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SURGICAL RESEARCH SOCIETY
(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 1999

WYATT, MORRIS, GOLLAND & CO.,
CHARTERED ACCOUNTANTS,
PARK HOUSE,
200 DRAKE STREET,
ROCHDALE,
LANCASHIRE.
OL16 1PJ

SURGICAL RESEARCH SOCIETY

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 1999

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:-

	<u>Resigned during the year</u>	<u>Appointed during the year</u>
Mr. D. J. A. Scott	Mr. P. M. Lamont	Professor W. George
Professor J. N. Baxter	Professor J. Hardcastle	Mr. C. Johnson
Professor A. N. Kingsnorth	Mr. N. J. Bundred	Mr. P. McCulloch
Professor J. R. T. Monson	Professor J. P. Neoptolemos	Professor P. Redmond
		Professor A. Darzi
		Professor M. Nicholson

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

REGISTERED OFFICE:-

Heath Park,
CARDIFF.
CF4 4XN

BANKERS:-

Royal Bank of Scotland PLC.,
Manchester Withington Hospital,
Withington Hospital,
Nell Lane,
West Didsbury,
MANCHESTER.
M20 8LR

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

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.

SURGICAL RESEARCH SOCIETY

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 1999

(Continued)

POLICIES

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

- a) to conduct symposia, seminars and demonstrations of surgical and clinical practices and techniques;
- b) to publish information relevant to the objectives;
- c) the provision of travelling scholarships and research grants tenable at medical institutions subject to the requirement that holders report their findings to the society

There have been no material changes in the policies adopted by the company over the last year.

ORGANISATION

The charity is managed by the Council of Management. There are no paid employees, secretarial services are paid for as required.

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 charity maintained its membership many of whom attended the two meetings held during the year. The council of management agreed to make awards in addition to the annual awards, details are given in note 2 to the accounts.

REVIEW OF THE TRANSACTIONS AND FINANCIAL POSITION OF THE CHARITY

The charity had a small excess of income over expenditure for the year which was added to reserves. The trustees envisage that the reserves will be required in future periods to promote the charity's objectives.

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.

SURGICAL RESEARCH SOCIETY

DIRECTORS REPORT FOR THE YEAR ENDED 31 DECEMBER 1999


(Continued)

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.

Signed on behalf of the
board of directors


C. J. N. Burton
TREASURER
Secretary

30/7/00

Approved by the board:

REPORT OF THE AUDITORS TO THE MEMBERS OF SURGICAL RESEARCH SOCIETY

We have audited the accounts on pages 5 to 10 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, the directors who also act as trustees for the charitable activities of the association are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

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 accounts. It also includes an assessment of the significant estimates and judgements made in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable 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 accounts 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the charitable company's affairs at 31 December 1999 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

30 July 2000

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

SURGICAL RESEARCH SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 1999

	Notes	Unrestricted funds	Restricted funds	Total funds 1999	Total funds 1998
		£	£	£	£
<u>Income and expenditure</u>					
<u>Incoming resources:-</u>					
Subscriptions		30,895	-	30,895	32,409
Donations from meetings		6,200	-	6,200	5,930
Investment income		6,613	-	6,613	11,226
Grant - British Journal of Surgery		-	3,000	3,000	-
Total incoming resources		43,708	3,000	46,708	49,565
<u>Resources expended:-</u>					
Direct charitable expenditure	2	45,801	3,000	48,801	33,741
Management and administration of the charity	3	9,665	-	9,665	10,026
Total resources expended	4	55,466	3,000	58,466	43,767
<u>Net incoming resources</u>		(11,758)	-	(11,758)	5,798
<u>Other recognised gains and losses</u>					
Gains on investments					
Unrealised		3,390	-	3,390	2,177
Realised		(475)	-	(475)	-
Net movement in funds		(8,843)	-	(8,843)	7,975
Fund balance brought forward at 1 January 1999		174,230	-	174,230	166,255
Fund balance carried forward at 31 December 1999		165,387 =====	- =====	165,387 =====	174,230 =====


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

SURGICAL RESEARCH SOCIETY
BALANCE SHEET AS AT 31 DECEMBER 1999

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible assets	6	682	1,362
Investments	7	91,267	86,351
		<hr/>	<hr/>
		91,949	87,713
<u>CURRENT ASSETS</u>			
Debtors	8	4,896	5,865
Cash at bank and in hand		102,073	97,330
		<hr/>	<hr/>
		106,969	103,195
<u>CREDITORS</u> - Amounts falling due within one year	9	(33,531)	(16,678)
		<hr/>	<hr/>
<u>NET CURRENT ASSETS</u>		73,438	86,517
		<hr/>	<hr/>
Net assets		165,387	174,230
		=====	=====
<u>FUNDED BY:-</u>			
Unrestricted funds		165,387	174,230
		=====	=====

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


..... 28.7/00
(J.W. Baxton)

- Director

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Approved by the board:

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

SURGICAL RESEARCH SOCIETY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting by Charities".

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 - From 1 January 1998 they are included on an accruals basis. Previously they were recognised on a receipts basis. It was not possible in 1998 to identify the effect of this change in basis.

Donations from meetings - The meetings are arranged by people who are not necessarily members of the society nor its employees. 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

The accounts include expenditure on the following basis:-

Charitable expenditure includes all costs relating to conferences, seminars, publications, grants and 80% of the secretarial costs being the amount the directors consider is the allocation relating to organising activities.

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.

Administration costs include 20% of the secretarial costs and the costs of council meetings and similar expenses.

Investments

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:-

Secretarial office equipment - 25% straight line

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.

SURGICAL RESEARCH SOCIETY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

2. DIRECT CHARITABLE EXPENDITURE

	Unrestricted funds	Restricted funds	Total funds 1999	Total funds 1998
	£	£	£	£
British Journal of Surgery	8,306	-	8,306	12,627
Subscriptions and membership fees	228	-	228	124
Secretarial costs	5,440	-	5,440	5,440
Printing, postage and stationery	1,557	-	1,557	2,859
Booklets	3,017	-	3,017	2,762
Awards	19,500	3,000	22,500	800
Internet expenses	979	-	979	1,479
Repairs and renewals	125	-	125	898
Merchandise	-	-	-	2,648
Travel	6,649	-	6,649	4,104
	<u>45,801</u>	<u>3,000</u>	<u>48,801</u>	<u>33,741</u>
	=====	=====	=====	=====

The amount relating to awards is made up as follows:-

	1999	1998
	£	£
British Journal of Surgery / SRS joint award	3,500	-
David Patey award	1,000	-
Travel award	3,000	800
Research Fellowship award	15,000	-
	<u>22,500</u>	<u>800</u>
	=====	=====

3. MANAGEMENT AND ADMINISTRATION OF THE CHARITY

Audit fees	1,539	-	1,539	1,468
Secretarial and meeting costs	2,160	-	2,160	1,360
Printing, postage and stationery	389	-	389	714
Bank charges	365	-	365	198
Companies House - filing fee	15	-	15	15
Book-keeper	500	-	500	500
Depreciation	680	-	680	680
Committee expenses	4,017	-	4,017	5,091
	<u>9,665</u>	<u>-</u>	<u>9,665</u>	<u>10,026</u>
	=====	=====	=====	=====

4. TOTAL RESOURCES EXPENDED

	Staff costs	Depre- ciation	Other costs	Total 1999	Total 1998
	£	£	£	£	£
Direct charitable expenditure	-	-	48,801	48,801	33,741
Management and administration of the charity	-	680	8,985	9,665	10,026
	<u>-</u>	<u>680</u>	<u>57,786</u>	<u>58,466</u>	<u>43,767</u>
	=====	=====	=====	=====	=====

SURGICAL RESEARCH SOCIETY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

(Continued)

5. CHANGES IN RESOURCES AVAILABLE FOR CHARITY USE

	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total funds</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Net movement in funds for the year	696	-	696
Net decrease in tangible fixed assets used for administration	680	-	680
Net movements in funds available for future activities	<u>1,376</u> =====	<u>-</u> =====	<u>1,376</u> =====

6. TANGIBLE FIXED ASSETS

	<u>Computer equipment</u>	<u>Fixtures and fittings</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cost</u>			
At 1 January 1999	2,413	275	2,688
At 31 December 1999	<u>2,413</u>	<u>275</u>	<u>2,688</u>
<u>Accumulated depreciation</u>			
At 1 January 1999	1,207	119	1,326
Charge for the year	603	77	680
At 31 December 1999	<u>1,810</u>	<u>196</u>	<u>2,006</u>
<u>Net book values</u>			
At 31 December 1999	<u>603</u> =====	<u>79</u> =====	<u>682</u> =====
At 31 December 1998	<u>1,206</u> =====	<u>156</u> =====	<u>1,362</u> =====

7. FIXED ASSET INVESTMENTS

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
Quoted investments:-		
Market value at 1 January 1999	86,351	84,174
Additions	29,587	-
Disposals	(27,586)	-
Net recognised investment gains	<u>2,915</u>	<u>2,177</u>
Market value at 31 December 1999	<u>91,267</u> =====	<u>86,351</u> =====
Historical cost at 31 December 1999	<u>79,739</u> =====	<u>78,767</u> =====

Included in net recognised investment gains the directors provided for a potential loss of £9,000 relating to shares held in a company whose market value had become unascertainable. The carrying value of these shares at 31 December 1999 became £Nil.

SURGICAL RESEARCH SOCIETY

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

(Continued)

8. DEBTORS

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
Other debtors	4,896	5,865
	=====	=====

9. CREDITORS - Amounts falling due within one year

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
Subscription - British Journal of Surgery	10,868	12,627
Other creditors	500	621
Accruals	22,163	3,430
	-----	-----
	33,531	16,678
	=====	=====

10. CONTINGENT LIABILITIES

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

11. COMMITMENTS

Capital commitments

There were no capital commitments at 31 December 1999 (1998 - £Nil).