

Manchester Academic Health Science  
Centre (MAHSC)

Company Limited by Guarantee

FINANCIAL STATEMENTS

for the period ended

31 July 2010



# Manchester Academic Health Science Centre (MAHSC)

## Company Limited by Guarantee

### OFFICERS AND PROFESSIONAL ADVISERS

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#### DIRECTORS

Note The MAHSC Members Agreement identifies Governors not Directors

Sir David Henshaw (Non Executive Chair)  
Dr John Patterson (Non Executive Governor)  
Ms Manjit Wolstenholme (Non Executive Governor)  
Professor Sir Gordon Duff (Non Executive Governor)  
Professor Dame Nancy Rothwell (Executive Governor)  
Mr Mike Deegan (Executive Governor)  
Ms Jackie Daniel (Executive Governor)  
Dr Mike Burrows (Executive Governor)  
Mr David Dalton (Executive Governor)  
Mrs Caroline Shaw (Executive Governor)  
Mr Julian Hartley (Executive Governor)  
Professor Chris Griffiths (MAHSC Director)

#### AUDITOR

Baker Tilly UK Audit LLP  
Chartered Accountants  
3 Hardman Street  
Manchester  
M3 3HF

#### BANKERS

Barclays Bank plc  
PO Box 357  
51 Mosley Street  
Manchester  
M60 2AU

# Manchester Academic Health Science Centre (MAHSC)

## Company Limited by Guarantee

### DIRECTORS' REPORT

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The directors submit their report and financial statements of Manchester Academic Health Science Centre (MAHSC) for the period from 20 November 2009 to 31 July 2010

#### PRINCIPAL ACTIVITIES

The principal activity of the company during the period was the promotion and development of infrastructure in support of research, education and innovation for patient benefit in support of the MAHSC strategy published in November 2009. This has included both formal requirements i.e. the completion of the Members and Funding Agreements and development of pan-MAHSC harmonisation protocols. A number of operational policies and common templates for research have been agreed along with outline proposals for a Joint Research Office and Clinical Trials Coordination Unit. A series of pilot projects have also been initiated relating to the priorities of the MAHSC academic sections.

Note: The University of Manchester administered MAHSC finances until May 2010 when the CLG bank account was set up.

#### DIRECTORS

The directors who served the company during the period were as follows:

Sir David Henshaw (Non Executive Chair)  
Dr John Patterson (Non Executive Governor)  
Ms Manjit Wolstenholme (Non Executive Governor)  
Professor Sir Gordon Duff (Non Executive Governor)  
Professor Alan Gilbert (Executive Governor) (to end May 2010)  
Professor Dame Nancy Rothwell (Executive Governor) (from start June 2010)  
Mr Mike Deegan (Executive Governor)  
Ms Jackie Daniel (Executive Governor)  
Dr Mike Burrows (Executive Governor)  
Mr David Dalton (Executive Governor)  
Mrs Caroline Shaw (Executive Governor)  
Mr Julian Hartley (Executive Governor)  
Professor Alan North (MAHSC Director) (from incorporation to end June 2010)  
Professor Chris Griffiths (MAHSC Director) (from 1<sup>st</sup> July 2010)

With the exception of Professor Chris Griffiths all directors were appointed on incorporation.

#### THIRD PARTY INDEMNITY PROVISION FOR DIRECTORS

Qualifying third party indemnity provision is in place for the benefit of all directors of the company.

#### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

#### AUDITOR

Baker Tilly UK Audit LLP was appointed as the company's first auditor during the period and has indicated its willingness to continue in office.

# Manchester Academic Health Science Centre (MAHSC) Company Limited by Guarantee DIRECTORS' REPORT

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## SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

By order of the board

A handwritten signature in black ink, appearing to be 'C Griffiths', written over the printed name.

Professor C Griffiths  
Director

13 January 2011

# Manchester Academic Health Science Centre (MAHSC)

## Company Limited by Guarantee

### DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 period.

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANCHESTER ACADEMIC HEALTH SCIENCE CENTRE (MAHSC)

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We have audited the financial statements on pages 6 to 10. 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 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 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 directors and auditors**

As more fully explained in the Directors' Responsibilities Statement set out on page 4, the directors 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 July 2010 and of its surplus 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.

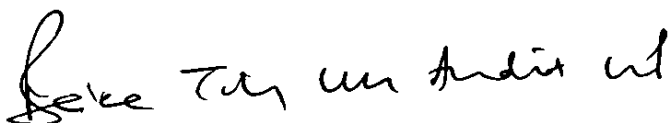
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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 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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.



DALE THORPE BSc FCA (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
3 Hardman Street  
Manchester M3 3HF

14 February 2011

Manchester Academic Health Science Centre (MAHSC)  
Company Limited by Guarantee  
INCOME AND EXPENDITURE ACCOUNT  
for the period from 20 November 2009 to 31 July 2010

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		Period from 20 Nov 09 to 31 Jul 10 £
	<i>Notes</i>	
INCOME		712,591
Project Costs		136,866
GROSS PROFIT		<u>575,725</u>
Administrative expenses		488,817
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>86,908</u>
Taxation		-
NET SURPLUS FOR THE FINANCIAL PERIOD	6	<u>86,908</u>

The surplus for the period arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Income and Expenditure Account

## Manchester Academic Health Science Centre (MAHSC)

## Company Limited by Guarantee

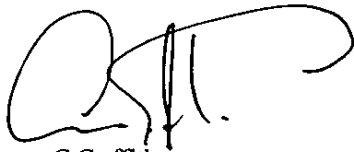
## BALANCE SHEET

31 July 2010

	Notes	31 Jul 10 £
<b>CURRENT ASSETS</b>		
Cash at bank and in hand		554,244
Prepayments		1,154
		<u>555,398</u>
<b>CREDITORS</b>		
Amounts falling due within one year	2	<u>468,490</u>
<b>NET CURRENT ASSETS</b>		<u>86,908</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>86,908</u>
<b>RESERVES</b>		
Income and expenditure account	6	<u>86,908</u>
<b>MEMBERS' FUNDS</b>		<u>86,908</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements on pages 6 to 10 were approved by the board of directors and authorised for issue on 13 January 2011 and are signed on their behalf by



Professor C Griffiths  
Director



# Manchester Academic Health Science Centre (MAHSC) Company Limited by Guarantee

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

### GOING CONCERN

The Company's activities are set out in the Directors' Report

On the basis of their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

### CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

### INCOME

Income is recognised in the income and expenditure account when the company is entitled to the income and the amount can be quantified with reasonable accuracy. Sponsorship monies are recognised in line with the funding agreement

### PROJECT COSTS

Project costs are direct costs associated with the operational costs of the projects delivering the priorities of the MAHSC strategy

### FORM OF ACCOUNTS

In view of the nature of the Company's activities, the headings in the Companies Act 2006 Part 15 are prescribed to be inappropriate, and a summary income and expenditure account is presented in place of the prescribed profit and loss account. The directors have taken advantage of paragraph 396 of Part 15 to the Companies Act 2006 which allows the preparation of accounts to be adapted to reflect the special nature of the Company's activities

# Manchester Academic Health Science Centre (MAHSC)

## Company Limited by Guarantee

### NOTES TO THE FINANCIAL STATEMENTS

for the period from 20 November 2009 to 31 July 2010

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#### 1 OPERATING PROFIT

Operating profit is stated after charging

Period from  
20 Nov 09 to  
31 Jul 10  
£  
6,500

Auditor's fees

#### 2 CREDITORS Amounts falling due within one year

31 Jul 10  
£  
252,703  
4,236  
211,551  
468,490

Trade creditors

Other tax and social security

Other creditors

#### 3 RELATED PARTY TRANSACTIONS

The company is funded by subscriptions from the 7 members. Each of the members has appointed a Governor to serve on the board of the company.

The sponsors and respective appointed Governors are

The Christie NHS Foundation Trust	– Mrs Caroline Shaw
Manchester Mental Health and Social Care Trust	– Ms Jackie Daniel
Salford Primary Care Trust	– Dr Mike Burrows
Salford Royal NHS Foundation Trust	– Mr David Dalton
The University of Manchester	– Professor Dame Nancy Rothwell
University Hospital of South Manchester NHS Foundation Trust	– Mr Julian Hartley
Central Manchester University Hospitals NHS Foundation Trust	– Mr Mike Deegan

With the exception of The University of Manchester, each sponsor contributed £80,000 in subscriptions during the period with £nil due at the year end. The University subscription payment was dealt with in combination with monies owed to it by MAHSC over the period.

Contributions from The University of Manchester totalled £170,000, an additional £90,000 being received to fund a specific research project (MAHSC History Project) in relation to the Faculty of Life Sciences ("FLS"). Costs were also incurred during the period as a result of The University of Manchester providing premises and staff, totalling £485,294.

At the balance sheet date the company had a total owing to the University of Manchester of £252,703, plus accruals in relation to the MAHSC history research (FLS) project of £90,000.

# Manchester Academic Health Science Centre (MAHSC)

## Company Limited by Guarantee

### NOTES TO THE FINANCIAL STATEMENTS

for the period from 20 November 2009 to 31 July 2010

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#### 4 DIRECTORS REMUNERATION

	2010
	£
<u>Non -Executive Directors' remuneration</u>	
Wages and salaries	35,000
Social security costs	4,236
	<u>39,236</u>

None of the directors accrued benefits under any Company Pension Scheme

#### 5 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and the liability of its member to contribute to any deficiency of assets is £1 The member has no rights to the income or assets of the company

#### 6 INCOME AND EXPENDITURE ACCOUNT

	Period from
	20 Nov 09 to
	31 Jul 10
	£
Surplus for the financial period	86,908
At 31 July 2010	<u>86,908</u>