

SOCIETY OF ACADEMIC AND RESEARCH SURGERY

(A COMPANY LIMITED BY GUARANTEE)

REGISTERED NUMBER - 2767055

REGISTERED CHARITY NUMBER - 1015921

ENGLAND AND WALES

DIRECTORS REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2004

WYATT, MORRIS, GOLLAND & CO.,

CHARTERED ACCOUNTANTS,

PARK HOUSE,

200 DRAKE STREET,

ROCHDALE,

LANCASHIRE.

OL16 1PJ



SOCIETY OF ACADEMIC AND RESEARCH SURGERY

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2004

LEGAL AND ADMINISTRATIVE INFORMATION

STATUS:-

The charity is a company limited by guarantee, its governing document being its Memorandum and Articles of Association.

DIRECTORS:-

The charity directors (trustees) during the year were:-

Mr. M. G. Wyatt	
Dr. P. E. Watkins	
Mr. N. J. Bundred	
Mr. P. McCulloch	(Resigned 31/12/04)
Professor P. Redmond	(Resigned 31/12/04)
Professor A. Darzi	(Resigned 31/12/04)
Professor D. Bouchier-Hayes	
Mr. P. J. Drew	
Professor J. N. Primrose	
Professor B. J. Rowlands	
Professor I. Taylor	
Mr. A. D. K. Hill	
Mr. D. Carey	
Mr. I. Chetter	
Mr. D. Baker	(Appointed 01/01/05)
Mr. G. Carlson	(Appointed 01/01/05)
Mr. S. Wigmore	(Appointed 01/01/05)
Professor M. Thompson	(Appointed 01/01/05)

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

REGISTERED OFFICE:-

The Royal College of Surgeons of England
35-43 Lincoln's Inn Fields
LONDON
WC2A 3PE

BANKERS:-

Barclays Bank PLC.,
Edgbaston Business Centre,
P.O. Box 324,
38 Hagley Road,
BIRMINGHAM. B16 8NY

CAF Charity Money Management,
Kings Hill,
West Malling
KENT. ME19 4TA

AUDITORS:-

Wyatt, Morris, Golland & Co.,
Chartered Accountants,
Park House,
200 Drake Street,
ROCHDALE,
Lancashire. OL16 1PJ

SOCIETY OF ACADEMIC AND RESEARCH SURGERY

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2004

(Continued)

PRINCIPAL OBJECTIVES

The charity's principal objective as set out in its Memorandum of Association is the advancement of public education in the fields of surgery and clinical practice and their attendant sciences, by the conduct of research into such subjects and the publication of such research.

The following have been adopted in order to further the charity's principal objective:-

- a) To provide for the interchange of information about research related to surgery and surgical disease.
- b) To foster interchange between surgical science and clinical practice.
- c) To promote humanity and high ethical standards in clinical and experimental research.
- d) To comment on the standard, place and educational value of surgical research in the training of surgeons.
- e) To maintain high standards of scientific evaluation of surgical research by ensuring that the format, quality of slides and illustrations, clarity of presentation and ability to respond to questioning of presentations to the society are of the highest quality.
- f) To promote surgical research by providing travelling scholarships and/or research grants.
- g) To promote the interchange of information internationally through collaboration with other national surgical societies.
- h) To maintain low subscriptions and registration fees to encourage young research workers in surgery to participate in the activity of the society.

ORGANISATION

The charity is managed by the Council of Management. There are no paid employees and secretarial services are paid for on a six monthly basis through the Royal College of Surgeons of England, which also provides the postal address.

INVESTMENT POWERS

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

DEVELOPMENT ACTIVITIES AND ACHIEVEMENTS

During the year the society held a joint meeting with the Association of Surgeons of Great Britain and Ireland in Harrogate.

Our own Society of Academic and Research meeting was held in Belfast.

The sub-committees of the society continue to include;

Programme Committee
Foundation Committee
Membership Committee
Education/Professional Development Committee
External Relations Committee

Despite the proliferation of committees this has not resulted in a dramatic increase in travelling or accommodation costs as the sub-committees have met at around the same time as the annual meeting.

The secretariat based at the Royal College of Surgeons of England continues to be a success with continued improvement in the administration of the Society.

SOCIETY OF ACADEMIC AND RESEARCH SURGERY

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 2004

(Continued)

REVIEW OF THE TRANSACTIONS AND FINANCIAL POSITION OF THE CHARITY

The charity had excess expenditure over income for the year prior to inclusion of investment gains. The resultant surplus was added to reserves brought forward for use in future periods.

The directors have continued to explore the possibility for obtaining charitable donations from industry. To date there has been no successful negotiation, but there are a number of interested parties.

RESERVES POLICY

It is the policy of the charity to maintain a break-even position year on year based on normal activities. The unrestricted reserves brought forward represent surpluses arising in previous years and are to be used to cover shortfalls on years where a break even position is not attained, and also to provide for one-off grants, including research fellowships, should a suitable project arise.

RISK REVIEW

The major risks to which the charity is exposed, as identified by the trustees have been reviewed and systems have been established to mitigate those risks.

DIRECTORS' 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 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.

AUDITORS

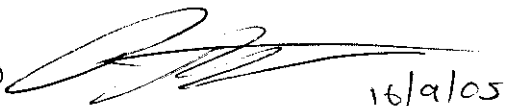
Messrs. Wyatt, Morris, Golland & Co., Chartered Accountants, have intimated their willingness to continue in office as auditors to the company and will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

The above report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.


Mr. Wyatt
24.9.05

Signed on behalf of the
board of directors

P J DREW


16/9/05

Director

Approved by the board:

24 September 2005

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOCIETY OF ACADEMIC AND RESEARCH SURGERY

We have audited the financial statements of the Society of Academic and Research Surgery for the year ended 31 December 2004 on pages 5 to 10. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets 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 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 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 DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities. The directors also act as trustees for the charitable activities of the association.

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 Directors' Report is not consistent with the financial statements, if the company 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 directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and 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.

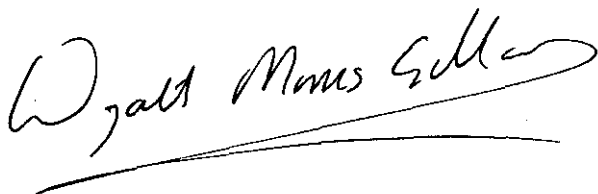
BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 our 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 state of the charitable company's affairs as at 31 December 2004 and of its incoming resources and application of resources, including its income and expenditure for the year ended on that date and have been properly prepared in accordance with the Companies Act 1985.



WYATT, MORRIS, GOLLAND & CO.
CHARTERED ACCOUNTANTS AND
REGISTERED AUDITORS

Park House,
200 Drake Street,
ROCHDALE,
Lancashire.
OL16 1PJ

24 September 2005

SOCIETY OF ACADEMIC AND RESEARCH SURGERY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	Unrestricted funds	Total funds 2004	Total funds 2003
		£	£	£
<u>Incoming resources:-</u>				
Subscriptions		26,169	26,169	27,616
Donations from meetings		11,073	11,073	9,044
Investment income		5,353	5,353	3,798
Grant - British Journal of Surgery		2,000	2,000	2,000
Total incoming resources		44,595	44,595	42,458
<u>Cost of generating funds:-</u>				
BACS charges		73	73	294
Portfolio management		730	730	258
<u>Net incoming resources available for charitable application</u>		43,792	43,792	41,906
<u>Charitable expenditure</u>				
Costs of activities in furtherance of the objects of the charity:-				
Grants payable	2	1,304	1,304	45,803
Subscriptions and affiliation fees	3	8,367	8,367	8,954
Meetings costs	4	2,517	2,517	6,544
Support costs	5	31,082	31,082	25,471
Managing and administering the charity	6	6,861	6,861	6,671
Total charitable expenditure		50,131	50,131	93,443
Total resources expended		50,934	50,934	93,995
<u>Net expenditure for the year</u>		(6,339)	(6,339)	(51,537)
<u>Other recognised gains and losses</u>				
Gains/(losses) on investments				
Unrealised		6,330	6,330	6,763
Realised		1,542	1,542	9,254
Net movement in funds		1,533	1,533	(35,520)
Fund balance brought forward at 1 January 2004		120,667	120,667	156,187
Fund balance carried forward at 31 December 2004		122,200	122,200	120,667

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

THE NOTES ON PAGES 7 TO 10 FORM PART OF THESE ACCOUNTS.

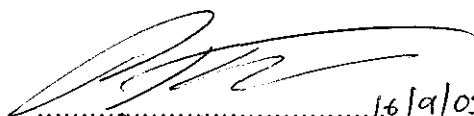
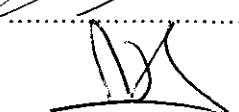
SOCIETY OF ACADEMIC AND RESEARCH SURGERY

BALANCE SHEET AS AT 31 DECEMBER 2004

	<u>Notes</u>	<u>2004</u>	<u>2003</u>
		<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>			
Investments	8	86,357	77,753
<u>CURRENT ASSETS</u>			
Debtors	9	1,287	3,180
Cash at bank and in hand		54,673	64,542
		<u>55,960</u>	<u>67,722</u>
<u>CREDITORS</u> - Amounts falling due within one year	10	(20,117)	(24,808)
<u>NET CURRENT ASSETS</u>		<u>35,843</u>	<u>42,914</u>
Net assets		<u>122,200</u>	<u>120,667</u>
<u>FUNDED BY:-</u>			
Unrestricted funds		<u>122,200</u>	<u>120,667</u>

The accounts have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the board of directors


 16/9/05

 24/9/05

- Director P J DREW

- Director M G WATT

Approved by the board: 24 September 2005

THE NOTES ON PAGES 7 TO 10 FORM PART OF THESE ACCOUNTS.

SOCIETY OF ACADEMIC AND RESEARCH SURGERY

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), the Companies Act 1985 and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice issued in October 2000.

Cash flow

The accounts do not include a cash flow statement because the charity, 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:-

Subscriptions - are included on an accruals basis.

Donations from meetings - The meetings are arranged by people who are not necessarily members of the society. The records of the meetings are kept by the University or establishment organising the meeting. Consequently the charity has no control over the accounting function and accepts the net income payment as a donation when received.

Other donations and voluntary income - Included when received.

Investment income - Included on an accruals basis and includes bank interest, dividend income and similar.

Expenditure

All expenditure is included on an accruals basis:-

Awards are included when agreed by the council of management, accordingly provision is made in the accounts for any amounts unpaid at the year end.

Investments

Investments are valued at market value, in order to comply with best practice for charity accounting.

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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

(Continued)

2. <u>GRANTS PAYABLE</u>	Total funds 2004 £	Total funds 2003 £
British Journal of Surgery/Society for Academic and Research Surgery - Joint Award	3,008	3,000
David Patey Awards	500	500
Research and fellowship awards	-	42,003
Travel awards	2,896	-
Poster award	200	300
Prior year awards not taken:-		
Travel	(3,000)	-
Research	(2,300)	-
	<hr/>	<hr/>
	1,304	45,803
	<hr/>	<hr/>
All awards are payable to individuals.		
3. <u>SUBSCRIPTIONS AND AFFILIATION FEES</u>		
British Journal of Surgery	8,142	8,570
Affiliation and membership fees	225	384
	<hr/>	<hr/>
	8,367	8,954
	<hr/>	<hr/>
4. <u>MEETINGS COSTS</u>		
Travel and accommodation	2,502	6,461
Trophies	15	83
	<hr/>	<hr/>
	2,517	6,544
	<hr/>	<hr/>
5. <u>SUPPORT COSTS</u>		
Repairs	223	269
Secretarial assistance	20,027	15,890
Postages and stationery	8,357	6,676
Internet expenses	475	663
Office accommodation	2,000	1,973
	<hr/>	<hr/>
	31,082	25,471
	<hr/>	<hr/>
6. <u>MANAGING AND ADMINISTERING THE CHARITY</u>		
Bank charges	516	515
Company filing fees	15	15
Book-keeper's fees	500	500
Audit and accountancy	1,852	1,852
Committee meetings expenses	4,699	3,789
Occupational health	29	-
Prior years bookkeeping fees not claimed	(750)	-
	<hr/>	<hr/>
	6,861	6,671
	<hr/>	<hr/>

SOCIETY OF ACADEMIC AND RESEARCH SURGERY

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

(Continued)

7. STAFF

The charity does not directly employ staff, but pays fees for secretarial services provided.

None of the trustees received any remuneration from the charity during the year (2003- £Nil).

Ten trustees were reimbursed a total of £5,990 travel and incidental expenses incurred during the year.

8. FIXED ASSET INVESTMENTS

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Quoted investments:-		
Market value at 1 January 2004	77,753	71,453
Additions	14,694	23,671
Disposals	(13,962)	(33,388)
Realised gains	1,542	9,254
Unrealised gains	6,330	6,763
	<hr/>	<hr/>
Market value at 31 December 2004	<u>86,357</u>	<u>77,753</u>
Historical cost at 31 December 2004	<u>71,477</u>	<u>65,456</u>
Investments by category:-		
	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
<u>Fixed interest securities</u>		
Halifax 6.375% MTN (3.04.2008)	<u>14,174</u>	<u>13,661</u>
<u>Equities</u>		
Deutsche Equity Income	18,680	18,120
Electra Investment Trust	15,269	18,279
Allianz Dresdner Unit Trust	-	3,582
Bristol and West non-redeemable preference shares	-	300
Newton Unit Trust	17,292	15,633
HSBC Unit Trust	8,250	8,178
Liontrust Unit Trust	6,102	-
Fidelity Unit Trust	6,590	-
	<hr/>	<hr/>
	<u>72,183</u>	<u>64,092</u>

SOCIETY OF ACADEMIC AND RESEARCH SURGERY

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

(Continued)

9. DEBTORS

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Other debtors and prepaid expenses	1,287	3,180

10. CREDITORS - Amounts falling due within one year

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Subscription - British Journal of Surgery	4,026	4,133
Other creditors	-	5,300
Accruals	16,091	15,375
	<u>20,117</u>	<u>24,808</u>

11. CONTINGENT LIABILITIES

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

12. COMMITMENTS

Capital commitments

There were no capital commitments at 31 December 2004 (2003 - £Nil).