

THE MEDICAL COUNCIL ON ALCOHOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

SATURDAY



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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 (Registered Number 952312)
REPORT OF THE TRUSTEES AND DIRECTORS FOR THE YEAR ENDED 31 MARCH 2010

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 is 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 2011

President:	Professor Sir Michael Marmot,	MB BS, MPH, PhD, FRCP, FFPHM, FMedSci
Vice President:	Dr Bruce Ritson,	MD, FRCPsych, FRCP (Ed)

EXECUTIVE COMMITTEE

Officers

Chairman	Professor Peter Brunt,	CVO, OBE, MD, FRCP, FRCP(Ed), FRCS(Ed)
Vice Chairman:	Professor Robin Touquet,	RD, FRCS, FRCP, FCEM

Members

Dr Alistair Beattie,	MD, FRCP, FFPM	Dr Anne McCune,	MD, FRCP
Prof Jonathan Chick,	MA, MPhil, DScFRCP(Ed), FRCPsych	Dr Iain Murray-Lyon,	BSc, MD, FRCP, FRCP(Ed)
Dr Doug Fowle,	MB ChB, FRCPsych	Dr Colin Payton,	MC ChB, FRCP, MFOM
Dr Claire Gerada,	MBE, FRCP, FRCGP, MRCPsych	Dr Iain Smith,	MB ChB, BSc, FRCPsych
Prof Sir Ian Gilmore,	MD, FRCP	Dr Andrew	
Dr Eilish Gilvary,	FRCPsych, MRCGP, DCH	Thillainayagam,	MD, FRCP
Dr Brian Hore,	BSc, MB BS, MPhil, FRCP, FRCPsych	Dr Allan Thomson,	BSc, MB ChB, PhD, FRCP
Dr Ruth Mayall,	BSc, MB ChB, MRCP, FRCA, FANZCA	Dr Alistair Young,	MB ChB, MRCPsych
Dr Mike McCann,	MD, MA, MB BCH, BAO, MFOM, DIH	Dr Simon Wiseman	(retired November 2010)

In Attendance

Honorary Treasurer:	Mr John Harries,	BSc(Econ), FCA
Medical Director:	Dr Dominique Florin,	MD, MB BS, MA, MFPHM, MRCGP

Administrative Staff

Executive Assistant:	Miss Sapphire Ellison,	BSc(Hon)
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Registered Office:

MCA,
5 St Andrews Place,
Regents Park,
London NW1 4LB

Accountants:

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

Bankers:

National Westminster Bank Plc,
PO Box 2021,
10 Marylebone High Street,
London W1A 1FH

REPORT OF THE TRUSTEES AND DIRECTORS FOR THE YEAR ENDED 31 MARCH 2010

Structure, Governance and Management Organisation

Organisation

The Council is governed by the Executive Committee and its subordinate Committees Education and Public Health and Journal There is a network of Regional Advisers associated principally with Medical Schools and Universities, and a membership of about 107 Members of the Executive are Directors under Company Law and Trustees under Charity Law They are listed above A member of the Company guarantees to contribute an amount not exceeding £1 each to the assets of the Company in the event of a winding-up during his membership or within one year of his ceasing to be a member The total of such guarantees at 31 March 2011 was £107 (2010 £133)

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"

When planning the activities of the charity the Trustees have had regard to the guidance issued on public benefit by the Charity Commission in December 2008

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 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

REPORT OF THE TRUSTEES AND DIRECTORS FOR THE YEAR ENDED 31 MARCH 2010

Achievements and Performance

As anticipated last year, the annual donation towards core funding ceased, and the Council's income deteriorated by £30,000. We are very grateful to the Robertson Trust for their support over many years and understand that as a Scottish trust they wish to concentrate on supporting Scottish charities. Our search for core or project support continues and resulted in donations from the BMA of £2000 towards the Handbook, and £2,000 each from Mimosa and Archimedes Pharma Ltd towards the highly successful symposium on Alcohol and the Brain. This together with admission charges covered the costs of the event and produced a small profit.

The Journal continues to produce a significant, albeit slightly reduced income, of £106,000 and performed well amongst its peer group of addiction journals.

Finally, the new edition of the Health and Alcohol Handbook was enthusiastically received. A pleasing level of demand from practitioners and corporate entities, together with the decision to increase charges to medical schools to a level which covers direct costs of printing and distribution, produced an income of £6,289 in the year.

Costs in the previous year had included the printing of the Handbook, which did not recur this year. However, wage costs increased for exceptional reasons due to the retirement of the Medical Director and the administrative assistant, with consequential recruitment costs of some £4,500, and an element of overlap to provide continuity costing around £2,500. The cost of the AGM and its afternoon seminar on Foetal Alcohol Syndrome, which was well supported and received, increased sharply due to higher room hire and food charges. Whilst the AGM and the seminar are free to members, in future non-members will be asked to contribute to running costs.

As forecast last year the deficit for the year amounted to approximately £46,000, which will continue in future years unless significant core or project donations are received.

Reserves

The total funds of the Medical Council at 31 March 2011 amount to £213,623 of which £3,214 represents a restricted fund for educational seminars. As previously indicated, the Council's principal donation had been given for core funding and this has now been withdrawn. As a result it is estimated that the likely level of deficits in future years could amount to in excess of approximately £40,000 in the absence of comparable funding being obtained elsewhere. Consequently, the Council's assets are now held in cash deposits in order to minimise its investment risks.

Future Plans

The future of the Medical Council is totally dependent on its ability to raise further funds. The Council is actively pursuing potential donors, and new members. It continues to undertake its charitable activities on the basis that sponsorship can be obtained towards the cost of significant events. The overheads have been reduced to a minimum consistent with efficient running of the organisation.

REPORT OF THE TRUSTEES AND DIRECTORS FOR THE YEAR ENDED 31 MARCH 2010

Statement of Directors' responsibilities

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, which 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,
- Make judgements 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.

Risk Management

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.

On behalf of the board



Dr D Florm

Secretary and Medical Director

Dated 4.8.2011

**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF
THE MEDICAL COUNCIL ON ALCOHOL**

We report on the accounts for the year ended 31 March 2011 set out on pages 8-14

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of Company Law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied ourselves that the charity is not subject to an audit under Company Law and is eligible for independent examination, it is our responsibility to

- Examine the accounts under section 43 of the 1993 Act,
- Follow the procedures laid down in the general Directions given by the Charity Commission (under section 43(7)(b) of the Act, as amended), and
- State whether particular matters have come to our attention

Basis of independent examiner's statement

Our examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

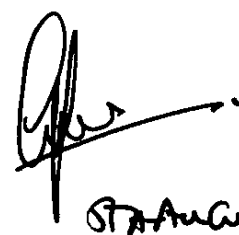
Independent examiner's statement

In connection with our examination, no matter has come to our attention

- 1 which gives us reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities have not been met, or
- 2 to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

Signed

Dated


ST AUGUST 2011

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

Statement of financial activities for the year ended

31 March 2011

	Notes	F/Y 2010-11			F/Y 2009-10
		TOTAL	Unrestricted	Restricted	Total
Incoming Resources		£	£	£	£
From generated funds					
<i>Voluntary Income</i>					
Donations		8,376	1,841	6,535	40,466
Membership		7,486	7,486	0	5,325
<i>Investment Income</i>					
Investment Income		209	209		3,509
From charitable activities					
Journal		106,151	106,151		111,578
Essays		0	0		
Seminars		5,280	5,280		
Publication Sales		6,289	6,289		184
Other Incoming Resources					
Sundry Income		0	0		
Total Incoming Resources		133,791	127,256	6,535	161,062
Resources Expended					
Charitable Activities	3a	138,779	132,244	6,535	151,435
Governance & Administration	3c	40,576	40,576	0	33,670
Total Resources Expended		179,355	172,820	6,535	185,105
Net outgoing Resources		-45,564	-45,564	0	-24,043
Net Movement in Funds					
Reconciliation of Funds					
Funds Bought Forward		259,187	255,973	3,214	283,230
Funds Carried Forward		213,623	210,409	3,214	259,187

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

THE MEDICAL COUNCIL ON ALCOHOL (Registered Number 952312)

Balance sheet as at 31 March 2011

	<i>Notes</i>	31st March 2011		31st March 2010	
		<i>£</i>	<i>£</i>		
Fixed Assets					
Tangible Assets	5		0		0
Current Assets					
Debtors	6	65,064		66,100	
Cash at Bank & in Hand		<u>169,323</u>		<u>242,935</u>	
		234,387		309,035	
Creditors due within 1 year	7	<u>20,764</u>		<u>49,848</u>	
Net Current Assets			213,623		259,187
Total Assets less Current Liabilities			213,623		259,187
Unrestricted funds					
General fund	10		210 409		255,973
Restricted funds			3,214		3,214
Total Funds	10		213,623		259,187

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2011

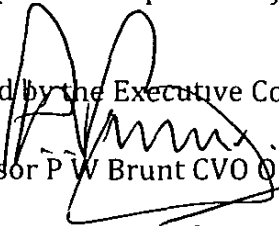
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2011 in accordance with Section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Executive Committee on 28th June 2011 and signed on its behalf,


Professor P W Brunt CVO OBE MD FRCP

Chairman Executive Committee


Mr J M Harries BSc (Econ) FCA

Honorary Treasurer

Notes to the Financial Statements for the year ended 31 March 2011

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 April 2008) 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 2006, 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, 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.

78% of staff costs, rent/service charge, rates, insurance, and office expenses have been allocated to the eight charitable activities listed in note 3(b)

The percentages allocated to each of the charitable activities has been amended this year to reflect actual activities

(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) **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

(f) **Fund Accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for another purpose

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by charity for particular purposes. The aim and use of each restricted fund is set out in notes to the financial statements.

Notes to the Financial Statements for the year ended 31 March 2011 (Continued)

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.

3 Net outgoing resources

3(a) Breakdown of costs by charitable activities

Breakdown of costs by charitable activities						
	Direct	Grant	Support	Total	Restricted	Unrestricted
	Costs	Funded				
	£	£	£	£	£	£
Website	0	0	10,898	10,898	0	10,898
Journal (inc. Committee)	35,478	0	3,269	38,747	0	38,747
Newsletter	3,509	0	10,898	14,407	0	14,408
Educ. Seminars inc. Comm.	11,757	0	10,898	22,655	3,984	18,671
Educ. Printing	-41	0	5,449	5,408	2,000	3,408
Library, grants & Essay Prize	1,282	0	2,180	3,462	0	3,461
Pub. Educ., Guidance & Research	2,545	0	38,142	40,687	551	40,136
Nat. Alc. Awareness Day	750	0	0	750	0	750
Max Glatt Medal	1,765	0	0	1,765	0	1,765
	57,045	0	81,734	138,779	6,535	132,244

3(b) Analysis of costs by financial activity

Analysis of costs by financial activity									
		3%	10%	10% Educ	5% Educ	2% Library,	35% Public Ed	10% Website	25% Governance
		Journal	Newsletter	Seminars	Printing	Grant and	Guidance and	Maintenance	& Administration
	TOTAL					Essay Prize	Research		
	£	£	£	£	£	£	£	£	£
Staff	88,282	2,648	8,828	8,828	4,414	1,766	30,899	8,828	22,071
Premises	9,707	291	971	971	485	194	3,397	971	2,427
Other Off	10,990	330	1,099	1,099	549	220	3,847	1,099	2,747
	108,979	3,269	10,898	10,898	5,448	2,180	38,143	10,898	27,245

THE MEDICAL COUNCIL ON ALCOHOL (Registered Number 952312)

Notes to the Financial Statements for the year ended 31 March 2011 (Continued)

3(c) Governance and Administration costs:

	2011	2010
Support Costs	27,245	24,136
Accountancy Fee	2,900	2,000
Executive Committee Costs	2,255	3,728
Annual General Meeting	7,526	3,191
Annual Report	650	615
TOTAL	40,576	33,670

3(d) Payments totalling £880 41 (2010: £3,102) were made to 10 Executive Committee members in reimbursement of travelling expenses incurred in attending meetings

Dr J Chick, who joined the Executive on 17th March 2010, received an Honorarium for his editorship of the Journal which totalled £18,864 for the full year 2010-11

4 Staff Costs

	2011	2010
	£	£
Wages and Salaries	77,268	70,540
Recruitment Fee	4,482	1,062
Social Security Costs	6,532	6,906
Total	88,282	78,508
Average number of employees	3	3

The average monthly number of employees during the year was as follows

	2011	2010
Medical Director	1	1
Administration & Support	2	2

No employee received emoluments of more than £40,000

THE MEDICAL COUNCIL ON ALCOHOL (Registered Number 952312)

Notes to the Financial Statements for the year ended 31 March 2011 (Continued)

5 Tangible fixed assets: *Office Equipment Cost*

	2011
At 1 April 2010 & at 31 March 2011	36,987
Depreciation:	
At 1 April 2010	36,987
Charge for the year	0
At 31 March 2011	36 987
Net Book Value at 31 March 2011	0
Net Book Value at 31 March 2010	0

6 Debtors: *Amounts Falling Due Within One Year*

	2011	2010
	£	£
Prepayments & Accrued Income	3,405	3,405
Other Debtors	61,659	62,695
Total	65,064	66,100

7 Creditors: *Amounts Falling Due Within One Year:*

	2011	2010
	£	£
Accruals & Deferred Income	20,764	49,848

8 Company Status

The Company is limited by guarantee and therefore has no Share Capital. Member guarantors number 107 (2010 133), 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.

9 Analysis of net assets between Funds

	2011	2010
	£	£
Unrestricted Funds, Net Current Assets	210,409	255,973
Restricted Funds, Net Current Assets	3,214	3,214
Total	213,623	259,187

THE MEDICAL COUNCIL ON ALCOHOL (Registered Number 952312)

Notes to the Financial Statements for the year ended 31 March 2011 (Continued)

10 Movement in Funds

Unrestricted Funds:	2011
	£
At 1 April 2010	255,973
Net Movement in funds for year (including losses)	-45,564
At 31 March 2011	210,409

Restricted Funds:	2011
	£
At 1 April 2010	3,214
Income	6,535
Expenditure	-6,535
At 31 March 2011	3,214

Restricted Funds as at 31 March 2011 are for Educational Seminars and are to be used for the specific purpose as laid down by the donor

11 Operating lease commitments

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

	2011	2010
<i>Expiring:</i>	£	£
Within 2 – 5 years	11,000	9,000