITAIN AND IRELAND (REGISTERED NUMBER: 01888799)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012**

12. OBLIGATIONS UNDER LEASING AGREEMENTS

	Finance leases	
	2012 £	2011 £
Net obligations repayable:		
Within one year	<u>5,450</u>	<u>9,937</u>

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	2012 £	2011 £
Expiring:		
Between one and five years	<u>39,520</u>	<u>39,520</u>

13. RESERVES

	Profit and loss account £	Revaluation reserve £	Development Fund £	Totals £
At 1 April 2011	1,607,666	342,734	1,050,000	3,000,400
Profit for the year	266,743			266,743
Investment revaluation	-	(125,628)	-	(125,628)
Transfer of recognised gains/(losses)	80,893	-	-	80,893
At 31 March 2012	<u>1,955,302</u>	<u>217,106</u>	<u>1,050,000</u>	<u>3,222,408</u>

14. CONTINGENT LIABILITIES

At 31 March 2011 there was a contingent liability under a commitment to fund a pension shortfall in respect of a former member of staff. The amount of the liability determined as a result of an actuarial assessment is £31,960. The amount is payable in ten equal annual instalments commencing April 2011.

15. RELATED PARTY DISCLOSURES

During the year the Association made a gift aid payment to AAGBI Foundation of £1,050,000 (2011: £1,050,000). The Association also paid rent to AAGBI Foundation, amounting to £31,200 (2011: £31,200) for the use of its building on 21 Portland Place.

At the balance sheet date AAGBI Foundation owed £332,127 (2011: £445,468) to the Association.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

16. RECONCILIATION OF MOVEMENTS IN RESERVES

	2012	2011
	£	£
Profit for the financial year	266,743	362,800
Other recognised gains and losses relating to the year (net)	(44,735)	27,286
Transfers of recognised gains/(losses)	-	49,603
Net addition to reserves	<u>222,008</u>	<u>439,689</u>
Opening reserves	3,000,400	2,560,711
Closing reserves	<u><u>3,222,408</u></u>	<u><u>3,000,400</u></u>