

**AAGBI FOUNDATION**  
**(A Company limited by guarantee)**  
**REPORT OF THE TRUSTEES AND AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**



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

**AAGBI FOUNDATION**

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FOR THE YEAR ENDED 31 MARCH 2017**

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## **AAGBI FOUNDATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017**

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The Trustee Board of the AAGBI Foundation (the Foundation) presents its report and the audited financial statements for the year ended 31 March 2017.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### **Structure, Governance & Management**

The Foundation is a Company limited by Guarantee and does not have a share capital, and is a Registered Charity with the Charity Commissioners for England and Wales and with the Office of the Scottish Charity Regulator. It is governed under the Articles of Association (date approved 5 September 2014) and the board has adopted a Governance Manual in 2015 containing the regulations and procedures to ensure good governance of the organisation.

#### **Public Benefit Statement**

The Foundation's trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. The charitable purposes of the Foundation are set out in its constitution and the objects include 'the advancement of public education in and the promotion of those branches of medical science concerned with anaesthesia including its history', in relation to research, 'the promotion of study and research into anaesthesia and related sciences and the publication of results of all such study and research' and in relation to the public generally, 'the advancement of patient care and safety in the field of anaesthesia and disciplines allied to anaesthesia'. The trustees ensure that the objects are achieved through an extensive programme of education and training and the funding of research into aspects of anaesthesia. Educational events and applications for research awards are openly advertised and the public are able to access the museum and library in London, which the Foundation maintains to preserve the heritage of anaesthesia.

#### **Appointment of Directors and Trustees**

The majority of directors and trustees are appointed to the Foundation Board by the Association of Anaesthetists of Great Britain and Ireland, which is the sole member of the charity. This enables the management and activities of the Foundation to be co-ordinated with those of the Association, ensuring that the resources available to the Foundation and related parties together with other charitable organisations are used to maximum effect in fulfilling its objectives. The charity's board also appoints up to 5 trustees with appropriate skills/experience relating to its charitable activities. Trustees have adopted a strategy of involving lay members in the charity's governance, and have appointed lay members to the Finance, Audit and Investment, International, Safety, Standards and Research and Grants Committees.

#### **Trustee Induction and Training**

Newly elected members are advised on their responsibilities as directors and trustees and receive an induction information pack and briefing session. Training is provided for trustees to enable them to perform their governance duties effectively.

#### **Related parties and co-operation with other organisations**

None of our trustees receives remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager and a contractor or other third party organisation must be disclosed to the full board. In the current year no related party transactions were disclosed.

#### **Organisation and Management**

The full-time staff of the Foundation is led by the Executive Director and senior management team, who work closely with appointed Officers and Board members. Professional advisers are used to provide specialist advice in areas of investment, finance, HR, law and property.

The Board meets regularly to direct the affairs of the Foundation and consults members representing other related bodies, for example the Royal College of Anaesthetists. Development and management of specific activities is delegated to sub-committees who report their proceedings to the Board.

## **AAGBI FOUNDATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017 - CONTINUED**

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#### **Organisation and Management (continued)**

The charity's trustees determine overall strategy and policy. The board approves an annual business plan and budget, which sets out the objectives and the expenditure for the year. Operational management and responsibility for delivery of the plan is delegated to the Executive Director. Expenditure decisions within the approved budget are governed by a scheme of delegated authority. Issues arising during the year concerning matters outside the business plan are referred to the board if required.

#### **Pay policy for senior staff**

All the trustees give of their time freely and no trustee received remuneration in the year. Details of trustees' expenses are disclosed in note 12 to the accounts and related party transactions are disclosed in note 22 to the accounts.

The Foundation's board has adopted a salary policy, under which an annual salary review is conducted and overseen by a Remunerations Committee appointed by the board. Salary benchmarking is conducted regularly.

#### **Risk Management**

The trustees have established systems of internal control, comprising annual budgets and financial forecasts, delegated authorities, procedures for operational management and segregation of duties. Regular reviews of financial and investment performance take place through the Finance, Audit and Investment Committee.

Risks are documented in a risk register which is subject to ongoing assessment and evaluation by senior management and directors, with regular reports provided for review by the Board and Finance, Audit and Investment Committee. At least two meetings a year are held to consider financial management and investment performance in detail. In addition, the Honorary Treasurer and Finance Controller report on financial matters to each Board meeting of the Foundation. These meetings record the formal review and approval of all aspects of finance, internal controls and accounts.

#### **Objects and activities for the public benefit**

The principal objects and activities of the Foundation are related to the improvement of patient care and safety in Great Britain and Ireland and internationally. This is achieved through the advancement of public education concerned with anaesthesia, together with the funding of education and research into anaesthesia and related sciences.

The core programmes of the Foundation are focused in line with these objects on:

- *Education in anaesthesia for the public and medical professionals*
- *Heritage through a museum, library, national archive and anaesthesia history projects*
- *International grants and projects to support anaesthesia in lower resource countries*
- *Research funding to promote improvements in patient care*

The Foundation organises several large scientific meetings and an extensive seminar programme, and is a major grant maker to researchers into aspects of anaesthesia. An extensive rare book collection, archives and museum dedicated to anaesthesia is open to the public.

An average of 332 visitors a week are welcomed to the Foundation's Grade II\* listed premises at 21 Portland Place, London, which offers excellent facilities for education events and meetings and houses the heritage archives, library and museum. The building offers accommodation for the administrative and finance activities shared with the Association of Anaesthetists of Great Britain and Ireland (the Association) and two other organisations related to anaesthesia, the World Federation of Societies of Anaesthesiologists and Lifebox, a charity.

Over 40 other organisations, mostly health-related, were also able to hold educational events and meetings at the Foundation's premises, so maximising the benefit of the historic building as a centre of medical education and learning. The Foundation works closely with the Association of Anaesthetists, which provides major funding each year for the Foundation's activities. Committees have been established to oversee education through a programme of scientific meetings and seminars, and for the management of the heritage collection, finance and investments.

## **AAGBI FOUNDATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017 - CONTINUED**

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#### **Objects and activities for the public benefit (continued)**

The Foundation's museum and extensive rare book collection is co-ordinated by an archivist and is under the direction of the committee overseeing heritage. The Heritage Centre offers anaesthetists and members of the public the opportunity to view an exceptional collection of equipment and manuscripts related to anaesthesia.

#### **Grant making policy**

Research grants are advertised to attract high quality applications from trainee and consultant anaesthetists. All applications for research are considered by a process of evaluation of proposals through the National Institute for Academic Anaesthesia (NIAA), which makes awards with the approval of the Board. The progress and outcome of research projects is reviewed and reported to the Board and monitored through a Research and Grants Committee. It is customary for the outcome of successful projects to be published in peer reviewed journals.

During the year, the trustees reviewed the charity's research strategy and set out the priorities for grant funding:

- Patient safety
- Innovation
- Clinical outcomes
- Education and training
- Environmental impact
- Related professional issues (e.g. standards and guidelines, working conditions, medico-legal issues)

The Foundation continues to co-fund a new Clinical Trials Group (CTG) initiative through the NIAA and the CTG director to lead the work.

With regard to international grants, applications for grants and funding are invited subject to specified criteria to support international work and are reviewed by an International Relations Committee; follow up reports are routinely required from grant recipients.

#### **Achievements and Performance**

##### **Programme delivery**

The last financial year has seen continued development of the programmes delivered by the charitable Foundation. Key achievements in last 12 months are outlined below.

##### *Education in anaesthesia for the public and medical professionals*

Attendance figures for AAGBI conferences continue to grow. The three national conferences, Group of Anaesthetists in Training (GAT) Annual Scientific Meeting, Winter Scientific Meeting (WSM) London and the Annual Congress attracted just over 2,009 delegates. In addition, 57 seminars were held by the Foundation in London and over 1,767 delegates attended. This year sees the greatest number of seminars held in one year compared to the last 4 years. There were 11 regional core topics meetings around the UK and Ireland attracting just over 900 delegates.

A key educational element in the conferences is the opportunity to present posters and abstracts: 118 were displayed at the 2016 trainees' conference in Nottingham, 141 at Annual Congress in Birmingham and a further 165 at WSM London. These conferences attract sponsorship from industry and £72k (2016:£44k) in additional income was brought in to support the Foundation's educational events.

The Foundation's e-education expanded during the year with the video platform now providing access to 560 lectures online. An online CPD zone, Learn@AAGBI, was launched in 2013. During 2016 functionality was further enhanced to provide mobile responsive access to the videos. Over 130,000 video views have occurred since launch.

The website continues as a source of up to date information. The site attracts on average 20,000 visits a month with the most popular pages being Education and our Guidelines.

## **AAGBI FOUNDATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017 - CONTINUED**

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#### **Programme delivery (continued)**

The publication of guidelines is a core activity in promoting patient safety: during the year new publications were produced on:

- *Age and the anaesthetist* (published August 2016)
- *Blood components and their alternatives* 2016 (published July 2016)
- *Consent for anaesthesia 2017* (published January 2017)
- *Safe vascular access 2016* (published May 2016)
- *Safer pre-hospital anaesthesia 2017* (published March 2017)
- *Staff and Associate Specialist Grade Handbook 2016* (Third Edition) (published January 2017)
- *Storage of Drugs in Anaesthetic Rooms - Guidance on best practice from the RCoA and AAGBI* (published June 2016)

Additionally, we twice updated, adding newly published guidelines, the guidelines app for AAGBI members. This has been very popular with the membership attracting over 2,800 downloads during the year.

*New working parties were established on the following topics*

- Awareness associated with anaesthesia
- Blood transfusion and the anaesthetist - intra-operative cell salvage (review)
- Day case and short stay surgery (review)
- Management of Jehovah's Witnesses (review)
- Management of proximal femoral fractures (review)
- Peri-operative management of patients with dementia
- Recording of doctors in hospitals
- Neurological monitoring practice after obstetric neuraxial block

#### **Heritage**

This year's highlights for the Anaesthesia Heritage Centre included the launch of the third in a series of four temporary exhibitions which explore the work of anaesthetists during the First World War. We ran our first *Lates* event consisting of a talk by an author and a panel discussion, which sold out. The visitor numbers for this year have been 2,553 – a large increase on last year (2,146 in 2016) and the highest number ever recorded. The Heritage Centre took a large exhibition to Euroanaesthesia, the European Anaesthesiology Congress in London and 4,909 delegates visited the area. The exhibition was sponsored by the AAGBI Foundation, the European Society of Anaesthesiology and the History of Anaesthesia Society. The Anaesthesia Museum was invited to submit an accreditation return by Arts Council England and the outcome is still awaited. A team of dedicated volunteers have continued to give valuable support and to participate in all aspects of the work of the Heritage Centre.

#### **International grants and projects to support anaesthesia in lower resource countries**

In the course of the year, the charity awarded grants totalling £349k (see note 9) which benefitted educational work in the form of individual travel grants and project funding for anaesthetists from the UK and Ireland to support improvements in care overseas.

The Foundation's Overseas Anaesthesia Fund continued to attract donations from nearly one hundred regular givers generating a total of £22k (2016: £21k) which is spent on donating medical books, training resources and equipment to lower resource countries, and funding for the Ugandan Fellowship programme.

## **AAGBI FOUNDATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017 - CONTINUED**

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#### **International grants and projects to support anaesthesia in lower resource countries (continued)**

The Safer Anaesthesia from Education (SAFE) programme is a collaboration between AAGBI Foundation and World Federation of Societies of Anaesthesiologists (WFSA), which we plan to expand and develop globally with a new fundraising campaign SAFE Africa planned for launch in 2017. SAFE training courses have been created on obstetric and paediatric anaesthesia; in 2017 we will pilot a new SAFE operating theatre course. All SAFE courses are provided by trained volunteers with expertise in the specialty. Over the last six years the SAFE project has trained 1,518 anaesthetic providers in 23 countries. Each one of these practitioners will go on to treat around 1500 patients each year.

The Foundation is grateful for grants from the Tropical Health Education Trust (THET) / UKAid to support the SAFE programme with funding for three projects in Africa. These were the Safer Anaesthesia from Education (SAFE) obstetrics project in East Africa (£98k); the SAFE paediatrics project in East Africa (£120k) and the Zambia Anaesthesia Development project (£46k). The charity's trustees thank THET for their continued support for our international programmes.

A flagship project of the Foundation is the Uganda Fellowship programme, established ten years ago to build physician anaesthetist capacity through funding towards anaesthetic training for individual doctors. The AAGBI and its funding partners (DAS, OAA, RCoA, WAS) have, to date, supported 43 Uganda Fellows through their training, a fourfold increase in the number of physician anaesthesiologists in the country. In 2016 the partners initiated a strategic review and evaluation of the Uganda Fellowship programme by funding an international evaluation research fellowship. This report will be published in 2017.

#### **Research funding to promote improvements in patient care**

The Foundation continued to work through the National Institute for Academic Anaesthesia (NIAA) in awarding grants for research. Grants totalling £160k (see note 9) were awarded during the year.

#### **Organisational development and future plans**

Following the governance review completed in 2014, the board adopted a governance manual in 2015 containing the regulations and procedures to ensure good governance of the organisation.

Further progress has been made with improving finance systems with the ongoing development of the accounting system addressing the charity's current and future needs.

Progress has been made in the year with upgrades to database and website systems and these will continue to be an ongoing project during the coming year. The Foundation's major asset is the English Heritage listed building in London. The trustees have established a property strategy task group and appointed professional property advisors to consider future requirements, and how best to optimise this asset.

#### **Finance review**

Voluntary income was £1.93m (2016: £5.65m), a decline attributable to the donation of £3.997m by the Association when it transferred its investment portfolio in the prior year to the benefit of the Foundation.

Other sources of income have increased by £204k to £2.18m (2016: £1.98m) or 10%.

Resources expended have increased by just £8k to £3.654m (2016: £3.647m).

Net realised gains on investment assets were £1.38m (2016: (loss) £(330)k)

In cash terms, the Foundation's bank balances have decreased by £525k to £947k (2016: £1.47m) or 36%.

## **AAGBI FOUNDATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017 - CONTINUED**

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#### **Finance review (continued)**

The senior management and trustees regularly review the risk register, agreeing actions to mitigate and reduce risks identified. During the last year, the principal external risks were changes in the NHS, the impacts of ongoing funding constraints and proposed contract changes on the medical workforce, hence their effect on the AAGBI's consultant and trainee members. These risks are ongoing, and the AAGBI continues to respond through an active external and member communications strategy, liaison with policy makers and joint action with other stakeholders to support the specialty of anaesthesia. Key business risks identified are the rising costs of running the organisation, due partly to the need to invest in infrastructure, such as the e-education platform and new CRM and IT upgrades. In response, the board has been reviewing both costs and revenue, seeking new ways to generate income.

#### **Future strategy**

For the future, the charity's trustees are committed to continuously improve and develop the core programmes – education, research, international and heritage – and to be responsive to the needs of members of the specialty of anaesthesia. In 2017 the board and senior management team produced a new 3-5 year long-term strategy, involving wide consultation with members of the AAGBI, staff and other stakeholders. This vision and goals set out in the strategy will be delivered through the annual operational plan and budget, which in turn build on progress made and learning from the last 12 months.

To support the long term strategy, the board is investing in developing the organisation including funding a new CRM and website to improve communications so as to go fully digital by 2020 and re-branding to project a stronger profile reflecting the AAGBI's values and strategic priorities. These will be launched in 2017.

#### **Reserves Policy**

Unrestricted reserves of £16.2m as at 31 March 2017 (2016: £14.2m) are held for the future development of the Foundation and its charitable activities. In more detail, £5m of unrestricted reserves fund the Foundation's premises and other tangible fixed assets (2016: £5m). £11.2m of unrestricted reserves are matched by cash on deposit and realisable investments, net of commitments, ensuring grant funding and all foreseeable operating expenditure may be met (2015:£5.8m). The substantial increase in this element of the reserves is due to the growth in the value of the Foundation's investment portfolio during the year.

Included in unrestricted funds is a designated Development Fund of £1.4m (2016: £1.4m), which is to be used for capital projects, including IT and property, where the benefits of such infrastructure investment will materialise in future years.

Restricted reserves were £151k as at 31 March 2017 (2016: £231k).

The level of reserves is regularly reviewed by trustees both as part of the annual budget planning process and in year in order to decide whether to invest from reserves into particular projects or organisational development.

#### **Investment Policy**

Under the Articles of Association the Foundation has the power to invest without restriction. The Foundation has adopted an ethical investment policy reflecting its position as a medical charity. The investment policy is kept under review through the Finance and Investment Committee.

The portfolio comprised investment and unit trusts, Treasury stock and direct holdings in shares, in line with the Foundation's agreed policy. The Foundation has set risk objectives, and adopted guidelines on diversification of the portfolio. The performance of investments and policy is regularly reviewed with the assistance of professional investment advisers. The investment policy is reviewed annually.



## **AAGBI FOUNDATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017 - CONTINUED**

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#### **LEGAL AND ADMINISTRATIVE INFORMATION**

##### **Status**

Company limited by Guarantee which does not have a share capital, and is a registered charity with the Charity Commissioners for England and Wales and with the Office of the Scottish Charity Regulator.

##### **Governing document**

Memorandum and Articles of Association

##### **Company Number**

01963975 (England and Wales)

##### **Charity Number**

293575 (England and Wales)

SCO40697 (Scotland)

##### **Registered office and operational address**

21 Portland Place

London

W1B 1PY

##### **Trustees**

The directors and trustees who served during the year were as follows:

Dr P Barker  
Dr P A Clyburn  
Dr R E Collis  
Dr K Ferguson  
Dr R S Gill  
Dr R Griffiths  
Dr A J Hartle  
Dr G Jackson  
Dr G Keenan  
Dr A Klein  
Dr E M McGrady  
Dr T Meek  
Dr U Misra  
Dr M Nathanson  
Mr A K Naughton  
Dr E Plunkett  
Dr N Redfern  
Dr T E Sheraton  
Dr S Shinde  
Dr I A Walker  
Dr S M Yentis

The following director served until 16 June 2016:

Dr B Fox

The following directors served until 15 September 2016:

Dr R A G Fernando

Dr F S Plaat

Dr S Q M Tighe

The following director served from 16 June 2016:

Dr S El-Ghazali

## **AAGBI FOUNDATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017 - CONTINUED**

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#### **REFERENCE AND ADMINISTRATIVE DETAILS**

The following directors served from 15 September 2016:

Dr C Bailey  
Dr W Fawcett  
Dr R Rao Baikady

#### **Company Secretary**

##### **Auditors**

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

##### **Officers & Senior Management**

Ms Karin Pappenheim, Executive Director  
Ms Gemma Campbell, Head of Support Services & Information Management  
Ms Nicola Heard, Head of Education & Membership Services  
Mr Adrian Sebastian, Finance Controller

##### **Bankers**

HSBC  
60 Queen Victoria Street  
London  
EC4N 4TR

##### **Solicitors**

Hempsons  
Hempsons House  
40 Villiers Street  
London  
WC2N 6NJ

##### **Withers**

16 Old Bailey  
London  
EC4M 7EG

Hogan Lovells  
Atlantic House  
Holborn Viaduct  
London  
EC1A 2FG

##### **Auditors**

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

## AAGBI FOUNDATION

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017 - CONTINUED

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#### REFERENCE AND ADMINISTRATIVE DETAILS (continued)

##### Investment Managers

Investec  
100 Wood Street  
London  
EC2V 7AN

#### STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of AAGBI Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees 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 that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

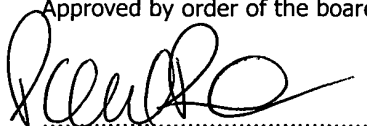
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### AUDITORS

Hartley Fowler LLP will not continue in office following the 2016-17 audit. A resolution to appoint haysmacintyre has been approved by the trustees.

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

Approved by order of the board of trustees on ..... 1/9/17 ..... and signed on its behalf by:



Dr P Barker - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AAGBI FOUNDATION**

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We have audited the financial statements of AAGBI Foundation for the year ended 31 March 2017 on pages nine to twenty five. 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 charitable 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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees Responsibilities set out on page five, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, 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 Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.


**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
AAGBI FOUNDATION - CONTINUED**

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**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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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

Date: .....1/9/12.....

# AAGBI FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2017

		Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
	Notes				
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations	3	1,763,863	170,461	1,934,324	5,650,065
<b>Charitable activities</b>	6				
Educational programme		1,256,363	-	1,256,363	1,194,775
Other trading activities	4	654,625	-	654,625	630,000
Investment income	5	270,435	-	270,435	153,436
<b>Total</b>		3,945,286	170,461	4,115,747	7,628,276
<b>EXPENDITURE ON</b>					
Raising funds	7	42,796	-	42,796	30,449
<b>Charitable activities</b>	8				
Educational programme		2,089,530	251,149	2,340,679	2,385,584
International programme		477,566	-	477,566	350,797
Research programme		351,358	-	351,358	401,690
Heritage programme		442,478	-	442,478	478,558
<b>Total</b>		3,403,728	251,149	3,654,877	3,647,078
Net gains/(losses) on investments		1,382,460	-	1,382,460	(329,533)
<b>NET INCOME/(EXPENDITURE)</b>		1,924,018	(80,688)	1,843,330	3,651,665
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		14,263,542	231,224	14,494,766	10,843,101
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>16,187,560</u>	<u>150,536</u>	<u>16,338,096</u>	<u>14,494,766</u>

### CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements


# AAGBI FOUNDATION

## STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	15	5,057,429	-	5,057,429	5,003,280
Investments	16	<u>10,021,343</u>	<u>-</u>	<u>10,021,343</u>	<u>8,336,848</u>
		15,078,772	-	15,078,772	13,340,128
<b>CURRENT ASSETS</b>					
Debtors	17	659,673	-	659,673	131,569
Cash at bank		<u>796,336</u>	<u>150,536</u>	<u>946,872</u>	<u>1,472,089</u>
		1,456,009	150,536	1,606,545	1,603,658
<b>CREDITORS</b>					
Amounts falling due within one year	18	(343,521)	-	(343,521)	(442,020)
<b>NET CURRENT ASSETS</b>		<u>1,112,488</u>	<u>150,536</u>	<u>1,263,024</u>	<u>1,161,638</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		16,191,260	150,536	16,341,796	14,501,766
<b>CREDITORS</b>					
Amounts falling due after more than one year	19	(3,700)	-	(3,700)	(7,000)
<b>NET ASSETS</b>		<u>16,187,560</u>	<u>150,536</u>	<u>16,338,096</u>	<u>14,494,766</u>
<b>FUNDS</b>	21				
Unrestricted funds				16,187,560	14,263,542
Restricted funds				<u>150,536</u>	<u>231,224</u>
<b>TOTAL FUNDS</b>				<u>16,338,096</u>	<u>14,494,766</u>

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

The financial statements were approved by the Board of Trustees on 11/9/17 and were signed on its behalf by:

  
Dr P Barker -Trustee

The notes form part of these financial statements

**AAGBI FOUNDATION****STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2017**

---

	Notes	2017 £	2016 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>(345,533)</u>	<u>4,194,129</u>
<b>Net cash provided by (used in) operating activities</b>		<u>(345,533)</u>	<u>4,194,129</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(144,784)	(82,669)
Purchase of fixed asset investments		(3,072,868)	(5,478,789)
Sale of fixed asset investments		2,770,833	1,442,859
Interest received		1,935	2,285
Listed investment income		<u>268,500</u>	<u>151,151</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(176,384)</u>	<u>(3,965,163)</u>
<b>Cash flows from financing activities:</b>			
Capital repayments in year		<u>(3,300)</u>	<u>-</u>
<b>Net cash provided by (used in) financing activities</b>		<u>(3,300)</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>		(525,217)	228,966
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>1,472,089</u>	<u>1,243,123</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>946,872</u>	<u>1,472,089</u>

The notes form part of these financial statements



**AAGBI FOUNDATION**

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2017 £	2016 £
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	1,843,330	3,651,665
<b>Adjustments for:</b>		
Depreciation charges	90,635	65,401
(Gain)/losses on investments	(1,382,460)	329,533
Interest received	(1,935)	(2,285)
Listed investment income	(268,500)	(151,151)
(Increase)/decrease in debtors	(528,104)	316,083
Decrease in creditors	(98,499)	(15,117)
<b>Net cash provided by (used in) operating activities</b>	<u>(345,533)</u>	<u>4,194,129</u>

## **AAGBI FOUNDATION**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**

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#### **1. GENERAL INFORMATION**

The charitable company is incorporated and domiciled in the United Kingdom. The address of its registered office is 21 Portland Place, London W1B 1PY. The registered number of the company is 01963975. The registered number of the charity is 293575.

The financial information presented is for the year ended 31 March 2017 and 31 March 2016. The financial information is presented in sterling.

The presentation currency of the financial statements is the Pound Sterling (£).

#### **2. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

##### **a) Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

##### **b) Preparation of the accounts on a going concern basis**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The review of our financial position, reserves levels, investments and future plans give the trustees confidence that the charitable company remains a going concern for the foreseeable future.

##### **c) Significant judgements and estimates.**

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

(i) Tangible fixed assets. Fixtures and fittings and office equipment are depreciated over their useful lives taking into account residual values, where appropriate.

(ii) Allocation of costs. The allocation of support and governance costs between charitable and expenditure categories.

(iii) Impairments. Management makes judgement on whether there are any indications of impairments to the carrying amounts of the charity's assets.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2017**

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**2. ACCOUNTING POLICIES – continued**

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

(i) Grant income, donation income and sponsorship income is accounted for when receivable and include grants for current expenditure.

(ii) Income received for a particular restricted purpose is included in restricted funds.

(iii) Investment income is included when receivable.

(iv) Income from charitable activities includes income from general conferences, trainee conferences and seminars workshops held during the year. Income received for conferences, seminars and workshops which relates to the next financial year is deferred.

(v) Income received from the Association of Anaesthetist of Great Britain and Ireland represents an annual management charge for overhead expenditure incurred by the charitable company.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**VAT**

The charity reclaims VAT incurred on goods and services in line with the standard method of partial exemption. Irrecoverable VAT is allocated to the relevant activity in the statement of financial activities.

**Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**Governance costs**

Governance costs associated with charity management and constitutional and statutory requirements include direct costs related to this activity and an allocation of administration expenditure

**Allocation and apportionment of costs**

Support costs include all those overhead costs of office, utility services and other services and costs, which are in support of the activity. They have been allocated to activity cost categories on a basis consistent with the use of resources.

**Tangible fixed assets**

All individual assets with a cost of more than £1,000 or forming part of a larger capital project are capitalised and included in the statement of financial position at cost. The long leasehold is held at historic cost.

Depreciation of leasehold buildings is not provided as the amount would be immaterial. Buildings are maintained to a high standard and major repair costs are expensed as incurred.

Depreciation is provided at the following basis:

- Furnishings - 10% straight line
- Equipment - 33% straight line

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2017**

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**2. ACCOUNTING POLICIES – continued**

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the Statement of Financial Position. 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 shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the period of the lease.

**Pension costs**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the statement of financial activities in the period to which they relate.

**Financial instruments**

The charity only has financial instruments of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Fixed asset investments**

Investments are included in the statement of financial position at their market value. All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

**Cash at bank**

Cash at bank includes bank deposit accounts and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are recognised at the invoiced cost prepaid.

**Creditors**

Creditors are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at the settlement amount.

**Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**AAGBI FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2017****3. DONATIONS AND LEGACIES**

	2017 £	2016 £
Donations	184,324	4,300,065
Grants	<u>1,750,000</u>	<u>1,350,000</u>
	<u>1,934,324</u>	<u>5,650,065</u>

In the previous year the charitable company received the following donations from the Association of Anaesthetists of Great Britain and Ireland:

	£
Investments donated by the Association of Anaesthetists of Great Britain and Ireland	3,895,885
Investment cash donated by the Association of Anaesthetists of Great Britain and Ireland	<u>100,688</u>
	<u>3,996,573</u>

Grants received, included in the above, are as follows:

	2017 £	2016 £
The Association of Anaesthetists of Great Britain and Ireland	<u>1,750,000</u>	<u>1,350,000</u>

**4. OTHER TRADING ACTIVITIES**

	2017 £	2016 £
Management charge to association	650,000	630,000
Fee income: e-Learning	<u>4,625</u>	<u>-</u>
	<u>654,625</u>	<u>630,000</u>

**5. INVESTMENT INCOME**

	2017 £	2016 £
Listed investment income	268,500	151,151
Interest on cash deposits	<u>1,935</u>	<u>2,285</u>
	<u>270,435</u>	<u>153,436</u>

**6. INCOME FROM CHARITABLE ACTIVITIES**

	2017 Educational programme £	2016 Total activities £
General conferences	764,270	769,119
Trainee conference	59,872	54,762
Seminars and workshops	<u>432,221</u>	<u>370,894</u>
	<u>1,256,363</u>	<u>1,194,775</u>

**AAGBI FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2017**

**7. RAISING FUNDS**

**Investment management costs**

	2017	2016
	£	£
Investment management fees	<u>42,796</u>	<u>30,449</u>

**8. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Grant funding of activities (See note 9)	Support costs (See note 10)	Totals
	£	£	£	£
Educational programme	1,218,212	-	1,122,467	2,340,679
International programme	27,877	348,549	101,140	477,566
Research programme	41,425	159,641	150,292	351,358
Heritage programme	<u>126,405</u>	<u>-</u>	<u>316,073</u>	<u>442,478</u>
	<u>1,413,919</u>	<u>508,190</u>	<u>1,689,972</u>	<u>3,612,081</u>

**9. GRANTS PAYABLE**

	2017	2016
	£	£
International programme	348,549	229,664
Research programme	<u>159,641</u>	<u>214,366</u>
	<u>508,190</u>	<u>444,030</u>

**AAGBI FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2017****9. GRANTS PAYABLE - continued****Research Programme and other grants**

The following projects were funded from general funds during the course of the year:

	£	£
NIAA Research Grants, Round 1, June 2016		
Dr J Hardman - University of Nottingham	37,218	
Dr N Gopinath - University Hospitals of Leicester	23,535	
Dr D Martin (FRAFT) - Royal Free Hospital NHS Foundation	9,076	
Dr J Jack - Brighton and Sussex University Hospitals	<u>2,272</u>	
		72,101
NIAA Research Grants, Round 2, December 2016		
Dr OBoney - University College London	5,179	
Dr S Howell - University of Leicester	21,759	
Dr B Shelley - University of Glasgow	4,658	
Prof G Mills - Sheffield Teaching Hospitals NHS Foundation Trust	11,725	
Dr S Leifer - AAGBI	4,920	
Dr D Saunders – Newcastle upon Tyne Hospitals NHS Foundation Trust	<u>9,913</u>	
		58,154
AAGBI Undergraduate Elective Grants 2016-2017		
Total awarded 16 Grants		5,977
Clinical Trial Group 2016-2017		
Contribution, Year 3		20,166
NIAA Research Grants Refunded		
Dr E Fitzgerald - refund		<u>(1,100)</u>
Research Grants		155,298
Standards Grants		<u>4,343</u>
		<u>159,641</u>

**AAGBI FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2017****9. GRANTS PAYABLE - continued**

The total grants paid to individuals during the year was as follows:

	2017 £	2016 £
Research grants	<u>159,641</u>	<u>214,366</u>

International programme expenditure

The following grants were made from general funds during the course of the year

	£
Book Programme	1,511
Educational Project Grant	11,832
IRC Travel Grant	27,635
SAFE Lifebox Fellowship Scheme Programme	307,571
	<u>348,549</u>

**10. SUPPORT COSTS**

	Management £	Administrative expenses £	Accommodation expenses £	Governance £	Totals £
Educational programme	128,143	347,325	157,963	489,036	1,122,467
International programme	11,568	30,834	14,729	44,009	101,140
Research programme	17,189	45,821	21,886	65,396	150,292
Heritage programme	<u>36,151</u>	<u>96,406</u>	<u>45,984</u>	<u>137,532</u>	<u>316,073</u>
	<u>193,051</u>	<u>520,386</u>	<u>240,562</u>	<u>735,973</u>	<u>1,689,972</u>

**11. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2017 £	2016 £
Audit fees	7,050	6,725
Non-audit remuneration paid to auditors	13,635	4,888
Depreciation - owned assets	86,698	61,106
Depreciation - assets on hire purchase contracts and finance leases	<u>3,937</u>	<u>4,295</u>

**12. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

**Trustees' expenses**

Expenses for travel totalling £34,794 (2016: £48,765) were paid to 29 trustees (2016: 28 trustees).



**AAGBI FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2017****13. STAFF COSTS**

	2017 £	2016 £
Salaries and wages	1,123,232	1,158,558
Social security costs	119,978	123,419
Pension costs	84,391	74,047
Other staff related costs	<u>181,386</u>	<u>225,241</u>
	<u>1,508,987</u>	<u>1,581,265</u>

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

	2017	2016
Events	6	6
Specialist societies	3	3
Facilities	4	4
Governance and management	4	4
Finance	3	3
Other	<u>12</u>	<u>12</u>
	<u>32</u>	<u>32</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2017	2016
£60,001 - £70,000	1	1
£70,001 - £80,000	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>

The key management personnel of the charitable company are the senior management team, which includes:

- (i) Executive Director
- (ii) Finance Controller
- (iii) Head of Support Services and Information Management
- (iv) Head of Education and Membership Services

The key management personnel received earnings and benefits during the year of £292,534 (2016: £292,151).

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	5,356,676	293,389	5,650,065
<b>Charitable activities</b>			
Educational programme	1,194,775	-	1,194,775
Other trading activities	630,000	-	630,000
Investment income	<u>153,436</u>	<u>-</u>	<u>153,436</u>
<b>Total</b>	<u>7,334,887</u>	<u>293,389</u>	<u>7,628,276</u>

**AAGBI FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2017**

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>EXPENDITURE ON</b>			
Raising funds	30,449	-	30,449
<b>Charitable activities</b>			
Educational programme	2,240,435	145,149	2,385,584
International programme	350,797	-	350,797
Research programme	401,690	-	401,690
Heritage programme	478,558	-	478,558
<b>Total</b>	3,501,929	145,149	3,647,078
<b>Net gains/(losses) on investments</b>	(329,533)	-	(329,533)
<b>NET INCOME/(EXPENDITURE)</b>	3,503,425	148,240	3,651,665
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	10,760,117	82,984	10,843,101
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>14,263,542</u>	<u>231,224</u>	<u>14,494,766</u>

**15. TANGIBLE FIXED ASSETS**

	Long leasehold £	Fixtures, fittings and furniture £	Office equipment £	Totals £
<b>COST</b>				
At 1 April 2016	4,773,120	145,089	306,194	5,224,403
Additions	-	135,699	9,085	144,784
At 31 March 2017	<u>4,773,120</u>	<u>280,788</u>	<u>315,279</u>	<u>5,369,187</u>
<b>DEPRECIATION</b>				
At 1 April 2016	-	67,835	153,288	221,123
Charge for year	-	65,151	25,484	90,635
At 31 March 2017	-	<u>132,986</u>	<u>178,772</u>	<u>311,758</u>
<b>NET BOOK VALUE</b>				
At 31 March 2017	<u>4,773,120</u>	<u>147,802</u>	<u>136,507</u>	<u>5,057,429</u>
At 31 March 2016	<u>4,773,120</u>	<u>77,254</u>	<u>152,906</u>	<u>5,003,280</u>

**AAGBI FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2017****15. TANGIBLE FIXED ASSETS - continued**

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

	Office equipment £
<b>COST</b>	
At 1 April 2016	<u>11,813</u>
<b>DEPRECIATION</b>	
At 1 April 2016	1,313
Charge for year	<u>3,937</u>
At 31 March 2017	<u>5,250</u>
<b>NET BOOK VALUE</b>	
At 31 March 2017	<u>6,563</u>
At 31 March 2016	<u>10,500</u>

**16. FIXED ASSET INVESTMENTS**

	Listed investments £
<b>MARKET VALUE</b>	
At 1 April 2016	8,336,848
Additions	3,072,868
Disposals	(2,474,991)
Revaluations	<u>1,086,618</u>
At 31 March 2017	<u>10,021,343</u>
<b>NET BOOK VALUE</b>	
At 31 March 2017	<u>10,021,343</u>
At 31 March 2016	<u>8,336,848</u>

There were no investment assets outside the UK.

At 31 March 2017 the cost of the listed investment was £8,592,174 (2016: £7,994,297).

The listed investments are held to generate income and provide capital growth to reduce the Foundation's dependence on external funding.

**AAGBI FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2017****17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Trade debtors	50,346	15,207
Other debtors	43,823	5,305
The Association of of Anaesthetists of Great Britain and Ireland	557,654	44,692
VAT	7,850	-
Prepayments	-	66,365
	<u>659,673</u>	<u>131,569</u>

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Finance lease (see note 20)	3,500	3,500
Trade creditors	31,261	87,025
Social security and other taxes	50,512	58,216
Other creditors and accruals	185,768	235,686
Deferred income	<u>72,480</u>	<u>57,593</u>
	<u>343,521</u>	<u>442,020</u>

## Deferred income

	2017	2016
	£	£
Deferred income at 1 April 2016	57,593	74,377
Amounts released to income from previous years	(57,593)	(74,377)
Amounts deferred in the year	<u>72,480</u>	<u>57,593</u>
Deferred income at 31 March 2017	<u>72,480</u>	<u>57,593</u>

Deferred income comprises income in respect of seminars and meetings which relates to the year ended 31 March 2018.

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2017	2016
	£	£
Finance lease (see note 20)	<u>3,700</u>	<u>7,000</u>

**20. LEASING AGREEMENTS**

	Finance leases	
	2017	2016
	£	£
Net obligations repayable:		
Within one year	3,500	3,500
Between one and five years	<u>3,700</u>	<u>7,000</u>
	<u>7,200</u>	<u>10,500</u>

**AAGBI FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2017**

**21. MOVEMENT IN FUNDS**

	At 1/4/16 £	Net movement in funds £	At 31/3/17 £
<b>Unrestricted funds</b>			
General fund	12,523,724	541,558	13,065,282
New premises fund	1,397,267	-	1,397,267
Investment revaluation reserve	<u>342,551</u>	<u>1,382,460</u>	<u>1,725,011</u>
	14,263,542	1,924,018	16,187,560
<b>Restricted funds</b>			
Overseas anaesthesia fund	(4,597)	(12,092)	(16,689)
Wiley-Blackwell research grant	55,000	-	55,000
THET-SAFE Paediatrics East Africa	85,697	(17,305)	68,392
THET-SAFE Obstetrics East Africa	95,124	(45,762)	49,362
THET-ZADP2	-	(26,029)	(26,029)
THET-ZADP3 Lusaka	-	10,737	10,737
THET-SAFE Malawi	-	5,321	5,321
Mentoring scheme	<u>-</u>	<u>4,442</u>	<u>4,442</u>
	231,224	(80,688)	150,536
<b>TOTAL FUNDS</b>	<u>14,494,766</u>	<u>1,843,330</u>	<u>16,338,096</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	3,945,286	(3,403,728)	-	541,558
Investment revaluation reserve	<u>-</u>	<u>-</u>	<u>1,382,460</u>	<u>1,382,460</u>
	3,945,286	(3,403,728)	1,382,460	1,924,018
<b>Restricted funds</b>				
Overseas anaesthesia fund	26,801	(38,893)	-	(12,092)
THET-SAFE Paediatrics East Africa	73,427	(90,732)	-	(17,305)
THET-SAFE Obstetrics East Africa	(13,000)	(32,762)	-	(45,762)
THET-ZADP2	20,000	(46,029)	-	(26,029)
THET-ZADP3 Lusaka	10,737	-	-	10,737
THET-SAFE Malawi	47,496	(42,175)	-	5,321
Mentoring scheme	<u>5,000</u>	<u>(558)</u>	<u>-</u>	<u>4,442</u>
	170,461	(251,149)	-	(80,688)
<b>TOTAL FUNDS</b>	<u>4,115,747</u>	<u>(3,654,877)</u>	<u>1,382,460</u>	<u>1,843,330</u>

## **AAGBI FOUNDATION**

### **NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2017**

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#### **21. MOVEMENT IN FUNDS - continued**

##### **General designated funds**

- (i) New premises fund. This fund was set up by the trustees for the purchase/lease of new premises.
- (ii) Investment revaluation fund. This fund is designated to the unrealised revaluation movements on the listed investments.

##### **Restricted funds**

- (i) The overseas anaesthesia fund essentially provides an opportunity for individual donors to contribute to the international work of the foundation.
- (ii) Tropical Health & Education Trust (THET). The charitable company has raised grant income mainly from the Tropical Health & Education Trust (THET) towards specific projects: SAFE and the Zambia development project.
- (iii) Wiley-Blackwell research grant. This grant was provided to support research, and is to be used towards research grants awarded by the charitable company.
- (iv) Mentoring scheme grant.

#### **22. RELATED PARTY DISCLOSURES**

During the year the Foundation recharged expenses relating to staff costs and general overheads to the Association of Anaesthetists of Great Britain and Ireland totalling £650,000 (2016: £630,000).

As at the year end, the Foundation was owed £557,653 by the Association (2016: £44,692).

The Foundation is related to the Association of Anaesthetists of Great Britain and Ireland as the AAGBI is the sole corporate member and appoints most of the trustees/directors. The Association is also the main donor of funds to the Foundation.

During the year the Association made cash donations to the Foundation totalling £1,750,000 (2016: £1,350,000) and donated investments valued at £nil (2016: £3,895,885) and investment cash of £nil (2016: £100,688).

#### **23. ULTIMATE CONTROLLING PARTY**

The Association of Anaesthetists of Great Britain and Ireland has the right to appoint under the Articles of Association the majority of trustees (20 of 25) so is therefore considered as the ultimate controlling party.

#### **24. FIRST YEAR ADOPTION**

This is the first year that the Charity has presented its results under Charities SORP (FRS 102). The last financial statements under FRSSE SORP, were for the year ended 31 March 2016. The date of transition to Charities SORP (FRS 102) was 1 April 2015.

There were no changes to the Charity's surplus for the financial year ended 31 March 2016 and the total Charity's net assets as at 1 April 2015 and 31 March 2016 as a result of the adoption of Charities SORP (FRS 102).