

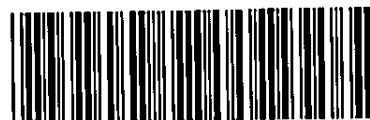
REGISTRAR OF COMPANIES
COMPANY NO. 952312

THE MEDICAL COUNCIL ON ALCOHOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2008

FRIDAY



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29/08/2008
COMPANIES HOUSE

GOLDWYNS
CHARTERED ACCOUNTANTS
13 DAVID MEWS, PORTER STREET
LONDON W1U 6EQ

THE MEDICAL COUNCIL ON ALCOHOL

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THE MEDICAL COUNCIL ON ALCOHOL

REPORT OF THE TRUSTEES AND DIRECTORS FOR THE YEAR ENDED 31 MARCH 2008

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). It is governed by its Memorandum and Articles of Association dated 28 February 1969 under which one-third of the Executive Committee are elected or re-elected at each Annual General Meeting. The Executive Committee appoints the Chairman and two Vice-Chairmen and is also entitled to appoint new Trustees and determine the method of their appointment.

Trustees as at 31 March 2008

Presidents

Sir Michael Marmot

Vice Presidents

Dr M Evans
Dr E B Ritson

Chairman

Professor P W Brunt

Vice Chairman

Dr J Trowell

Executive Committee

Dr A D Beattie
Dr D Fowle
Dr B D Hore
Prof P Howdle
Dr M McCann
Dr R Mayall
Dr S Madden

Dr I Murray-Lyon
Dr A Thillainayagam
Dr A D Thomson
Prof R Touquet
Dr P Jauhar
Dr S Wiseman
Dr R A B Young

In attendance

Dr J Chick Journal Chief Editor
Mr J M Harries Hon Treasurer
Dr G E Ratchiffe Medical Director

Secretary and Medical Director

Registered Office

5 St Andrew's Place
Regents Park
London
NW1 4LB

Accountants

Goldwyns
Chartered Accountants
13 David Mews
Porter Street
London
W1U 6EQ

Bankers

National Westminster Bank Plc
Marylebone & Harley Street Branch
P O Box 2021
10 Marylebone High Street
London W1A 1FH

Financial Advisers

Brewin Dolphin Securities Ltd
12 Smithfield Street
London
EC1A 9BD

THE MEDICAL COUNCIL ON ALCOHOL

REPORT OF THE TRUSTEES AND DIRECTORS FOR THE YEAR ENDED 31 MARCH 2008

Structure, Governance and Management

Organisation

The Council is governed by the Executive Committee and its subordinate Committees Education and Public Health, Journal, Newsletter There is a network of Regional Advisers associated principally with Medical Schools and Universities, and a membership of about 246 Members of the Executive are Directors under Company Law and Trustees under Charity Law They are listed above 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 The total of such guarantees at 31 March 2008 was £246 (2007 £226)

Trustee selection methods and Training

The directors of the company are also trustees for the purposes of charity law and under the company's articles 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

Objectives and Activities

Objects

The Council was established for "the benefit of the community to provide an organisation of registered medical practitioners 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"

Relationships with others

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 objects, subject to Belgian National Law, but administered from Vienna)

In pursuance of its charitable objectives The Medical Council on Alcohol co-operates with such bodies as Alcohol Concern, the Health Education Authority, the Addiction Recovery Foundation, and the British Doctors' and Dentists' Group but has no formal relationship with these bodies other than, in the case of Alcohol Concern, mutual membership

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

Achievements and Performance

The net surplus before losses on revaluation of investments was £8,273 (2007 £32,655) The principle causes of this fall were an increase in charitable expenditure of £16,183 and a reduction in donations of £5,882 The increase in charitable expenditure arises from a conscious decision by the Executive Committee to commit funds to research projects and educational assistance In addition there was a further reprint of the students' handbook, and the second National Alcohol Awareness Day, which was again highly successful The council continued to encourage the holding of educational seminars at Medical Schools, aimed at supplementing the curriculum in respect of the effects of alcohol on health, although a greater proportion of the costs of these seminars is now borne directly by the Medical Schools

The decline in investment values amounted to £24,418 The Council's investments in both fixed income and equities were badly affected by worsening market conditions throughout the period, driven by adverse events in credit markets

In the coming year it is hoped to publish a new edition of the students' handbook possibly in additional formats to the traditional printed word This will be a significant expenditure, which is currently being established The Council also proposes to redesign the Council's website

THE MEDICAL COUNCIL ON ALCOHOL

REPORT OF THE TRUSTEES AND DIRECTORS FOR THE YEAR ENDED 31 MARCH 2008

Reserves

As a result of the deficit incurred in the year reserves declined to £275,475 at 31st March 2008, of which £3,214 represents a restricted fund for educational seminars

The Council's principal donor has indicated that it intends to concentrate on Scottish charitable projects and to cease its core donations to the Council in 2010, but would consider supporting the Scottish element of any UK-wide project. It has reduced its giving in the intervening years to £40,000 for 2008 and £30,000 for 2009. The Council will make every effort to attract new donors prior to that time to fill the gap in its funding, and would appreciate any suggestions from the members.

In the meantime the Council is aware that the withdrawal of funding has severely restricted its movement horizon and accordingly will convert its investments into cash, as it can no longer take a long-term view of the stock markets. This was done at the beginning of July 2008, and the investments realised a sum of £128,646 as compared with a carrying value, as at 31 March 2008 of £133,073.

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 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 estimates that are reasonable and prudent,
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which 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 1985. 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.

In addition the Directors have concluded that the major risk to the Council is that of a reduction in the already insufficient level of external funding. The Executive is pursuing the possibility of raising donations, both core and project based, to overcome this risk.

Accountants

In June 2005 the Council changed its Article of Association to enable it to take advantage of the Small Charity provisions of the Companies Act 1985 and the Charities Act 1993. Accordingly, the previous Auditors, Messrs Goldwyns, were reappointed as Reporting Accountants.

On behalf of the board:



Dr Guy E Ratcliffe

Secretary and Medical Director

Dated: 30 July 2008

THE MEDICAL COUNCIL ON ALCOHOL

REPORT OF THE TRUSTEES AND DIRECTORS FOR THE YEAR ENDED 31 MARCH 2008

ACCOUNTANTS' REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF THE MEDICAL COUNCIL ON ALCOHOL

We report on the accounts for the year ended 31 March 2008 set out on pages 5-11

Respective responsibilities of directors and reporting accountants

As described on page 3 the trustees, who are also the directors of The Medical Council on Alcohol for the purposes of Company Law, are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of Opinion

Our work was conducted in accordance with the statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company, as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion

- a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985,
- b) having regard only to, and on the basis of, the information contained in those accounting records
 - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
 - ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1)

Goldwyns
13 David Mews
Porter Street
London
W1U 6EQ

Signed



Dated

27th August
2008

THE MEDICAL COUNCIL ON ALCOHOL
Statement of financial activities for the year ended
31 March 2008

	Notes	TOTAL £	2008 Unrestricted £	Restricted £	2007 TOTAL £
Incoming Resources					
Incoming resources from					
General funds					
<i>Voluntary income</i>					
Donations		50,050	50,050	-	55,932
Membership		3,719	3,719	-	5,508
<i>Investment Income</i>					
Investment Income		12,227	12,227	-	9,766
Incoming resources from					
charitable activities:					
- Journal		111,758	111,758	-	115,611
- Publication sales		1,408	1,408	-	808
Other incoming resources:					
Sundry Income		127	127	-	14
Total incoming resources		<u>179,289</u>	<u>179,289</u>	<u>-</u>	<u>187,639</u>
Resources Expended					
Charitable activities	3a	136,290	136,290	-	120,107
Governance & Admin of Charity	3c	34,726	34,726	-	34,877
Total resources expended		<u>171,016</u>	<u>171,016</u>	<u>-</u>	<u>154,984</u>
Net incoming resources before					
other recognised gains		<u>8,273</u>	<u>8,273</u>	<u>-</u>	<u>32,655</u>
Other recognised gains (Losses)					
Realised Investment gains		1,059	1,059	-	(3,895)
Revaluation		<u>(29,872)</u>	<u>(29,872)</u>	<u>-</u>	<u>8,988</u>
Net movement in funds		(20,540)	(20,540)	-	37,748
Reconciliation of funds					
Total funds brought forward		<u>296,015</u>	<u>292,801</u>	<u>3,214</u>	<u>258,267</u>
Total funds carried forward		<u>£275,475</u>	<u>272,261</u>	<u>3,214</u>	<u>£296,015</u>

The statement of financial activities include all gains and losses in the year All incoming resources and resources expended derive from continuing activities

THE MEDICAL COUNCIL ON ALCOHOL

Balance sheet as at 31 March 2008

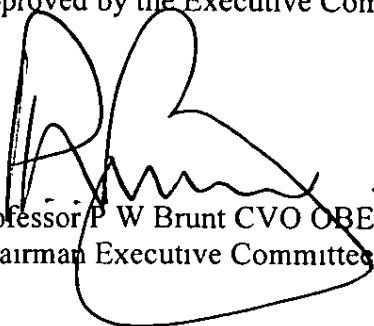
		Notes	£	2008 £	£	2007 £
Fixed assets:						
	Tangible Assets	5		-		-
	Investments	6		<u>133,073</u>		<u>157,491</u>
				133,073		157,491
Current Assets						
	Debtors	7	73,227		97,742	
	Cash at Bank & In hand		<u>86,910</u>		<u>62,706</u>	
			160,137		160,448	
	Creditors Amounts Falling Due within one year	8	<u>(17,735)</u>		<u>(21,924)</u>	
				<u>142,402</u>		<u>138,524</u>
Total Assets Less Current Liabilities				<u>£275,475</u>		<u>£296,015</u>
Unrestricted Funds		9				
	Revaluation funds		-		11,167	
	General funds		<u>272,261</u>		<u>281,634</u>	
				272,261		292,801
Restricted Funds				3,214		3,214
Total funds		10		<u>£275,475</u>		<u>£296,015</u>

The directors are satisfied that the company was entitled to exemption under subsection (2) of section 249A of the Companies Act 1985 and that members have not required an audit in accordance with subsection (2) of section 249B

The directors acknowledge their responsibilities for

- i ensuring that the company keeps accounting records which comply with section 221, and
- ii preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

Approved by the Executive Committee on 25th June 2008 and signed on its behalf,


Professor P W Brunt CVO OBE MD FRCP
Chairman Executive Committee


John M Harries BSc (Econ) FCA
Honorary Treasurer

THE MEDICAL COUNCIL ON ALCOHOL

Notes to the Financial Statements for the year ended 31 March 2008

1 **Accounting policies**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards, as modified by the inclusion of fixed asset investments at market value and in accordance with Financial Reporting Standard for Smaller Entities (effective January 2005) and the Charities Accounting Statement of Recommended Practice (SORP) as revised in 2005

(a) In order that the Financial Statements present the true and fair view required by the Companies Act 1985, the prescribed format for the Profit and Loss Account has been dispensed with because in the opinion of the Executive Committee it would be misleading. A Statement of Financial Activities has been substituted, in compliance with the SORP. Compliance with the requirements of the SORP is necessary in order to give a true and fair view required by Company Law

(b) **Income**

Income is accounted for gross when receivable, as long as it is capable of financial measurement. This includes donations, subscriptions, and income from publications and investment income

(c) **Expenditure**

All expenditure is accounted for gross, and when incurred. Rentals paid under operating lease are charged to the income and expenditure account as incurred

75% of staff costs, rent/service charge, rates, insurance, and office expenses have been allocated to the seven charitable activities listed in note 3(b). In prior years the sums were 57% of staff, rent/service charge, rates and insurance and two-thirds of office expenses

(d) **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

(e) **Investments**

The listed investment portfolio is stated at market value

(f) **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 into account in arriving at the operating result. Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date

2. **Directors**

For the purpose of the Companies Act, the persons regarded as Directors and the Board of Directors respectively, are the Members of the Executive Committee. Neither the Chairman nor any other Committee Member received any remuneration except as disclosed in Note 3 (d) below

THE MEDICAL COUNCIL ON ALCOHOL

Notes to the Financial Statements for the year ended 31 March 2008 (continued)

3 Net outgoing resources

3(a) Breakdown of costs by charitable activities

	Direct Costs £	Grant Funded £	Support £	Total £	Restricted £	Overall TOTAL £
Journal (including Journal Committee)	35,950	-	14,807	50,757	-	50,757
Newsletter	2,616	-	7,403	10,019	-	10,020
Educational seminars (incl/Educ Comm)	2,403	-	4,442	6,845	-	6,845
Educational printing	6,478	-	7,403	13,881	-	13,881
Library, grants & essays	868	-	2,961	3,829	-	3,829
Public education, Guidance, etc	9,871	-	37,017	46,888	-	46,887
National Alcohol Awareness Day (NAAD)	2,874	-	-	2,874	-	2,874
Max Glatt Medal	1,197	-	-	1,197	-	1,197
	<u>62,257</u>	<u>-</u>	<u>74,033</u>	<u>136,290</u>	<u>-</u>	<u>136,290</u>

3(b)

Analysis of costs by financial activity

	TOTAL	20% Journal £	10% Newsletter £	6% Educ Seminars £	10% Educ Printing etc £	4% Library Grants & essay prize £	50% Publ Ed Guidance & Research £	Governance & Admin £
Staff	80,074	12,011	6,006	3,603	6,006	2,402	30,028	20,018
Premises	9,348	1,402	701	421	701	280	3,505	2,338
Other Office Exps	9,289	1,394	696	418	696	279	3,484	2,322
	<u>98,711</u>	<u>14,807</u>	<u>7,403</u>	<u>4,442</u>	<u>7,403</u>	<u>2,961</u>	<u>37,017</u>	<u>24,678</u>

3(c)

Governance and Administration costs:

	2008 £	2007 £
Support costs	24,678	24,030
Accountants' fee	2,500	2,350
Executive Committee costs	3,524	4,650
Annual General Meeting	3,404	3,399
Annual Report	620	448
Total:	<u>34,726</u>	<u>34,877</u>

THE MEDICAL COUNCIL ON ALCOHOL

Notes to the Financial Statements for the year ended 31 March 2008 (continued)

3(d)
Payments totalling £2,979 (2007 £3,078) were made to 13 Executive Committee members in reimbursement of expenses incurred in attending meetings. The total amount was in respect of travelling costs

4 Staff Costs

	2008	2007
	£	£
Wages and Salaries	68,368	66,694
Recruitment Fee	5,170	-
Social Security Costs	<u>6,664</u>	<u>6,444</u>
	<u>80,202</u>	<u>73,138</u>

Average number of employees	<u>3</u>	<u>3</u>
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The average monthly number of employees during the year was as follows:

	2008	2007
Secretary	1	1
Administration & Support	<u>2</u>	<u>2</u>

No employee received emoluments of more than £50,000.

5 Tangible fixed assets

Office Equipment

Cost £

At 1 April 2007
and at 31 March 2008 36,987

Depreciation
At 1 April 2007 36,987
Charge for the year -

At 31 March 2008 36,987

Net Book Value at 31 March 2008 -

Net Book Value at 31 March 2007 -

THE MEDICAL COUNCIL ON ALCOHOL

Notes to the Financial Statements for the year ended 31 March 2008 (continued)

6	Fixed Assets – Listed Investments	£
	At Market Value at 31 March 2008	<u>133,073</u>
	At Market Value at 31 March 2007	<u>157,491</u>
	Historical cost of investments held at 31 March 2007	<u>146,324</u>
	Details of investments representing more than 5% of total investments at market value are as follows.	£
	Bank of Ireland 13 375 % INS Perp Sub Bonds	8,416
	Finsbury Growth	11,685
	Standard Life Equity	8,385
	Legal & General Hi Income	11,752
	Invesco Perp Hi Income	15,447
	Neptune Inc A NAV	13,518
	Lion Trust 1 st Inc	<u>11,572</u>
	Total	<u>80,775</u>

7	Debtors	2008	2007
	Amounts Falling Due Within One Year	£	£
	Prepayment and Accrued Income	4,591	5,725
	Other Debtors	68,636	92,017
		<u>73,227</u>	<u>97,742</u>

8	Creditors	2008	2007
	Amounts Falling Due Within One Year	£	£
	Accruals and Deferred Income	<u>17,735</u>	<u>21,924</u>

- 9 **Funds**
The Company is limited by guarantee and therefore has no Share Capital. Member guarantors Number 246 (2007 226), each of whom has agreed to contribute a maximum of £1 in the event of winding up during his membership or within one year of his ceasing to be a member.

Purposes of Restricted Funds:

Restricted Funds are for Educational Seminars and are to be used for the specific purpose as laid down by the donor.

THE MEDICAL COUNCIL ON ALCOHOL

Notes to the Financial Statements for the year ended 31 March 2008 (continued)

10 Analysis of net assets between funds

Unrestricted funds	2008 £	2007 £
Tangible fixed assets:	-	-
Investments	133,073	157,491
Net Current Assets	<u>139,188</u>	<u>135,310</u>
	<u>272,261</u>	<u>292,801</u>
Restricted Funds		
Net Current Assets	<u>3,214</u>	<u>3,214</u>
TOTAL	<u>275,475</u>	<u>296,015</u>

11 Movement in Funds

Unrestricted Funds	£
At 1 April 2007	292,801
Net movement in funds for year (including losses)	<u>(20,540)</u>
At 31 March 2008	<u>272,261</u>
Restricted Funds	
At 1 April 2007 and 31 March 2008	<u>3,214</u>

12 Operating lease commitments

The following annual payments are committed to be paid in respect of operating leases

	2008 £	2007 £
Expiring		
Within 2 – 5 years	<u>5,000</u>	<u>5,000</u>