

SHREWSBURY POSTGRADUATE CENTRE
A COMPANY LIMITED BY GUARANTEE
TRUSTEES REPORT AND ACCOUNTS
FOR THE SEVEN MONTH PERIOD ENDED 31 JANUARY 2003

REGISTERED CHARITY NUMBER: 1077935

COMPANY NUMBER: 3795755



**WHITTINGHAM RIDDELL
CHARTERED ACCOUNTANTS
15 BELMONT, SHREWSBURY**

**SHREWSBURY POSTGRADUATE CENTRE
REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 JANUARY 2003**

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**SHREWSBURY POSTGRADUATE CENTRE
CHARITY ADMINISTRATION INFORMATION**

Joint Presidents: Mr and The Hon. Mrs J Heber-Percy

Registered Office: Shropshire Education & Conference Centre
Royal Shrewsbury Hospital
Mytton Oak Road
Shrewsbury
Shropshire
SY3 8XQ

Auditors: Whittingham Riddell
Chartered Accountants
15 Belmont
Shrewsbury
SY1 1TE

Solicitors: Martineau Johnson
St Philips House
Birmingham
B3 2PP

Bankers: Lloyds TSB Bank plc
1 Pride Hill
Shrewsbury
SY1 1DG

**SHREWSBURY POSTGRADUATE CENTRE
TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 JANUARY 2003**

Shrewsbury Postgraduate Centre is a company limited by guarantee and a registered charity governed by its memorandum and articles of association.

The objects of the charity are the promotion and advancement of education particularly but not exclusively in the subjects of science and medicine and all matters relating to the progress and development of all branches of medicine and surgery.

Trustees

The number of trustees shall be not less than three but shall not be subject to any maximum.

No person shall be appointed a Trustee at any general meeting unless either: they are recommended by the trustees or; not less than fourteen nor more than thirty-five clear days before the date appointed for the general meeting, notice executed by a member qualified to vote at the general meeting has been given to the Charity of the intention to propose that person or appointment, together with notice executed by that person of his willingness to be appointed.

The trustees of the company during the year were:

Dr R A Fraser	Chairman
Lt Col. M B Carver	Resigned as Company Secretary on 28/05/2003
Mrs M Breen	
Mr E T B Butcher	
Mr A F B Frew	
Mr K J Gittins	Appointed as a director on 19/02/2003 and a Company Secretary on 28/05/2003
Dr L F Hill	
Mrs D Lloyd	
Mr T M Parsons	
Dr W H Perks	
Mr A J N Prichard	Appointed 01/03/2003
Dr N C Russell	
Dr D W Skinner	
Mr N Taylor	

Future operation of the Postgraduate Centre

The Implementation Team has continued to arrange aspects of the operation of the new Postgraduate Centre and in particular the interface with the Royal Shrewsbury Hospitals NHS Trust.

The Implementation Team meets bi-monthly and consists of the Clinical Tutor, Head of Service Development, Deputy Director of Finance, Director of Estate and Facilities of the Trust and the Chairman of the Postgraduate Centre Charity with the Project Manager and the Centre Manager.

It is proposed that when the Centre is completed the Shrewsbury Medical Institute will be dissolved and its responsibilities and assets transferred to the Postgraduate Centre Company. The lay members of the Postgraduate Centre Board are expected to resign and a new Board of Directors will be appointed.

**SHREWSBURY POSTGRADUATE CENTRE
TRUSTEES' REPORT
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The charity has continued to raise funds for the construction of the new Postgraduate Centre which started in September 2001 and was completed in December 2002.

The following income is already received or is expected:

£

1 NHS Funds

Received by 31 January 2003

WM Region	1,000,000
Postgraduate Dean	400,000
Staffordshire University	50,000
Royal Shrewsbury Hospitals NHS Trust (Road)	25,000
Postgraduate Medical & Dental Education	20,000
Sub Total	<u>1,495,000</u>

Expected

Workforce Development Confederation	50,000
Postgraduate Medical & Dental Education	30,294
Sub Total	<u>80,294</u>

Grand Total of NHS Funds by 31 January 2003

1,575,294

2 Charitable Funds

Received by 31 January 2003

Dinwoodie Settlement	1,000,000
Wolfson Foundation	130,000
Royal Shrewsbury Hospitals NHS Trust Charitable Funds	90,000
Walker Trust	50,000
Medical Institute - Balance on closure of account	40,077
Shropshire Horticulture Society	22,115
Royal Shrewsbury Hospital League of Friends	20,000
Lord Leverhulme's Trust	20,000
Clothworkers Foundation	20,000
Trusthouse Foundation	20,000
Millichope Foundation	5,000

Grand Total of Charitable Funds by 31 January 2003

1,417,192

3 Additional Income

Received by 31 January 2003

Bank Interest received by 31 January 2003	24,257
Gift Aid Received and other donations	73,237
Tax Relief on Gift Aid received	12,126
Gift Aid expected by 31 January 2003	3,039

Total Additional Income

112,659

Grand Total of Funding Received or Expected by 31 January 2003

3,105,145

**SHREWSBURY POSTGRADUATE CENTRE
TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 JANUARY 2003**

4 Expected expenditure:

Construction contract	2,464,044
Less 1.5% retention due Oct/Nov 2003	<u>35,933</u>
	2,428,111
Professional fees and administration	372,902
Equipment	261,603
Total Paid to 31 January 2003	<u>3,062,616</u>
 Surplus funding available	 <u>42,529</u>

All the reserves of the charity are currently for use in constructing the Shrewsbury Postgraduate Centre.

Risk Statement

The trustees have introduced a formal risk management process to assess the major risks to which the charity is exposed. The major risks, as identified by the Trustees, have been reviewed in accordance with this process. The main risks relate to the agreement of the final account for the construction of the building and generating sufficient income to cover the costs of operating the Centre.

Trustees' responsibilities

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 company and of the surplus or deficit of the company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 company and to 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.

By order of the board



Lt Col. M B Carver
Trustee

26th September 2003

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
SHREWSBURY POSTGRADUATE CENTRE**

We have audited the financial statements of Shrewsbury Postgraduate Centre for the period ended 31 January 2003 which comprise of the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of Shrewsbury Postgraduate Centre for the purposes of company law) are responsible for the preparation of the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

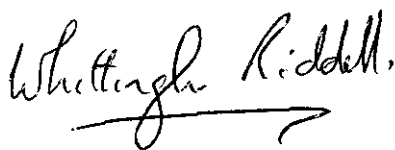
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming an opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 January 2003 and of its incoming resources and application of resources in the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Whittingham Riddell
Chartered Accountants
Registered Auditors
Shrewsbury



19th November 2003

**SHREWSBURY POSTGRADUATE CENTRE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 31 JANUARY 2003**

		Unrestricted Funds	Restricted Funds	7 Months Total 2003	12 Months Total 2002
	Note	£	£	£	£
Incoming resources					
Donations	2	-	581,575	581,575	919,684
Activities in furtherance of the charity's objects:					
Grants for building	3	-	440,658	440,658	609,342
Electricity tariff refund		-	16,837	16,837	-
Investment income	4	7,690	-	7,690	9,461
Total incoming resources		7,690	1,039,070	1,046,760	1,538,487
Resources expended					
Costs of activities in furtherance of the charity's objects	5	-	12,353	12,353	122,691
Management and administration costs	6	-	14,521	14,521	4,449
Total resources expended		-	26,874	26,874	127,140
Net movement in funds for the year		7,690	1,012,196	1,019,886	1,411,347
Total funds brought forward at 1 July 2002		86,740	1,625,617	1,712,357	301,010
Total funds carried forward at 31 January 2003		94,430	2,637,813	2,732,243	1,712,357

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

**SHREWSBURY POSTGRADUATE CENTRE
BALANCE SHEET
AT 31 JANUARY 2003**

	Note	£	£	£	£
Tangible Fixed assets	8		2,725,647		1,171,106
CURRENT ASSETS					
Debtors	9	87,940		163,288	
Cash at bank and in hand		<u>426,349</u>		<u>473,614</u>	
		514,289		636,902	
CREDITORS: amounts falling due within one year	10	<u>(507,693)</u>		<u>(79,953)</u>	
NET CURRENT ASSETS			6,596		556,949
CREDITORS: amounts falling due after more than one year	11		<u>-</u>		<u>(15,698)</u>
NET ASSETS			<u>2,732,243</u>		<u>1,712,357</u>
FUNDS					
Unrestricted funds			94,430		86,740
Restricted funds			<u>2,637,813</u>		<u>1,625,617</u>
	12		<u>2,732,243</u>		<u>1,712,357</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985.

These accounts were approved by the trustees on 26th September 2003 and signed on their behalf by:


Dr R A Fraser

**SHREWSBURY POSTGRADUATE CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2003**

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice (SORP), Accounting and Reporting by Charities published in October 2000 and applicable accounting standards. They incorporate the results of the continuing operational activities described in the Trustees' Report. The comparative figures relate to the year ended 30 June 2002.

1.2 Incoming resources

All grants and voluntary income are accounted for gross when receivable, as long as they are capable of financial measurement.

1.3 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

1.4 Tangible fixed assets and depreciation

No depreciation has been charged in the period ended 31 January 2003 due to buildings not being in use until February 2003.

2 DONATIONS

	Period	
	Total	Total
	2003	2002
	£	£
Dinwoodie Settlement	367,852	632,148
Wolfson Foundation	-	130,000
Walker Trust	16,666	16,667
Royal Shrewsbury Hospitals NHS Trust Charitable Funds	-	90,000
Royal Shrewsbury Hospitals NHS Trust Road	25,000	-
Clothworkers Foundation	-	20,000
Medical Practitioners	16,088	15,890
Medical Institute	22,077	-
Millichope Foundation	5,000	-
Shropshire Horticulture Society	22,115	-
Medical & Dental Education	50,294	-
Workforce Development Confederation	50,000	-
Tax Relief on Gift Aid	4,083	8,043
Miscellaneous cash donations	2,400	6,936
	581,575	919,684

3 GRANTS

	Period	
	Total	Total
	2003	2002
	£	£
West Mid Region NHS Executive	440,658	559,342
Staffordshire University	-	50,000
	440,658	609,342

**SHREWSBURY POSTGRADUATE CENTRE
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4 INVESTMENT INCOME

	Period Total 2003 £	Total 2002 £
Interest received	7,690	9,461

5 COSTS OF ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS

	Unrestricted funds £	Restricted funds £	Period Total 2003 £	Total 2002 £
Project Manager	-	4,030	4,030	11,804
Quantity Surveyor fees	-	2,472	2,472	9,886
Architects fees	-	-	-	22,284
Structural Engineer fees	-	2,549	2,549	19,941
Other professional fees	-	1,243	1,243	58,776
Security and fire protection costs	-	2,059	2,059	-
	-	12,353	12,353	122,691

6 MANAGEMENT AND ADMINISTRATION COSTS

	Period 2003 £	2002 £
Secretarial wages	-	21
Printing, stationary and postage	-	69
Accountancy fees and VAT advice	4,190	1,985
Audit fees	900	900
Telephone	138	-
Insurance	9,073	693
Brochures	77	349
Bank charges and interest	107	182
Miscellaneous	36	250
	14,521	4,449

7 TRUSTEES REMUNERATION

During the year Lt Col M B Carver, a trustee, was paid £4,080 (2002 £11,804) for his services as Project Manager, being reasonable expenses as permitted by the Memorandum and Articles of the company.

**SHREWSBURY POSTGRADUATE CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2003**

8 TANGIBLE FIXED ASSETS

	Freehold Property £	Furniture & Fittings £	Total £
Cost and Net Book Value			
At 1 July 2002	1,171,106	-	1,171,106
Additions	1,292,938	261,603	1,554,541
At 31 January 2003	<u>2,464,044</u>	<u>261,603</u>	<u>2,725,647</u>

No depreciation has been charged as the building has recently been completed, but is not in use yet.

9 DEBTORS

	Period 2003 £	2002 £
Grant debtors	83,333	117,791
Other debtors - VAT	4,607	45,497
	<u>87,940</u>	<u>163,288</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Period 2003 £	2002 £
Building - Postgraduate Centre (includes 1.5% retention)	503,353	77,953
Accruals	4,340	2,000
	<u>507,693</u>	<u>79,953</u>

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

The previous year of £15,698 relates to retentions.

12 FUNDS

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects.

Restricted funds are funds which have been given for a specific purpose of funding the building of the postgraduate centre which is to be used for a multi disciplinary training centre.

ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total 2003 £	Total 2002 £
Fixed assets	-	2,725,647	2,725,647	1,171,106
Current assets	94,430	419,859	514,289	636,902
Creditors: amounts falling due within one year	-	(507,693)	(507,693)	(79,953)
Creditors: amounts falling due after more than one year	-	-	-	(15,698)
	<u>94,430</u>	<u>2,637,813</u>	<u>2,732,243</u>	<u>1,712,357</u>

**SHREWSBURY POSTGRADUATE CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2003**

13 CAPITAL COMMITMENTS

The charity is committed to expenditure of £nil (30 June 2002 £1,321,041).

14 RELATED PARTY TRANSACTIONS

Mr. N Taylor, trustee of this charity is the Chief Executive of the Royal Shrewsbury Hospitals NHS Trust. Dr R A Fraser, Chairman of this charity is Medical Director of the Royal Shrewsbury Hospitals NHS Trust. The Royal Shrewsbury Hospitals NHS Trust is the owner of the land that the Postgraduate Centre is built on. At this stage a development agreement has been drawn up for the construction of the building on the land. An under lease has also been drafted for the provision of renting rooms on the first floor of the Postgraduate Centre to the Royal Shrewsbury Hospitals NHS Trust.