

**THE MANCHESTER SURGICAL RESEARCH TRUST**

**(A COMPANY LIMITED BY GUARANTEE)**

**REGISTERED NUMBER - 2415906**

**REGISTERED CHARITY NUMBER - 702313**

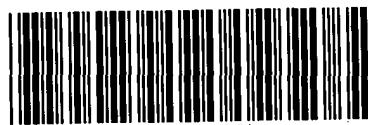
**ENGLAND AND WALES**

**COUNCIL'S REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED**

**31 AUGUST 2014**

MONDAY



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16/02/2015

#178

COMPANIES HOUSE

**WYATT, MORRIS, GOLLAND LTD**

**CHARTERED ACCOUNTANTS,**

**PARK HOUSE,**

**200 DRAKE STREET,**

**ROCHDALE,**

**LANCASHIRE.**

**OL16 1PJ**

COUNCIL MEMBERS' REPORT FOR THE YEAR ENDED 31 AUGUST 2014

LEGAL AND ADMINISTRATIVE INFORMATION

STATUS:-

The charity is a company limited by guarantee, its governing document being its Memorandum and Articles of Association. Each members liability is limited to £1 per guarantor.

COUNCIL MEMBERS:-

The council members (trustees) during the year were:-

Professor C. N. McCollum  
Professor N. J. Bundred  
Mr. C. J. Seddon  
Professor G. Byrne  
Dr. J. P. Miller  
Mr. S. Parkin  
Mr P O'Neill

The council members are appointed according to the Articles of Association and are referred to as the "Council of Management".

COMPANY SECRETARY:-

Professor N. J. Bundred

REGISTERED OFFICE:-

Department of Surgery,  
2nd Floor,  
Education and Research Centre,  
Wythenshawe Hospital,  
Southmoor Road,  
MANCHESTER.  
M23 9LT

BANKERS:-

Royal Bank of Scotland  
Manchester Withington (A) Branch  
467 Wilmslow Road  
Withington  
Manchester  
M20 9AP

INDEPENDENT EXAMINER:-

Miss P. A. Richards F.C.A., D.Ch.A  
Chartered Accountant  
Wyatt, Morris, Golland Ltd  
Park House,  
200 Drake Street,  
ROCHDALE,  
Lancashire.  
OL16 1PJ

INVESTMENT POWERS

The Charity's powers of investment are governed by its Memorandum and Articles of Association.

PRINCIPAL OBJECTIVES AND PUBLIC BENEFIT

The charity's principal objective as set out in its Memorandum of Association is the promotion of research into disease and methods of prevention, diagnosis, treatment and cure thereof. In particular the promotion of research into cancer, cardiovascular disease, arterial and venous diseases and breast disease is undertaken for the public benefit.

In order to further the company's principal objectives practical research is undertaken and seminars are attended and presented which are connected with the research as described under the principal objective. It is envisaged that the general public will benefit from the knowledge exchanged and gained through these means being used to improve health.

COUNCIL MEMBERS' REPORT FOR THE YEAR ENDED 31 AUGUST 2014

(Continued)

ORGANISATION

There were seven council members at 31 August 2014. Each member is entitled to attend the annual general meeting where they each have one vote. The daily operation of the charity is managed by a sub-committee of council members.

POLICIES

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finance of the Trust, and are satisfied that systems are in place to mitigate their exposure to major risks.

Reserves policy

The trustees' general policy is to maintain a level of unrestricted reserves which would allow for approximately twelve months expenditure.

Investment policy

The trustees consider that the most appropriate policy continues to be to invest surplus funds on the stock market, whilst maintaining sufficient cash reserves to cover foreseeable expenditure.

DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS

Cardiovascular Research

Our research portfolio in vascular disease is expanding rapidly since Professor McCollum stopped operating in April and no longer has in patient clinical commitments. The department now has four Research Fellows with three of these being vascular surgeons and the fourth being a trainee in cardiothoracic anaesthesia.

- i) Vivak Hansrani funded by MSRT is co-ordinating the Manchester pelvic vein incompetence study group for exploring the role of pelvic vein incompetence in the causation of chronic pelvic pain (30% of all gynaecology outpatient consultations!) Vivak is also setting up major clinical trials on engineered compression stockings in the treatment of ankle injury (sprain and fracture) and in the prevention/treatment of leg venous leg ulcers.
- ii) Christopher Lowe funded by MSRT is our aortic aneurism research Fellow focusing on developing 3D thermographic ultra sound as a measurement of wall stress in aortic aneurysm. We hope to predict both AAA growth and risk of rupture.
- iii) Stephen Ball funded by MSRT is now responsible for research on predicting stroke risk in carotid artery disease. These studies are based on carotid plaque volume and other ultrasound features of unstable atherosclerotic plaque. Biomarkers for stroke risk are also being included in a major cohort study to be funded by the British Heart Foundation.
- iv) Sam Howitt is a trainee cardiothoracic anaesthetist (part funded by Rinicare). We are applying to the British Heart Foundation for a major grant to develop a risk prediction model for patients on cardiac ICU. Rinicom (parent Co to Rinicare) already have experience in computing data from multiple sensors throughout military and commercial aeroplanes in order to continuously display the risk of adverse events such as engine failure or stalling for pilots. Rinicare will do the same with multiple monitoring outputs in ICU patients to avoid delayed referral to senior intensivists when patients are deteriorating. Remarkably, a collaboration with the department of mathematics in Durham has produced a model that predicts cardiac arrest.

THE MANCHESTER SURGICAL RESEARCH TRUST (A COMPANY LIMITED BY GUARANTEE)

COUNCIL MEMBERS' REPORT FOR THE YEAR ENDED 31 AUGUST 2014

(Continued)

DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS (continued)

In addition during this one year we have made the following we have made the following appointments:

- i) Lucy Wasse funded by MSRT. Lucy has a first in medicine and completed a PhD on the physiological changes associated with exercise training. Lucy is leading our team exploring the exercise training and duration of training required to optimise fitness for major surgery in patients with AAA. This research has immense public health implications. We have secured a collaboration with the David Lloyd centres (a national gym chain). This project should also be funded by the British Heart Foundation. The application will be completed before the end of November
- ii) Joshua Burke funded by MSRT is a PhD student working with Stephen Ball on stroke risk in carotid disease. Joshua's PhD is on resistance to antiplatelet therapy and biomarkers that predict stroke risk in close collaboration with CADET led by Professor Garth Cooper here at UoM.

Nine manuscripts on original research and three chapters were published in the year ending August 2014.

Breast Cancer Research

The Breast Cancer Research Group has continued to generate grant income and publish in peer-reviewed journals, with 10 publications since January 2014 and a further three submitted and awaiting decisions.

A trial examining whether a MarginProbe device can reduce the need for further surgery, after breast conserving surgery for ductal carcinoma in situ or invasive breast cancer, has been funded and the trial should start early in 2015.

Research continues into preventing cancer stem cell survival in both DCIS and invasive cancer.

Professor Bundred was an International Guest Speaker at the Royal Australian College of Surgeons in Singapore in May 2014. Kate Williams and Hud Shaker were awarded their MD and PhD by The University of Manchester after carrying out research into breast cancer and are now undertaking their final clinical training.

THE MANCHESTER SURGICAL RESEARCH TRUST (A COMPANY LIMITED BY GUARANTEE)

COUNCIL MEMBERS' REPORT FOR THE YEAR ENDED 31 AUGUST 2014

(Continued)

REVIEW OF THE TRANSACTIONS AND FINANCIAL POSITION OF THE CHARITY

After accounting for a donation, from the trading subsidiary, Manchester Surgical Research Limited and realised and unrealised gains on investments, the charity had excess income over expenditure for the year of £77,396.

INVESTMENT IN SUBSIDIARY

The trust holds all of the issue share capital of Manchester Surgical Research Limited.

COUNCIL MEMBERS' RESPONSIBILITIES

Under company law the council members have the same legal responsibilities as company directors and the title is interchangeable.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those accounts the directors are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts; and prepare the accounts on a going concern basis unless it is inappropriate to presume that the company will continue in business.

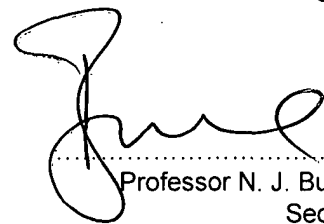
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACCOUNTANTS

The trustees recommend that Wyatt, Morris, Golland Ltd remain in office until further notice.

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

Signed on behalf of the  
council



Professor N. J. Bundred  
Secretary

Approved by the council:

29/11/15

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
MANCHESTER SURGICAL RESEARCH TRUST

I report on the accounts of the Trust for the year ended 31 August 2014, which are set out on pages 6 to 13.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the I.C.A.E.W.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:-

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 the seeking of 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 my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements
  - (a) to keep accounting records in accordance with Section 386 of the Companies Act 2006.,  
and
  - (b) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of Sections 397 of the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005)  
have not been met,  
or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name of principal:

P. A. Richards F.C.A., D.Ch.A.

Name of firm:

Wyatt Morris Golland Ltd

Relevant professional qualification or body:

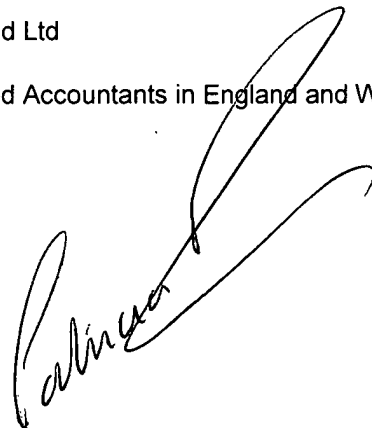
Institute of Chartered Accountants in England and Wales

Address:

Park House  
200 Drake Street  
Rochdale  
Lancashire  
OL16 1PJ

Date:

29/1/15



THE MANCHESTER SURGICAL RESEARCH TRUST

STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	Unrestricted funds	Restricted funds	Total funds 2014	Total funds 2013
		£	£	£	£
<u>Income and expenditure</u>					
<u>Incoming resources:-</u>					
Research grants and donations		297,978	-	297,978	325,661
Donation from subsidiary		4,314	-	4,314	7,396
Investment income		11,319	-	11,319	8,532
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total incoming resources		313,611	-	313,611	341,589
<u>Charitable expenditure</u>					
Charitable activities	3	(303,221)	-	(303,221)	(269,228)
Governance costs	4	(6,000)	-	(6,000)	(3,339)
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total resources expended		(309,221)	-	(309,221)	(272,567)
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>Net incoming resources for the year</u>		4,390	-	4,390	69,022
<u>Other recognised gains and losses:-</u>					
Gains / (losses) on investments					
Realised		16,773	-	16,773	(22,546)
Unrealised	7(b)	56,233	-	56,233	86,726
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Net movement in funds		77,396	-	77,396	133,202
Balances brought forward at 1 September 2013		652,187	-	652,187	518,985
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Balances carried forward at 31 August 2014		729,583	-	729,583	652,187
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

THE NOTES ON PAGES 8 TO 13 FORM PART OF THESE FINANCIAL STATEMENTS.

THE MANCHESTER SURGICAL RESEARCH TRUST

BALANCE SHEET AS AT 31 AUGUST 2014

	<u>Notes</u>	<u>£</u>	<u>2014</u> <u>£</u>	<u>£</u>	<u>2013</u> <u>£</u>
<b><u>FIXED ASSETS</u></b>					
Tangible assets	6		2		2
Investments	7		412,981		382,192
			<hr/>		<hr/>
			412,983		382,194
<b><u>CURRENT ASSETS</u></b>					
Debtors	8	39,901		53,908	
Cash at bank and in hand		440,668		302,686	
		<hr/>		<hr/>	
		480,569		356,594	
<b><u>CREDITORS</u></b> - Amounts falling due within one year	9	(163,969)		(86,601)	
		<hr/>		<hr/>	
<b><u>NET CURRENT ASSETS</u></b>			316,600		269,993
			<hr/>		<hr/>
Net assets			729,583		652,187
			=====		=====
<b><u>FUNDED BY:-</u></b>					
Unrestricted funds			729,583		652,187
Restricted funds			-		-
			<hr/>		<hr/>
	11		729,583		652,187
			=====		=====

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2014.

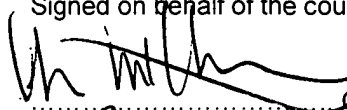
The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2014 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

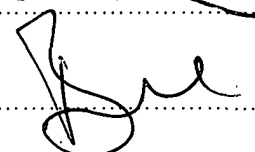
- ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 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 accounts 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)

Signed on behalf of the council

 Council member

*Prof C N McCollum*

 Council member

*Prof NJ Bundred*

Approved by the council:

*29/11/15*

THE NOTES ON PAGES 8 TO 13 FORM PART OF THESE FINANCIAL STATEMENTS.



## THE MANCHESTER SURGICAL RESEARCH TRUST

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

#### 1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005.

##### Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

##### Income

The accounts include income on the following basis:-

Donations are included on receipt. Where they relate to a specific period or purpose, then provision is made to carry the income forward to the appropriate period or matched to the appropriate expenditure.

All other income is included on an accruals basis.

##### Expenditure

The accounts include expenditure on the following basis:-

Charitable expenditure includes all costs relating to the medical and research work undertaken by the charity.

All expenditure is included on an accruals basis.

##### Investments

Investments are valued at market value except the investment in the subsidiary which is valued at cost.

##### Tangible fixed assets

Fixtures, fittings and equipment are not capitalised unless they cost in excess of £1,000. They are then written off over their expected useful life on a straight line basis. The expected useful life of most items of equipment is estimated at 4 years. Once the net book value of an asset is £1,000 or less it is written off in full in the following year.

##### Taxation

The company is a registered charity and as such is entitled to the exemption from tax to the extent that the income received falls within section 505 I.C.T.A. 1988 and section 256 C.G.T.A. 1992 and is applied to charitable purposes only.

##### Fund accounting

- i) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.
- ii) Restricted funds are to be used for the specific purposes as laid down by the donor. Expenditure which meets this criteria, is charged to the fund, together with a fair allocation of management and support costs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

2. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity controls the whole of the issued ordinary share capital of Manchester Surgical Research Limited a company incorporated in England and Wales. During the year a donation was made to the charity amounting to £4,314.

3. CHARITABLE ACTIVITIES

	Staff costs	Depreciation	Other costs	Total 2014	Total 2013
	£	£	£	£	£
Core costs	23,017	-	280,204	303,221	269,228
	=====	=====	=====	=====	=====

Other costs comprise:-

	Total 2014	Total 2013
	£	£
Research expenditure	255,646	227,506
Travel	1,426	465
Conference expenses	8,010	4,323
Subscriptions and registration fees	1,000	982
Portfolio management charges	7,032	3,423
Telephone	95	57
Sundries	6,698	8,252
Printing, stationery and advertising	177	77
Bank charges	120	-
	=====	=====
	280,204	245,085

4. GOVERNANCE COSTS

	2014	2013
	£	£
Accountancy	6,000	3,339
	=====	=====

The charity has met the cost of accountancy services provided to its subsidiary as the trustees have considered that the activities of the subsidiary in providing gift aid assistance to the charity justify the expense.

THE MANCHESTER SURGICAL RESEARCH TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

5. STAFF COSTS AND NUMBERS

	<u>2014</u>	<u>2013</u>
	<u>£</u>	<u>£</u>
Wages and salaries	19,528	19,977
Social security costs	969	1,646
Pension	2,520	2,520
	<u>23,017</u>	<u>24,143</u>
	=====	=====

None of the directors / trustees received any remuneration from the charity.  
No employee earned £60,000 per annum or more.

	<u>2014</u>	<u>2013</u>
The average number of employees, analysed by function was:-		
Administration	1	1
	=====	=====

6. TANGIBLE FIXED ASSETS

	← Computer Equipment	Unrestricted Fixtures, fittings and equipment →	Total
	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cost</u>			
At 1 September 2013 and at 31 August 2014	13,538	15,268	28,806
	<u>          </u>	<u>          </u>	<u>          </u>
<u>Accumulated depreciation</u>			
At 1 September 2013 and at 31 August 2014	13,537	15,267	28,804
	<u>          </u>	<u>          </u>	<u>          </u>
<u>Net book values</u>			
At 31 August 2014	1	1	2
	=====	=====	=====
At 31 August 2013	1	1	2
	=====	=====	=====

THE MANCHESTER SURGICAL RESEARCH TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

7. FIXED ASSET INVESTMENTS

	<u>2014</u> £	<u>2013</u> £
Unquoted investment in subsidiary undertaking (see (a) below)	1,000	1,000
Quoted investments (see (b) below)	411,981	381,192
	<hr/>	<hr/>
Total fixed asset investments	412,981 =====	382,192 =====

(a) Investment in subsidiary undertaking

Manchester Surgical Research Limited is registered in England and Wales. At the 31 August 2014 the shareholders funds were £1,840 and the company generated a profit of £133 for the year ended on that date.

One of the shares in Manchester Surgical Research Limited is held by Professor C. N. McCollum as a non beneficial nominee on behalf of The Manchester Surgical Research Trust.

(b) Quoted investments

	<u>2014</u> £	<u>2013</u> £
Market value at 1 September 2013	381,192	285,253
Additions	219,005	142,581
Disposals	(244,449)	(133,368)
Net unrealised investment gains/(losses)	56,233	86,726
	<hr/>	<hr/>
Market value at 31 August 2014	411,981 =====	381,192 =====
	 <hr/>	 <hr/>
Historical cost as at 31 August 2014	429,992 =====	453,420 =====

THE MANCHESTER SURGICAL RESEARCH TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

8. DEBTORS

	<u>2014</u>	<u>2013</u>
	<u>£</u>	<u>£</u>
Prepayments and accrued income	25,591	39,412
Amount owed by subsidiary undertaking	14,310	14,496
	<hr/>	<hr/>
	39,901	53,908
	=====	=====

9. CREDITORS - Amounts falling due within one year

	<u>2014</u>	<u>2013</u>
	<u>£</u>	<u>£</u>
Other creditors	115,170	64,438
Accruals and deferred income	48,799	22,163
	<hr/>	<hr/>
	163,969	86,601
	=====	=====

10. STATEMENT OF FUNDS

	At 1 September 2013 <u>£</u>	Income <hr/> <u>£</u>	Expend- iture <hr/> <u>£</u>	Invest- ment gains <u>£</u>	At 31 August 2014 <u>£</u>
Unrestricted funds	652,187	313,611	(309,221)	73,006	729,583
Restricted funds	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	652,187	313,611	(309,221)	73,006	729,583
	=====	=====	=====	=====	=====

THE MANCHESTER SURGICAL RESEARCH TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

11. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Investments	Net current assets	Total
	£	£	£	£
Restricted funds	-	-	-	-
Unrestricted funds	2	412,981	316,600	729,583
	<u>2</u>	<u>412,981</u>	<u>316,600</u>	<u>729,583</u>
	=====	=====	=====	=====

12. CONTINGENT LIABILITIES

There are no contingent liabilities of a material amount for which provision has not been made in the accounts.

13. RELATED PARTY TRANSACTIONS

Manchester Surgical Research Limited made payments to the trustees in respect of professional services rendered by them to the company during the year. These payments, made in accordance with the Articles of Association, amounted to:-

	<u>2014</u>	<u>2013</u>
	£	£
Professor C. N. McCollum	9,310	28,989
Professor N. J. Bundred	11,691	15,281
Professor G. J. Byrne	5,760	4,680
	=====	=====

Professor C. N. McCollum, Professor N. J. Bundred and Professor G. J. Byrne are directors of the subsidiary.

Included within debtors is an amount of £14,310, owing from Manchester Surgical Research Limited.