

Company registration number: 01963975
Charity number England & Wales: 293575
Charity number Scotland: SC040697



AAGBI Foundation

(A company limited by guarantee)

Report of the Directors and Audited Financial Statements for the
Year Ended 31 March 2019

Company registration number: 01963975

Charity number England & Wales: 293575

Scotland : SC040697

AAGBI Foundation
Contents of the Financial Statements
For the year ended 31 March 2019

Report of the Trustees	1
Report of the Independent Auditors	15
Statement of Financial Activities	18
Statement of Financial Position.....	19
Statement of Cash Flows	20
Notes to the Statement of Cash Flows	21
Notes to the Financial Statement.....	22

AAGBI Foundation

Report of the Trustees

For the year ended 31 March 2019

Legal and administrative information

Status

Company limited by Guarantee which does not have a share capital, and is a registered charity with the Charity Commissioners for England and Wales and with the Office of the Scottish Charity Regulator.

Governing document

Memorandum and Articles of Association

Company Number

01963975 (England and Wales)

Charity Number

293575 (England and Wales)
SCO40697 (Scotland)

Registered office and operational address

21 Portland Place
London
W1B 1PY

Trustees

The directors and trustees who served during the year were as follows:

Dr C Bailey	Dr E M McGrady
Dr P Barker	Dr T Meek
Dr P A Clyburn	Dr U Misra
Dr M Davies	Dr M Nathanson
Dr S El-Ghazali	Dr M Patteril
Dr W Fawcett	Dr R Rao Baikady
Dr K Ferguson	Dr N Redfern
Dr R S Gill	Dr T E Sheraton
Dr A Harvey	Dr S Shinde
Dr P Keats	Dr I A Walker
Dr A Klein	

AAGBI Foundation

Report of the Trustees

For the year ended 31 March 2019

Legal and administrative information – continued

The following director served until 5 July 2018:
Dr D Conway

The following director served from 5 July 2018:
Dr S Denning

The following directors served until 27 September 2018:
Dr R Collis
Dr G Jackson
Dr G Keenan
Mr A K Naughton

The following directors served from 27 September 2018:

Dr S M Kinsella
Dr R Self
Dr P Young

Reference and administrative details

Auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Officers & Senior Management

Dr Kathleen Ferguson, President
Dr Paul Clyburn, Immediate Past President
Dr Tim Meek, Honorary Secretary
Dr Paul Barker, Honorary Treasurer
Dr Upma Misra, Honorary Membership Secretary
Dr Andy Klein, Editor-in-Chief, *Anaesthesia*
Dr Mike Nathanson, Immediate Past Honorary Secretary
Dr Ravi Gill, Honorary Treasurer Elect
Dr Tei Sheraton, Honorary Membership Secretary Elect

Senior management team

Ms Karin Pappenheim, Chief Executive Officer
Ms Gemma Campbell, Head of Support Services & Information Management
Ms Nicola Heard, Head of Education & Membership Services
Ms Pauline Mouskis, Finance Manager (until January 2019)
Mr Vipran Narang, Chief Operating Officer (from January 2019)

AAGBI Foundation
Report of the Trustees
For the year ended 31 March 2019

Legal and administrative information – continued

Bankers

HSBC
60 Queen Victoria Street
London
EC4N 4TR

Solicitors

Withers
16 Old Bailey
London
EC4M 7EG

Investment Managers

Investec
100 Wood Street
London
EC2V 7AN

AAGBI Foundation Report of the Trustees

For the year ended 31 March 2019

The Trustee Board of the AAGBI Foundation (the Foundation) presents its report and the audited financial statements for the year ended 31 March 2019.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Following a rebrand in 2018, Association of Anaesthetists (the Association) is the brand name used to refer to both the Association of Anaesthetists of Great Britain & Ireland and its related charity, AAGBI Foundation.

Structure, Governance & Management

The Foundation is a Company limited by Guarantee and does not have a share capital, and is a Registered Charity with the Charity Commissioners for England and Wales and with the Office of the Scottish Charity Regulator. It is governed under the Articles of Association (date approved 5 September 2014). The Board has adopted a Governance Manual, which is updated annually, containing the regulations and procedures to ensure good governance of the organisation.

Public Benefit Statement

The Foundation's trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. The charitable purposes of the Foundation are set out in its constitution and the objects include 'the advancement of public education in and the promotion of those branches of medical science concerned with anaesthesia including its history', in relation to research, 'the promotion of study and research into anaesthesia and related sciences and the publication of results of all such study and research' and in relation to the public generally, 'the advancement of patient care and safety in the field of anaesthesia and disciplines allied to anaesthesia'. The trustees ensure that the objects are achieved through an extensive programme of education and training and the funding of research into aspects of anaesthesia. Educational events and applications for research awards are openly advertised and the public are able to access the museum and rare book collection in London, which the Foundation maintains to preserve the heritage of anaesthesia.

Appointment of Directors and Trustees

The majority of directors and trustees are appointed to the Foundation Board by the Association of Anaesthetists of Great Britain and Ireland, which is the sole member of the charity. This enables the management and activities of the Foundation to be co-ordinated with those of the Association, ensuring that the resources available to the Foundation and related parties are used to maximum effect in fulfilling its objectives. The charity's board also appoints up to 5 trustees with appropriate skills/experience relating to its charitable activities. Trustees have adopted a strategy of involving lay members in the charity's governance, and have appointed lay members to the Finance, Audit and Investment, International, Safety, Anaesthesia Equipment Standards and Research and Grants Committees.

AAGBI Foundation

Report of the Trustees

For the year ended 31 March 2019

Trustee Induction and Training

Annual training is provided for trustees to enable them to perform their governance duties effectively. Newly elected members are advised on their governance and financial responsibilities as directors and trustees and receive an induction information pack and briefing session. All trustees have access to the Governance Manual online, and receive refresher training as policies and procedures are regularly updated.

Related parties and co-operation with other organisations

None of our trustees receives remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager and a contractor or other third party organisation must be disclosed to the full board. In the current year no related party transactions were disclosed.

Organisation and Management

The full-time staff of the Foundation is led by the Chief Executive Officer and senior management team, who work closely with appointed Officers and Board members. Professional advisers are used to provide specialist advice in areas of investment, finance, human resources, law and property.

The Board meets regularly to direct the affairs of the Foundation and consults members representing other related bodies, for example the Royal College of Anaesthetists. Development and management of specific activities is delegated to sub-committees who report their proceedings to the Board.

Strategic vision

The charity's trustees determine overall strategy and policy. In 2017, the Board adopted a new long term strategy, setting out the vision for the next 5 years, and produced in consultation with staff, members and trustees. Implementation started in the 2018-19 financial year and the strategy has been updated in 2019 to take account of progress in that first year. A three year financial plan has been developed to support the strategy, and the board has designated a fund for strategic investment. The strategy and three year financial plan provide the framework in which the Board approves annual business plans, setting the objectives and the budget for the year. Operational management and responsibility for delivery of the plan is delegated to the Executive Director. Expenditure decisions within the approved budget are governed by a scheme of delegated authority. Issues arising during the year concerning matters outside the business plan are referred to the board if required.

Pay policy for senior staff

All the trustees give of their time freely and no trustee received remuneration in the year. Details of trustees' expenses are disclosed in note 12 to the accounts and related party transactions are disclosed in note 22 to the accounts.

The Foundation's board has adopted a salary policy, under which an annual salary review is conducted and overseen by a Remunerations Committee appointed by the board. Salary benchmarking is conducted regularly.

AAGBI Foundation

Report of the Trustees

For the year ended 31 March 2019

Risk Management

The trustees have established systems of internal control, comprising annual budgets and financial forecasts, delegated authorities, procedures for operational management and segregation of duties. Regular reviews of financial and investment performance take place through the Finance, Audit and Investment Committee.

Risks are documented in a risk register which is subject to ongoing assessment and evaluation by senior management and trustees, with regular reports provided for review by the Board and Finance, Audit and Investment Committee.

The senior management and trustees regularly review the risk register, agreeing actions to mitigate and reduce risks identified. During the last year, the principal external risks were changes in the NHS, the impacts of ongoing funding constraints and proposed contract changes on the medical workforce, hence their effect on the Association's consultant and trainee members.

These risks are ongoing, and the Association continues to respond through an active external and member communications strategy, liaison with policy makers and joint action with other stakeholders to support the specialty of anaesthesia.

Key business risks identified are the rising costs of running the organisation, due partly to the need to invest infrastructure, such as the e-education platform and new CRM and IT upgrades. In response, the board has been reviewing both costs and revenue, seeking new ways to generate income. In 2018, a new Chief Operating Officer (COO) role was created with a key focus on income generation and commercial development.

Objects and activities for the public benefit

The principal objects and activities of the Foundation are related to the improvement of patient care and safety in Great Britain and Ireland and internationally. This is achieved through the advancement of public education concerned with anaesthesia, together with the funding of education and research into anaesthesia and related sciences.

The core programmes of the Foundation are focused in line with these objects on:

- *Education in anaesthesia for the public and medical professionals*
- *Heritage through a museum, library, national archive and anaesthesia history projects*
- *International grants and projects to support anaesthesia in lower resource countries*
- *Research funding to promote improvements in patient care*

The Foundation organises several large scientific meetings and an extensive seminar programme, and is a major grant maker to research into aspects of anaesthesia. An extensive rare book collection, archives and museum dedicated to anaesthesia is open to the public.

An average of 339 visitors a week are welcomed to the Foundation's Grade II* listed premises at 21 Portland Place, London, which offers excellent facilities for education events and meetings and houses the heritage archives, library and museum.

AAGBI Foundation

Report of the Trustees

For the year ended 31 March 2019

Objects and activities for the public benefit - continued

The building offers accommodation for the administrative and finance activities of the Association of Anaesthetists.

27 other organisations, mostly health-related, were also able to hold educational events and meetings at the Foundation's premises, so maximising the benefit of the historic building as a centre of medical education and learning.

The Foundation works closely with the Association of Anaesthetists, which provides major funding each year for the Foundation's activities. Committees have been established to oversee education through a programme of scientific meetings and seminars, and for the management of the heritage collection, finance and investments.

The Foundation's museum archives and extensive rare book collection is co-ordinated by a heritage manager and a heritage officer, who both have professional qualifications, and is under the direction of the committee overseeing heritage. The members of staff are supported by a group of volunteers who are mostly retired consultant anaesthetists.

The Heritage Centre offers anaesthetists and members of the public the opportunity to view an exceptional collection of equipment, printed material and manuscripts related to anaesthesia. In 2018-19 there were 2323 visitors. The 21 group visits which occurred included adults and students from around the world. Travelling exhibitions were taken to WSM, GAT and Annual Congress. A new temporary exhibition was opened and two *Lates* events took place.

Grant making policy

Research grants are advertised to attract high quality applications from trainee and consultant anaesthetists. All applications for research are considered by a process of evaluation of proposals through the National Institute for Academic Anaesthesia (NIAA), which makes awards with the approval of the Board. The progress and outcome of research projects is reviewed and reported to the Board and monitored through a Research and Grants Committee. It is customary for the outcome of successful projects to be published in peer reviewed journals.

During the year, the trustees reviewed the charity's research strategy and set out the priorities for grant funding:

- Patient safety
- Innovation
- Clinical outcomes
- Education and training
- Environmental impact
- Related professional issues (e.g. standards and guidelines, working conditions, medico-legal issues)
- Audits and quality assurance/quality improvement projects that involve guideline implementation

AAGBI Foundation Report of the Trustees For the year ended 31 March 2019

The Foundation continues to co-fund a new Clinical Trials Group (CTG) initiative through the NIAA and the CTG director to lead the work.

With regard to international grants, applications for grants and funding are invited (subject to specified criteria) to support international work and are reviewed by an International Relations Committee; follow up reports are routinely required from grant recipients.

Fundraising

The charity has undertaken more fundraising over the last year, having appointed a dedicated fundraising officer within the staff team. A fundraising campaign to support the charity's international work in low resource countries has been launched, with a range of community and events fundraising activities being deployed to encourage donations to the SAFE Africa appeal. This is reported further on subsequent pages. With regard to these activities, the trustees are mindful of guidance on fundraising governance and standards from the Fundraising Regulator and Charity Commission. There have been no complaints about the charity's fundraising activities. The charity does not use third party fundraisers.

Achievements and Performance

Programme delivery

The last financial year has seen continued development of the programmes delivered by the charitable Foundation. Key achievements towards fulfilment of the charity's vision for each programme area in last 12 months are outlined below.

Education in anaesthesia for the public and medical professionals

Vision

Our vision is to provide educational excellence as a leading provider nationally and internationally of relevant, challenging and high quality educational activities and resources, available through face to face events and as online e-learning

Progress to achieve our vision this year

Attendance figures for conferences remain buoyant. The three national conferences – the Annual Scientific Meeting of Trainees in Glasgow, the Annual Congress in Dublin and the Winter Scientific Meeting (WSM) in London - attracted just over 2000 delegates. In addition, 65 seminars were held by the Foundation in and out of London. This year saw the greatest number of seminars held in one year compared to the last five years. There were 13 regional core topics meetings around the UK and Ireland, attracting an average of 77 delegates.

A key educational element in the conferences is the opportunity to present posters and abstracts: 265 were displayed at the 2018 trainees' conference in Glasgow, 210 at Annual Congress in Dublin and a further 141 at WSM London. These conferences attract sponsorship from industry and £71k (2018:£ 64k) in additional income was brought in to support the Foundation's educational events.

The Foundation's e-education expanded during the year with the Learn@ online video platform now providing access to 730 lectures. During 2018 functionality was further enhanced by the addition of a new video player. Over 213,000 video views have occurred

AAGBI Foundation

Report of the Trustees

For the year ended 31 March 2019

Programme delivery - continued

since launch. During the year the webinar programme was expanded, with seven webinars attracting over 700 delegates. In addition, the recordings of all webinars are made available after the fact, and have been viewed over 500 times.

The website continues as a source of up to date information. The site attracts on average 34,483 sessions a month with the most popular pages being membership, education and our guidelines.

Safety in anaesthesia

Vision

To promote safe anaesthesia through the provision of information, education, guidance and expert advice to anaesthetists and healthcare stakeholders

Progress to achieve our vision this year

The publication of guidelines is a core activity in promoting patient safety: during the year new publications included:

Anaesthesia Team, July 2018

Anaesthesia and peri-operative care for Jehovah's Witnesses and patients who refuse blood, July 2018

Cell salvage for peri-operative blood conservation, September 2018

Anaesthetic practice in the independent sector, September 2018

Safe practice of total intravenous anaesthesia (TIVA), September 2018

Safe provision of anaesthesia in magnetic resonance units, February 2019

Peri-operative care of patients with dementia, February 2019

The 'NAP5 Handbook': Concise practice guidance on the prevention and management of accidental awareness, March 2019

The *Quick Reference Handbook*, a collection of guidelines for unexpected or uncommon anaesthesia related emergencies was updated in response to latest guidance.

Additionally, we updated the guidelines app for Association members, adding newly published guidelines. This has been very popular with the membership attracting over 2,800 downloads during the year.

AAGBI Foundation Report of the Trustees

For the year ended 31 March 2019

Programme delivery - continued

New working parties were established on the following topics

- *Anaesthesia for women who are breastfeeding*
- *Anaesthesia for emergency bowel surgery*
- *Revision to Association guidance on DNAR*
- *Ergonomics in anaesthesia*

Heritage

Vision

Our vision is to link the past with the present and keep alive the history of the specialty through education and information and preserving our heritage

Progress to achieve our vision this year

This year's highlights for the Anaesthesia Heritage Centre included the launch of the new temporary exhibition 'Doctor says relax' on muscle relaxants. We ran two sell out *Lates* events; the first featured a talk from Emily Mayhew on her book *The Guinea Pig Club: Archibald McIndoe, the Royal Air Force and the Reconstruction of Warriors*, and the second called *Brilliant Botany: Medicinal plants of South America* featured talks from Dr Ann Ferguson and Kim Walker, researcher at Kew Gardens. The visitor numbers for this year were 2323 – an increase of 6.5% on the previous year. The Heritage Centre took exhibitions to the Trainee Conference, Annual Congress and WSM. A lighting upgrade in the museum has improved the visitor experience, and the museum has also undergone redecoration.

International grants and projects to support anaesthesia in lower resource countries

Vision

Our vision is to promote quality anaesthesia, critical care, pain management, patient care and associated subspecialties in low resourced environments and other overseas locations as appropriate through the exchange of skills and knowledge

Progress to achieve our vision this year

In the course of the year, the charity awarded grants totalling £194k (see note 9) which benefitted educational work in the form of individual travel grants and project funding for anaesthetists from the UK and Ireland to support improvements in care overseas.

During the 2018/2019 financial year the Association funded 21 projects through the International Relations Committee in 10 countries (Ghana, Guinea, Kenya, Liberia, Malawi, Rwanda, Sri Lanka, Tanzania, Uganda and Zambia) to the value of £52,222.20.

The Foundation's Overseas Anaesthesia Fund continued to attract donations from nearly one hundred regular givers generating a total of £16k (2017: £22k) which is spent on donating medical books and training resources to lower resource countries, and funding for the Ugandan Fellowship programme which will end in 2019, in line with the exit strategy.

AAGBI Foundation Report of the Trustees

For the year ended 31 March 2019

Programme delivery - continued

The Safer Anaesthesia from Education (SAFE) programme is a collaboration between AAGBI Foundation and World Federation of Societies of Anaesthesiologists (WFSA), which we plan to expand and develop globally with a new fundraising campaign, SAFE Africa, launched in 2017. SAFE training courses have been created on obstetric and paediatric anaesthesia; in 2017 we piloted a new SAFE operating theatre course. All SAFE courses are provided by trained volunteers with expertise in the specialty. Over the last seven years the SAFE project has trained 4,045 anaesthetic providers in 37 countries. Each one of these practitioners will go on to treat around 500 patients each year.

The SAFE Steering Group awarded funding to the value of £58,400 for 15 SAFE Courses in 13 countries (Bangladesh, Burundi, Cameroon, Chad, Guinea, Indonesia, Mozambique, Namibia, Nigeria, Rwanda, Sierra Leone, Sudan and Zimbabwe) and commissioned a SAFE course evaluation through the Manchester Change Exchange.

The Foundation is grateful for grants from the Tropical Health Education Trust (THET) / UKAid to support the SAFE programme with funding for three projects in Africa. These were the Safer Anaesthesia from Education (SAFE) obstetrics project in East Africa (£98k); the SAFE paediatrics project in East Africa (£120k) and the Zambia Anaesthesia Development project (£46k). The charity's trustees thank THET for their continued support for our international programmes.

SAFE Africa Fundraising

In 2017, the charity launched a new two-year fundraising campaign, SAFE Africa, which quickly gained momentum with the following activity: JP van Besouw memorial, SAFE Africa London to Liverpool SAFE Africa Cycle, the members' winter appeal and a strong social media identity. The aim is to raise £100,000 to support the delivery of SAFE training in Africa. As at 31 March 2019 we have raised a total of £62,603.

Uganda Fellowships

A flagship project of the Foundation has been the Uganda Fellowship programme, established ten years ago to build physician anaesthetist capacity through funding towards anaesthetic training for individual doctors. The Association and its funding partners (Difficult Airway Society, Obstetric Anaesthetist Association, Royal College of Anaesthetists, World Anaesthesia Society) have, to date, supported 43 Uganda Fellows through their training, a fourfold increase in the number of physician anaesthesiologists in the country. In 2016 the partners initiated a strategic review and evaluation of the Uganda Fellowship programme by funding an international evaluation research fellowship. This report was published in 2017. The Ugandan Fellowship scheme will end in 2019, in line with the programme exit strategy.

AAGBI Foundation Report of the Trustees

For the year ended 31 March 2019

Programme delivery - continued

Research funding to promote improvements in patient care

Vision

Our vision is to improve patient care and safety through relevant and impactful high quality research into anaesthesia and allied specialties

Progress to achieve our vision this year

The Foundation continued to work through the National Institute for Academic Anaesthesia (NIAA) in awarding grants for research. Grants totalling £161k (see note 9) were awarded during the year.

Advocacy and campaigns – a voice for the specialty

Vision

To be an effective voice for the specialty, a leading contributor to health policy affecting anaesthesia and a leader in raising public awareness and understanding of the anaesthetist's role

The Association's 3-5 year strategy places a high priority on advocacy and campaigns and building a stronger voice for the specialty in health policy. This work stream was launched in 2018 with the appointment of a new advocacy and campaigns manager and activity deploying communications, public affairs, and media/communications to promote policy and campaign messages to professional, political and public audiences. A campaign has been launched to highlight the impact of fatigue on doctors and other health professionals and to change the culture in the health service with regard to well being of those providing healthcare.

Organisational development and future plans

Following the governance review completed in 2014, the board adopted a governance manual in 2015 containing the regulations and procedures to ensure good governance of the organisation.

Further progress has been made with improving finance systems with the ongoing development of the accounting system addressing the charity's current and future needs.

The new Association brand was launched in 2018, and re-branding has been applied to the website and all communications in 2019. Alongside this a new CRM database has been

AAGBI Foundation

Report of the Trustees

For the year ended 31 March 2019

Organisational development and future plans - continued

developed, and the charity is now positioned with a modern IT infrastructure to enable full digitalisation in 2019-20.

The Foundation's major asset is the English Heritage listed building in London. The trustees have established a property strategy task group to consider future requirements including how best to optimise this asset and have appointed professional property advisors to support them with this.

Finance review

Income increased by £84k to £4.65m (2018: £4.56), an increase of 1.85% on the previous year. Voluntary income remained steady at £1.83m (2018: £1.82m). This was in line with expectations for the year. Other sources of income have increased by £76k to £2.82m (2018: £2.74m). This is mainly due to an increase in income from our principal activity of education (conferences, seminars and workshops) increasing by £62k to £1.41m (2018: £1.34m) in the year. Income from investments increased by 11.7% to £333k (2018: £298k).

Resources expended have increased by £122k to £4.52m (2019: £4.40m). This partly reflects the launch of the new brand, investment in new work streams such as advocacy and campaigns and continuing to invest to modernise our infrastructure are part of our digital strategy including an additional £139k spend on staff related costs across accommodation, administration and governance costs.

Net gains on investment assets were £442k (2018: £0k).

In cash terms, the Foundation's bank balances have increased by £353k to £922k (2018: £569k).

Future strategy

For the future, the charity's trustees are committed to continuously improve and develop the core programmes – education, research, international and heritage – and to be responsive to the needs of members of the specialty of anaesthesia. In 2017 the Board and senior management team produced a new 3-5 year long-term strategy, involving wide consultation with members of the Association, staff and other stakeholders. This vision and goals set out in the strategy will be delivered through the annual operational plan and budget, which in turn build on progress made and learning from the last 12 months. The strategy was reviewed and updated in 2019 to take account of progress made.

To support the long term strategy, the board is investing in developing the organisation including funding a new CRM and website to improve communications, so as to go fully digital by 2020, and re-branding to project a stronger profile, reflecting the Association's values and strategic priorities. These will be launched in 2019. The board has established a designated fund for investment in strategic change.

Reserves Policy

Unrestricted reserves of £17.05m as at 31 March 2019 (2018: £16.5m) are held for the future development of the Foundation and its charitable activities. In more detail, £6m of unrestricted reserves fund relate to the Foundation's premises and other tangible fixed assets (2018: £5m). £11.05m of unrestricted reserves are accounted for by cash on deposit and realisable investments, net of commitments, ensuring grant funding and all foreseeable operating expenditure may be met. The substantial increase in this element of the reserves is due to the growth in the value of the Foundation's investment portfolio during the year.

AAGBI Foundation

Report of the Trustees

For the year ended 31 March 2019

The Trustees have set up three designated funds that are included in unrestricted funds. The Development Fund of £233k (2018: £919k), which is to be used for capital projects, including IT and property, where the benefits of such infrastructure investment will materialise in future years. Secondly the Research fund £179k (2018: £201k) to be used as match funding for research projects. The third is a Strategic Development Fund which was set up in 2018/19 to provide initial funding for new works streams of advocacy and campaigns and wellbeing. Restricted reserves were £17k as at 31 March 2019 (2018: £48k).

The level of reserves are regularly reviewed by trustees both as part of the annual budget planning process and in year in order to decide whether to invest from reserves into particular projects or organisational development. As part of the 2020/21 business and budget setting process the management and trustees will be working towards setting a target level for free reserves.

Investment Policy

Under the Articles of Association the Foundation has the power to invest without restriction. The Foundation has adopted an ethical investment policy reflecting its position as a medical charity. The investment policy is kept under review through the Finance and Investment Committee.

The portfolio comprised investment and unit trusts, Treasury stock and direct holdings in shares, in line with the Foundation's agreed policy. The Foundation has set risk objectives, and adopted guidelines on diversification of the portfolio. The performance of investments and policy is regularly reviewed with the assistance of professional investment advisers. The investment policy is reviewed annually.

Report of the Trustees

For the year ended 31 March 2019

Statement of Trustee responsibilities

The trustees (who are also the directors of AAGBI Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

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

Approved by order of the board of trustees on 6/9/19 and signed on its behalf by:



Dr P Barker - Trustee

Report of the Independent Auditors

To the members of the AAGBI Foundation

Opinion

We have audited the financial statements of AAGBI Foundation for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of the charitable company's net movement in funds, including the income and expenditure, 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 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report of the Independent Auditors

To the members of the AAGBI Foundation

Auditor's responsibilities for the audit of the financial statements - continued

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Report of the Trustees have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors

To the members of the AAGBI Foundation

Matters on which we are required to report by exception

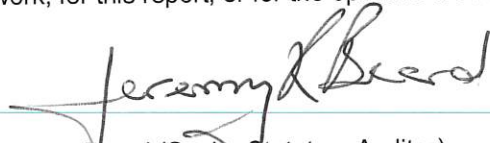
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charity Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jeremy Beard (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
10 Queen Street Place
London, EC4R 1AG
DATE12/11/2019

AAGBI Foundation
Statement of Financial Activities
(Incorporating An Income And Expenditure Account)

For the year ended 31 March
2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
Income and endowments from					
Donations	3	1,747,961	80,110	1,828,071	1,820,089
Charitable activities					
Educational programme	6	1,404,745	-	1,404,745	1,342,883
Other trading activities	4	1,082,893	-	1,082,893	1,103,335
Investment income	5	333,367	-	333,367	298,440
Total		4,568,966	80,110	4,649,076	4,564,747
Expenditure on					
Raising funds	7	76,960	-	76,960	68,443
Charitable activities	8				
Educational programme		3,315,273	8,176	3,323,449	3,235,958
International programme		197,183	112,457	309,640	291,680
Research programme		319,001	-	319,001	293,855
Heritage programme		495,610	-	495,610	513,009
Total		4,404,027	120,633	4,524,660	4,402,945
Net gains/(losses) on investments		442,308	-	442,308	(250)
Net income/(expenditure)		607,247	(40,523)	566,724	161,552
Transfer between funds		(9,043)	9,043	-	-
Total funds after transfers		598,204	(31,480)	566,724	161,552
Reconciliation of funds					
Total funds brought forward (as restated)		16,451,111	48,537	16,499,648	16,338,096
Total funds carried forward		17,049,315	17,057	17,066,372	16,499,648

Continuing operations

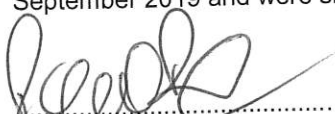
All income and expenditure has arisen from continuing activities.

AAGBI Foundation
Statement of Financial Position
 For the year ended 31 March 2019

	Notes	2019 Total funds £	2018 Total funds £
Fixed assets			
Tangible assets	15	5,908,920	5,254,932
Investments	16	<u>11,026,073</u>	<u>10,370,929</u>
		16,934,993	15,625,861
Current assets			
Debtors	17	330,817	905,671
Cash at bank		<u>921,562</u>	<u>569,259</u>
		1,252,379	1,474,930
Creditors			
Amounts falling due within one year	18	1,121,000	601,143
		<u>1,121,000</u>	<u>601,143</u>
Net current assets		<u>131,379</u>	<u>873,787</u>
Total assets less current liabilities		<u>17,066,372</u>	<u>16,499,648</u>
Net assets		<u>17,066,372</u>	<u>16,499,648</u>
Funds	20		
Unrestricted funds		17,049,315	16,451,111
Restricted funds		<u>17,057</u>	<u>48,537</u>
		17,066,372	16,499,648
Total funds		<u>17,066,372</u>	<u>16,499,648</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006, relating to small charitable companies.

The financial statements were approved and authorised for issue by the Board of Trustees on 6th September 2019 and were signed on its behalf by:



Dr P Barker – Trustee
 Company Registration no 01963975

AAGBI Foundation
Statement of Cash Flows
For the year ended 31 March 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	1	964,011	11,168
Net cash provided by (used in) operating activities		964,011	11,168
Cash flows from investing activities:			
Purchase of tangible fixed assets		(732,239)	(333,685)
Purchase of fixed asset investments		(725,763)	(1,220,129)
Proceeds from sale of fixed asset investments		512,927	870,293
Interest received		1,166	1,052
Listed investment income		332,201	297,388
Net cash provided by (used in) investing activities		(611,708)	(385,081)
Cash flows from financing activities:			
Capital repayments in year		-	(3,700)
Net cash provided by (used in) financing activities		-	(3,700)
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		569,259	946,875
Cash and cash equivalents at the end of the reporting period		921,562	569,259

Notes to the Statement of Cash Flows

For the year ended 31 March 2019

1. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019	2018
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	566,724	161,552
Adjustments for:		
Depreciation charges	78,251	136,182
(Gain)/losses on investments	(442,308)	250
Interest received	(1,166)	(1,052)
Listed investment income	(332,201)	(297,388)
(Increase)/decrease in debtors	574,854	(245,998)
Increase/(Decrease) in creditors	519,857	257,622
Net cash provided by (used in) operating activities	<u>964,011</u>	<u>11,168</u>

AAGBI Foundation

Notes to the Financial Statement

For the year ended 31 March 2019

1. General information

The charitable company is incorporated and domiciled in the United Kingdom. The address of its registered office is 21 Portland Place, London W1B 1PY. The registered number of the company is 01963975 and is registered as a company limited by guarantee in England and Wales. The registered number of the charity is 293575.

The financial information presented is for the year ended 31 March 2019 and 31 March 2018. The financial information is presented in sterling.

The presentation currency of the financial statements is the Pound Sterling (£).

2. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

a) Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The review of our financial position, reserves levels, investments and future plans give the trustees confidence that the charitable company remains a going concern for the foreseeable future.

b) Significant judgements and estimates.

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- (i) Tangible fixed assets. Fixtures and fittings and office equipment are depreciated over their useful lives taking into account residual values, where appropriate.
- (ii) Allocation of costs. The allocation of support and governance costs between charitable and expenditure categories.
- (iii) Impairments. Management makes judgement on whether there are any indications of impairments to the carrying amounts of the charity's assets.

AAGBI Foundation

Notes to the Financial Statement - continued

For the year ended 31 March 2019

2. Accounting policies - continued

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

- (i) Grant income, donation income and sponsorship income is accounted for when receivable and include grants for current expenditure.
- (ii) Income received for a particular restricted purpose is included in restricted funds.
- (iii) Investment income is included when receivable.
- (iv) Income from charitable activities includes income from general conferences, trainee conferences and seminars workshops held during the year. Income received for conferences, seminars and workshops which relates to the next financial year is deferred.
- (v) Income received from the Association of Anaesthetists of Great Britain and Ireland represents recharged expenses relating to staff costs and general overheads incurred by the charitable company under a cost sharing agreement between the Association and the Foundation in 2012.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

VAT

The charity reclaims VAT incurred on goods and services in line with the standard method of partial exemption. Irrecoverable VAT is allocated to the relevant activity in the statement of financial activities.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

Governance costs associated with charity management and constitutional and statutory requirements include direct costs related to this activity and an allocation of administration expenditure

Allocation and apportionment of costs

Support costs include all those overhead costs of office, utility services and other services and costs, which are in support of the activity. They have been allocated to activity cost categories on a basis consistent with the use of resources.

AAGBI Foundation

Notes to the Financial Statement - continued

For the year ended 31 March 2019

2. Accounting policies - continued

Tangible fixed assets

All individual assets with a cost of more than £1,000 or forming part of a larger capital project are capitalised and included in the statement of financial position at cost. The long leasehold is held at historic cost.

The lease of the building was signed in 1954 for 999 years and will continue to have a substantial market value for the foreseeable future. No depreciation has therefore been provided as the property has a high residential value which renders the depreciation amount immaterial.

Depreciation is provided at the following basis:

- Furnishings - 10% straight line
- Equipment - 33% straight line
- CRM- IT project - 25% straight line

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Statement of Financial Position. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the period of the lease.

Pension costs

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the statement of financial activities in the period to which they relate.

Notes to the Financial Statement - continued

For the year ended 31 March 2019

2. Accounting policies - continued

Financial instruments

Financial instruments comprise Listed Investments at fair value, cash, trade and other debtors at amortised cost and trade creditors, other creditors and a finance lease liability at amortised cost.

Fixed asset investments

Investments are included in the statement of financial position at their market value. All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

Cash at bank

Cash at bank includes bank deposit accounts and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are recognised at the invoiced cost prepaid.

Provision for bad debts is recognised for those debts for which there is no likelihood of recovery and a general provision is recognised in the financial statements.

Creditors

Creditors are recognised when the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at the settlement amount.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

AAGBI Foundation
Notes to the Financial Statement - continued
For the year ended 31 March 2019

3. Donations and legacies

	2019 £	2018 £
Unrestricted		
Donation from Association of Anaesthetists	1,750,000	1,750,000
Donations Individuals	(2,039)	19,159
	<u>1,747,961</u>	<u>1,769,159</u>
Restricted		
Donations Individuals	61,336	50,930
Grants	18,774	-
	<u>80,110</u>	<u>50,930</u>
TOTAL DONATIONS	<u>1,828,071</u>	<u>1,820,089</u>

Donations received, included in the above are as follows:

	2019 £	2018 £
The Association of Anaesthetists of Great Britain and Ireland	<u>1,750,000</u>	<u>1,750,000</u>

4. Other trading activities

	2019 £	2018 £
Management charge to Association of Anaesthetists	700,000	700,000
Fee income: e-learning	27,403	17,019
Exhibition stand fees	295,378	302,535
Catering and facilities hire	60,112	83,781
	<u>1,082,893</u>	<u>1,103,335</u>

5. Investment income

	2019 £	2018 £
Listed investment income	332,201	297,388
Interest on cash deposits	1,166	1,052
	<u>333,367</u>	<u>298,440</u>

6. Income from charitable activities

	2019 £	2018 £
General conferences	853,054	775,308
Trainee conferences	170,458	204,827
Seminars and workshops	381,233	362,748
	<u>1,404,745</u>	<u>1,342,883</u>

AAGBI Foundation
Notes to the Financial Statement - continued
For the year ended 31 March 2019

7. Raising funds

	2019	2018
	£	£
Fundraising costs	28,031	22,477
Investment managers fees	48,929	45,966
	<u>76,960</u>	<u>68,443</u>

8. Charitable activities costs

2019 Costs	Direct costs	Grant funding of activities(See note 9)	Support costs (See note 10)	2019 Totals
	£	£	£	£
Educational programme	1,610,711	-	1,712,738	3,323,449
International programme	(1,020)	199,176	111,484	309,640
Research programme	48,433	162,079	108,489	319,001
Heritage programme	131,575	-	364,035	495,610
Total 2019 Costs	<u>1,789,699</u>	<u>361,255</u>	<u>2,296,746</u>	<u>4,447,700</u>

2018 Costs	Direct costs	Grant funding of activities(See note 9)	Support costs (See note 10)	2018 Totals
	£	£	£	£
Educational programme	1,561,979	-	1,673,979	3,235,958
International programme	21,600	194,814	75,266	291,680
Research programme	20,698	201,037	72,120	293,855
Heritage programme	137,745	-	375,264	513,009
Total 2018 costs	<u>1,742,022</u>	<u>395,851</u>	<u>2,196,629</u>	<u>4,334,502</u>

9. Grants payable

	2019	2018
	£	£
International programme	199,176	194,814
Research programme	162,079	201,037
	<u>317,255</u>	<u>395,851</u>

AAGBI Foundation
Notes to the Financial Statement - continued
For the year ended 31 March 2019

9. Grants payable – continued

Research Programme and other grants

The following research projects were funded from unrestricted funds during the course of the year:

	2019	2018
	£	£
NIAA Research Grants, Round 1		
Imperial College London, Charing Cross Hospital	22,236	-
Royal Cornwall Hospital Trust	5,142	-
University of Glasgow	25,239	-
Kings College NHS Trust	21,879	-
Southmead Hospital, Bristol	28,092	-
Sheffield Teaching Hospitals	-	14,569
Barts Health NHS Trust	-	32,643
Portsmouth Hospital NHS Trust	-	4,995
	-	32,423
	<u>102,588</u>	<u>84,650</u>
NIAA Research Grants, Round 2		
Royal United Hospital Bath	4,882	-
Royal United Hospital Bath	17,479	-
Leeds Teaching Hospital NHS Trust	20,000	-
James Cook University Hospital	40,000	-
Derriford Hospital	-	9,900
Cork University, Ireland	-	4,724
Papworth Hospital	-	15,750
Leeds Teaching Hospital	-	11,808
Royal United Hospital Bath	-	4,632
Imperial College	-	4,090
	<u>82,361</u>	<u>50,904</u>
NIAA UK Perioperative Medicine Clinical Trials Network	20,000	-
Grants returned as unspent during the year		
University College Hospitals NHG Foundation Trust	(51,222)	-
University of Nottingham (Sept 2015)	(87)	-
University of Nottingham (June 2016)	(5,188)	-
	<u>(56,497)</u>	<u>-</u>
Total Institutional Grants in the Year	<u>148,452</u>	<u>135,551</u>
Undergraduate Elective Grants		
11(2018:12) grants awarded in year	6,900	6,100
Total Grants to Individuals in Year	<u>6,900</u>	<u>6,100</u>
Total Research Grants in Year	<u>155,352</u>	<u>141,654</u>
Standard Grants – Travel grants for standards work	6,727	6,019
Total Grants Awarded	<u>162,079</u>	<u>147,673</u>

AAGBI Foundation
Notes to the Financial Statement - continued
For the year ended 31 March 2019

9. Grants payable – continued

The total grants paid during the year was as follows:

	2019	2018
	£	£
Individual Grants	13,627	12,119
Institutional Research Grants - unrestricted	148,452	135,555
Institutional Research Grants - Restricted	-	53,364
	<u>162,079</u>	<u>201,037</u>
Research and Other Grants		
International		
The following types of grants were made by the International Relations Committee (IRC) during the course of the year to support international work in low resource countries		
Book Programme	3,246	3,158
Educational Project Grants	41,407	40,116
Travel Grants	19,963	17,286
SAFE, Lifebox and Uganda Fellowship Schemes	134,560	134,254
	<u>199,176</u>	<u>194,814</u>
International programme expenditure		
	<u>361,255</u>	<u>395,851</u>
Total Grants in Year		

10. Support costs

Programme	Accommodation	Administrative	Management	Governance	Totals
2019	expenses	expenses			2019
	£	£	£	£	£
Educational	339,329	759,837	185,854	427,708	1,712,728
International	22,087	49,459	12,098	27,840	111,484
Research	21,496	48,134	11,774	27,095	108,489
Heritage	72,123	161,501	39,503	90,908	364,035
	<u>455,035</u>	<u>1,018,931</u>	<u>249,229</u>	<u>573,551</u>	<u>2,296,746</u>
Programme	Accommodation	Administrative	Management	Governance	Totals
2018	expenses	expenses			2018
	£	£	£	£	£
Educational	405,421	688,706	194,569	385,282	1,673,978
International	18,229	30,966	8,748	17,323	75,266
Research	17,467	29,672	8,383	16,599	72,121
Heritage	90,885	154,391	43,617	86,371	375,264
	<u>532,002</u>	<u>903,735</u>	<u>255,317</u>	<u>505,575</u>	<u>2,196,629</u>

AAGBI Foundation
Notes to the Financial Statement - continued
For the year ended 31 March 2019

11. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Audit fees	7,670	7,447
Non-audit remuneration paid to auditors	1,788	4,540
Depreciation - owned assets	78,251	136,182
Depreciation - assets on hire purchase contracts and finance leases	-	3,938

12. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' expenses

Expenses for travel totalling £38,568 (2018: £31,702) were paid to 28 trustees (2018: 29 trustees).

13. Staff costs

	2019	2018
	£	£
Salaries and wages	1,489,582	1,286,849
Social security costs	136,823	138,981
Pension costs	153,611	119,922
Other staff related costs	287,251	270,467
Total Gross	<u>2,067,267</u>	<u>1,816,219</u>
Less: costs capitalised	(141,650)	(54,688)
	<u>1,925,617</u>	<u>1,761,531</u>

The average monthly number of employees during the year was as follows:

	2019	2018
Events	8	8
Specialist societies	3	4
Facilities	4	4
Governance and management	5	5
Finance	4	4
Other	15	14
	<u>39</u>	<u>39</u>

AAGBI Foundation
Notes to the Financial Statement - continued
For the year ended 31 March 2019

13. Staff costs - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2019	2018
£50,001 - £60,000	2	-
£60,001 - £70,000	1	2
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

The key management personnel of the charitable company are the senior management team, which includes:

- (i) Executive Director
- (ii) Chief Operating Officer
- (iii) Head of Support Services and Information Management
- (iv) Head of Education and Membership Services
- (v) Finance and Business Process Change Manager

The key management personnel received earnings and benefits during the year of £346,283 (2018: £328,779).

AAGBI Foundation
Notes to the Financial Statement - continued
For the year ended 31 March 2019

14. Previous year comparatives for the statement of financial activities

31st March 2018	Unrestricted funds £	Restricted funds £	Total funds £
Income and endowments from			
Donations and legacies	1,769,159	50,930	1,820,089
Charitable activities			
Educational programme	1,368,186	(25,303)	1,342,883
Other trading activities	1,103,335	-	1,103,335
Investment income	298,440	-	298,440
Total	4,539,120	25,627	4,564,747
	£	£	
Expenditure on			
Raising funds	68,443	-	68,443
Charitable activities			
Educational programme	3,216,388	19,570	3,235,958
International programme	236,988	54,692	291,680
Research programme	240,491	53,364	293,855
Heritage programme	513,009	-	513,009
Total	4,206,876	127,626	4,334,502
Net gains/(losses) on investments	(250)	-	(250)
Net income/(expenditure)	263,551	(101,999)	1,61,552
Reconciliation of funds			
Total funds brought forward	16,187,560	150,536	16,338,096
Total funds carried forward	16,451,111	48,537	16,499,648

AAGBI Foundation
Notes to the Financial Statement - continued
For the year ended 31 March 2019

15. Tangible fixed assets

	Long leasehold	Fixtures, fittings and furniture	Office equipment	Totals
	£	£	£	£
Cost				
At 1 April 2018	4,773,120	284,256	645,496	5,702,872
Additions	-	25,682	706,557	732,239
Disposals	-	-	(11,813)	(11,813)
At 31 March 2019	<u>4,773,120</u>	<u>309,938</u>	<u>1,340,240</u>	<u>6,423,298</u>
Depreciation				
At 1 April 2018	-	173,016	274,924	447,940
Charge for year	-	31,754	46,497	78,251
Elimination on disposal	-	-	(11,813)	(11,813)
At 31 March 2019	<u>-</u>	<u>204,770</u>	<u>309,608</u>	<u>514,378</u>
Net book value				
At 31 March 2019	<u>4,773,120</u>	<u>105,168</u>	<u>1,030,632</u>	<u>5,908,920</u>
At 31 March 2018	<u>4,773,120</u>	<u>111,240</u>	<u>370,572</u>	<u>5,254,932</u>

AAGBI Foundation
Notes to the Financial Statement -
continued

For the year ended 31 March 2019

16. Fixed asset investments

	Listed investments
	£
Market value	
At 1 April 2018	10,370,929
Additions	725,763
Disposals	(512,927)
Net Gains	442,308
Net book value	
At 31 March 2019	<u>11,026,073</u>
At 31 March 2018	10,370,929
Investments held within the UK	7,118,527
Investments held outside of UK	3,907,546
	<u>11,026,073</u>

No single asset has a market value of more than 5% of the total portfolio.

The listed investments are held to generate income and provide capital growth to reduce the Foundation's dependence on external funding.

17. Debtors: amounts falling due within one year

	2019	2018
	£	£
Trade debtors	154,312	45,945
Other debtors and accrued income	23,117	35,540
The Association of Anaesthetists of Great Britain and Ireland	-	700,000
Prepayments	153,388	124,186
	<u>330,817</u>	<u>905,671</u>

AAGBI Foundation
Notes to the Financial Statement - continued
For the year ended 31 March 2019

18. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	228,861	287,056
Social security and other taxes	47,846	37,985
Other creditors and accruals	324,263	214,780
Association of Anaesthetists	292,653	-
Deferred income	227,377	61,322
	<u>1,121,000</u>	<u>601,143</u>

Deferred income breakdown

	2019	2018
	£	£
Deferred income at 1 April 2018	61,322	72,480
Amounts released to income from previous years	(61,322)	(72,480)
Amounts deferred in the year	227,337	61,322
Deferred income at 31 March 2019	<u>227,337</u>	<u>61,322</u>

Deferred income comprises income in respect of seminars and meetings which relates to the year ended 31 March 2019.

19. Operating lease agreements

	2019	2018
	£	£
Net obligations repayable:		
Within one year	3,515	-
Between one and five years	5,273	-
	<u>8,788</u>	<u>-</u>

AAGBI Foundation
Notes to the Financial Statement - continued
For the year ended 31 March 2019

20. Movement in funds
2019

	Note	At 01/04/18	Income	Expenditure	Gains/(losses)	Transfers	At 31/03/19
		£	£	£	£	£	£
Unrestricted funds							
General fund	(a)	15,331,091	4,568,966	(4,382,148)	442,308	113,175	16,073,392
Development fund	(b)	918,798	-	-	-	(686,218)	232,580
Research fund	(c)	201,222	-	(21,879)	-	-	179,343
Strategic change fund		-	-	-	-	564,000	564,000
		16,451,111	4,568,966	(4,404,027)	442,308	(9,043)	17,049,315
Restricted funds							
Overseas anaesthesia fund	(d)	(16,642)	14,759	(7,358)	-	9,241	-
THET-SAFE Paediatrics East Africa	(e)	198	-	-	-	(198)	-
THET-SAFE Obstetrics East Africa	(e)	6,567	-	-	-	(6,567)	-
THET-SAFE Malawi		163	-	(163)	-	-	-
THET-SAFE operating rooms- Uganda		20,860	18,774	(39,634)	-	-	-
Roddie McNichol Patient Safety Prize		5,000	-	(300)	-	-	4,700
Safe Africa Campaign		30,237	46,557	(72,660)	-	6,567	10,721
Mentoring scheme - 2016-2021	(f)	518	-	(518)	-	-	-
		46,901	80,110	(120,633)	-	9,043	15,421
Research fund - Wiley	(g)	1,636	-	-	-	-	1,636
Total restricted funds		48,537	80,110	(120,633)	-	9,043	17,057
Total funds		16,499,648	4,649,076	(4,524,660)	442,308	-	17,066,372

AAGBI Foundation
Notes to the Financial Statement - continued
For the year ended 31 March 2019

20. Movement in funds (continued)

2018

	Note	At 01/04/17	Income	Expenditure	Gains/(losses)	Transfers	At 31/03/18
		£	£	£	£	£	£
Unrestricted funds							
General fund	(a)	14,790,293	4,539,120	(4,275,319)	(250)	227,247	15,331,091
Development fund	(b)	1,397,267	-	-	-	(478,469)	918,798
Research fund		-	-	-	-	201,222	201,222
		16,187,560	4,539,120	(4,275,319)	(250)	-	16,451,111
Restricted funds							
Overseas anaesthesia fund	(d)	(16,689)	15,693	(15,646)	-	-	(16,642)
THET-SAFE Paediatrics East Africa	(e)	68,392	(63,982)	(4,212)	-	-	198
THET-SAFE Obstetrics East Africa	(e)	49,362	(15,657)	(27,138)	-	-	6,567
THET-SAFE Malawi		5,321	2,236	(7,394)	-	-	163
THET-ZADP2		(26,029)	2,000	24,029	-	-	-
THET-ZADP3 Lusaka		10,737	29,240	(39,977)	-	-	-
THET-SAFE operating rooms- Uganda		-	20,860	-	-	-	20,860
Roddie McNichol Patient Safety Prize		-	5,000	-	-	-	5,000
Safe Africa Campaign		-	30,237	-	-	-	30,237
Mentoring scheme - 2016-2021	(f)	4,442	-	(3,924)	-	-	518
		95,536	25,627	(74,262)	-	-	46,901
Research fund - Wiley	(g)	55,000	-	(53,364)	-	-	1,636
Total restricted funds		150,536	25,627	(127,626)	-	-	48,537
Total funds		16,338,096	4,564,747	(4,402,945)	(250)	-	16,499,648

AAGBI Foundation

Notes to the Financial Statement - continued

For the year ended 31 March 2019

20. Movement in funds (continued)

Notes

- (a) The Development Fund was created by the Trustees to fund capital infrastructure developments including the new CRM, Website, premises and other organisation improvement as part of the plans to go fully digital by 2020.
- (b) The Research Fund was set up by the Trustees as match funding programme for the award of research grants.
- (c) The Strategic Change Fund has been created by the Trustees to initially fund our Wellbeing and Advocacy and Campaigns work with a view that these work streams will become sustainable
- (d) The overseas anaesthesia fund essentially provides an opportunity for individual donors to contribute to the international work of the foundation. This has been used in advance of future planned income to fund the Ugandan Fellowship program.
- (e) The charitable company has raised grant income mainly from the Tropical Health & Education Trust (THET) towards specific projects: SAFE and the Zambia Anaesthesia Development Project (ZADP). In the year three refunds were made to Tropical Health & Education Trust for projects that had been completed without using the full THET grants.
- (f) The Mentoring scheme, funded by a grant from the Goldhill Trust, supports work to develop the vision of providing a mentoring service for Association members
- (g) The Research fund – Wiley was a research grant received from Wiley Blackwell.

AAGBI Foundation

Notes to the Financial Statement - continued

For the year ended 31 March 2019

21. Capital commitments

Amounts contracted for but not provided in the financial statement amounted to £18,812 (2018: £124,000)

22. Related party disclosures

As per the cost sharing agreement between Foundation and the Association of Anaesthetists of Great Britain and Ireland, the Foundation recharged expenses relating to staff costs and general overheads to Association totalling £700,000 (2018: £700,000).

As at the year end, the Foundation owed the Association £292,653 (2018: The Association owed the Foundation £700,000).

The Foundation is related to the Association of Anaesthetists is the sole corporate member and appoints most of the trustees/directors. The Association is also the main donor of funds to the Foundation.

During the year the Association made cash donations to the Foundation totalling £1,750,000 (2018: £1,750,000).

23. Ultimate controlling party

The Association of Anaesthetists of Great Britain and Ireland, a company limited by Guarantee and registered in England and Wales, has the right to appoint under the Articles of Association the majority of trustees (20 of 25) so is therefore considered as the ultimate controlling party.

The principal activities of The Association of Anaesthetists of Great Britain and Ireland are the advancement of patient care and safety in the field of anaesthesia, the promotion of education and research into anaesthetics; the support of members and development of international co-operation between anaesthetists.