

Manchester Medical Society

Financial Statements

for the year ended 31st March 2011

Manchester Medical Society
Report of the Council of the Society
for the year ended 31st March 2011

The members of the Council of the Society present their report and unaudited financial statements for the year ended 31st March 2011.

Reference and Administrative Information

Charity name	Manchester Medical Society
Charity Registration Number	222800
Principal Office	John Rylands University Library University of Manchester Oxford Road Manchester M13 9PP

Members of the Council of the Society

Professor M Chiswick	President
Professor M W J Ferguson CBE	Past President
Professor A A Woodcock, OBE	President elect
Dr R F T McMahon	Chairman
Dr J Holloway	Honorary Secretary
Dr K J Moriarty, CBE	Honorary Treasurer
Professor J F W Deakin	Honorary Librarian
Dr J P Miller	Investment trustee
Dr J B O'Driscoll	Investment trustee
Professor P A O'Neill }	Representatives of the Council of the University of Manchester
Professor P N Durrington }	
Mr J G Mosley }	Elected members of Council
Dr M P Shelly }	

The Council, who are the trustees of the Society, are elected annually at the Annual General Meeting.

Principal staff

Fiona Lamb	Administrator
Sara Raw	Assistant administrator
Janet Hall	Secretary

Independent Examiner

Paul Cowham ACA DChA
Slade & Cooper Limited
6 Mount Street
Manchester
M2 5NS

Investment Managers

Brown Shipley
One King Street
Manchester
M2 6AW

Bankers

National Westminster Bank plc 11 Spring Gardens Manchester M60 2DB	COIF Charities Deposit Fund 80 Cheapside London EC2Y 6DZ
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Structure, governance and management

Governing document

The Society was formed in 1834 and reconstituted in 1950 when the original Society amalgamated with the Pathological Society of Manchester, the Manchester Surgical Society, the Manchester and District Society of Anaesthetists and the Manchester Odontological Society. The Section of General Practice was formed in 1951 (in 1999 the name was changed to the Section of Primary Care), the Section of Paediatrics in 1964, the Section of Psychiatry in 1970, and the Section of Community Medicine in 1976. In 1992 the Section of Paediatrics and the Manchester Paediatric Club amalgamated. In 2000 the Section of Imaging was formed.

Trustee selection methods

Trustees are elected at the Annual General Meeting from Fellows and Life Fellows of the Society. Trustees are elected for a term of three years but are eligible for re-election at the end of each term. No trustee shall serve in the same post for more than two terms of office.

Organisational structure

The Council function as the management committee and as charity trustees have control of the Society and are responsible for its property and funds. The Council consists of: president, immediate past president, president-elect, chairman, honorary secretary, honorary treasurer, honorary librarian, two investment trustees, two ordinary members of council and two members nominated by the Council of the University of Manchester.

Risk management

Council Members are responsible for the management of risks faced by the Society. Risks are identified, assessed and controls established throughout the year. A formal review of the Society's risk management process is reviewed on a regular basis.

The key controls are:

- Formal agendas for all Society Council and Section Council meetings.
- Detailed regulations for all Section Councils.
- Strategic planning, budgeting and financial planning.
- Clear financial authorisation procedures.

Through the risk management process Council is satisfied that appropriate plans are in place to manage any identified risks.

Objectives and activities

Objects

The cultivation and promotion of all branches of Medicine and of all related Sciences including the continued support of the Medical Library founded by the original Manchester Medical Society and presented to the Victoria University in 1930.

Aims

In pursuance of its objectives the Society arranges, with the assistance of the Councils of the Sections, a comprehensive programme of meetings and seminars during the University of Manchester academic year. In addition the Society promotes and supports a number of meetings in collaboration with other bodies on subjects, which fall within the remit of its objectives. The majority of educational meetings are approved for Continuing Medical Education.

Activities undertaken for public benefit in relation to objects

We confirm that we have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission.

Manchester Medical Society is a major provider of continuing medical education (CME) in the region providing high quality meetings with speakers of national and international renown locally and therefore providing an opportunity for significant savings within the NHS.

The Society organises an annual Christmas lecture for young people, aged approximately 15—18 years old to introduce them to medicine. These lectures are always popular and well attended by schools in the area.

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On Wednesday 16th March 2011 the Manchester Medical Society, in collaboration with The University of Manchester Medical School and the Manchester Medical Careers Society organized a 2nd Medical Careers Fair to which all medical students were invited. Its aim was to: improve the medical student experience whilst at the University of Manchester; expose medical students to some of the current eminent World-renowned Manchester based clinicians and research specialists and to provide them with career guidance. The afternoon consisted of lectures from eminent Manchester based clinicians and researchers, interactive career sessions and skills workshops covering a wide variety of topics. The feedback following the event was extremely positive and it is hoped this will become an annual event.

Chairman's Report

This year we have had an excellent year under the stewardship of Malcolm Chiswick, following on from the end of the 175th anniversary celebrations under Mark Ferguson.

This year Malcolm brought together many distinguished speakers and visitors to Manchester in his two main symposia: the joint meeting with the Royal Society of Medicine culminating in his Presidential Address and the Telford Symposium. The former meeting dealt with broad generic issues in medicine including stimulating talks on genomics, stem cell research, spinal cord repair and the benefits and harms of therapeutic interventions. His own talk on the ethics and clinical practice of birth at the margins of viability was particularly well received. The well supported Telford symposium was primarily related to challenging concepts in paediatric practice, with a stellar cast including the President of the RCPCH, Professor Terence Stephenson. The Christmas Lecture attracted a large attendance as always of interested and enthusiastic pre-university students who were enthralled by Dr Ian Laing's talk on intensive care in premature babies. This year we hosted the joint meeting with the Liverpool Medical Institution and heard a fascinating talk by Professor Peter Dangerfield, LMI President, on paediatric orthopaedic research. The joint meeting with the Manchester and District Medico-Legal Society was well attended and featured another distinguished Royal College President, Professor Sir Sabaratnam Arulkumaran from the RCOG, speaking on the lessons learned from medical negligence cases. The Wilkinson lecture on aspects of Parkinson's disease by Professor Anthony Schapira brought the curtain down on an excellent year organised by Malcolm.

The second Manchester Careers Fair jointly organised with the Manchester Medical School and the Manchester Medical Careers Society was an outstanding success. More than 400 students and recent graduates attended at University Place on 16 March 2011 and heard two outstanding talks from the head of Manchester Medical School, Professor David Thompson, on a career in medicine in the new environment, and our incoming president, Professor Ashley Woodcock, on asthma and the environment. The Society's Sections provided excellent opportunities for our future doctors to find about careers in medicine while the skills workshops gave students access to valuable resources to help plan their future. Immediate and subsequent feedback has been very positive and plans are already underway to build on the success of the first two fairs and to make the next fair even more attractive, to the benefit of the Society and the students.

We look forward to the forthcoming session with our incoming President, Professor Ashley Woodcock, who is planning another exciting year with a perspective on global health among other areas. The individual sections also have innovative ideas to attract wider participation in our meetings which provide tremendous educational and continuing professional development opportunities. I am very grateful for the contributions of the presidents, secretaries and councillors of the individual sections. A survey of the membership is planned to seek the views of Fellows on how best to enhance the profile of the Society and its sections and to attract new membership.

As always the success of the society depends on the contributions of many individuals. I am particularly grateful for the support of my fellow officers and trustees including the investment trustees who maintain our valuable sources of income. The administrative staff provides massive support for all of our activities in an efficient and professional manner. Thanks are particularly due to Fiona, Sara and Janet for their help and friendship. We are delighted to welcome Sara back after her maternity leave for William and thank Fiona and Janet for their enormous efforts in her absence, especially for the second careers fair.

Dr Raymond McMahan
Chairman

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Review of activities

Wednesday 27th October 2010

Joint Symposium with the Royal Society of Medicine “Evolving issues and controversies in medical practice”

The annual joint meeting with the Royal Society of Medicine heard four excellent speakers:

Dr R Zimmern (Chairman, Foundation for Genomics and Population Health; Associate Lecturer, University of Cambridge and Honorary Consultant in Public Health Medicine, Cambridge University Hospitals NHS Foundation Trust) “Genomics and Public Health – what the future really holds”

- **Professor Sir Nicholas Wright** (Warden, Barts and the London School of Medicine and Dentistry) “Stem cell research: who are the beneficiaries?”
- **Professor Sir Michael Rawlins** (Chairman, National Institute for Health and Clinical Excellence) “Pitfalls in assessing the benefits and harms of therapeutic interventions”
- **Professor James Fawcett** (Chairman, Cambridge Centre for Brain Repair) “Repairing the spinal cord”

Annual General Meeting and Presidential Address

After a short break for tea the Annual General Meeting of the Society took place. This was followed in the evening by the Presidential Address of **Professor Malcolm Chiswick**.

Professor Chiswick was appointed Consultant Neonatal Paediatrician at St Mary’s Hospital, Manchester where he developed the Neonatal Medical Unit as one of the country’s leading referral centres for the care of critically ill new born infants. He was made Honorary Professor of Neonatal Medicine at the University of Manchester in 1992 and served for 12 years as Editor of “Archives of Disease in Childhood” – Europe’s leading paediatric scientific journal and he is past President of the British Association for Perinatal Medicine.

From 2002 until 2006 he was Medical Director of Central Manchester and Manchester Children’s University Hospitals NHS Trust. He has published widely on peri-neonatal care and his interests include the causes of perinatal brain damage and medical ethics.

The Presidential Dinner followed in the Restaurant at Chancellors Conference Centre.

Wednesday 17th November 2010

Medico-Legal Lecture

The twelfth annual medico-legal lecture took place and was held jointly with the Manchester & District Medico-Legal Society. Some eighty members and guests from both societies attended the meeting at Chancellors Conference Centre to hear **Professor Sir Sabaratnam Arulkumaran** (President of the Royal College of Obstetricians and Gynaecologists) speak on “Medical negligence – lessons learned”.

Wednesday 8th December 2010

The Hon Dorothy Wedgwood OBE Annual Christmas Lecture for Young People

Dr Ian Laing gave this year’s lecture which was entitled “Intensive care of premature babies”.

Dr Ian Laing is a Consultant Neonatologist in Edinburgh. His lecture described how in the mid 20th Century, newborn babies were often looked after by obstetricians. Expectations of survival of preterm infants were low. The responsibility for their care was subsequently transferred to paediatricians and in the 1960s Special Care Baby Units began to emerge in the United Kingdom. Today the sickest preterm babies are looked after by a team of intensivists led by Neonatologists.

He went on to illustrate the 1970s and how it was not uncommon for babies who were 8 weeks premature (32 weeks gestation) to die from the complications of prematurity, especially immaturity of the lungs. Today newborn infants may survive when delivered 16 weeks early.

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Wednesday 26th January 2011

Symposium “Challenging concepts in paediatric practice” followed by the Telford Memorial Lecture

- **Professor Terence Stephenson** (President of the Royal College of Paediatrics and Child Health)
“Patient safety in paediatric practice: outstanding challenges”
- **Professor Neil Marlow** (Professor of Neonatal Medicine, UCL Institute for Women’s Health)
“Neurodevelopmental outcome following preterm birth: room for improvement”
- **Dr Bonnie Auyeung** (Research Manager, Autism Research Centre, University of Cambridge)
“The male brain and autistic spectrum disorder in childhood”
- **Professor David Edwards** (Weston Professor of Neonatal Medicine, Imperial College London)
“Neuroprotection following birth asphyxia: current concepts”

Telford Memorial Lecture

The forty-sixth Telford Lecture was delivered by **Professor Alan Lucas** (Director, MRC Childhood Nutrition Research Centre, UCL Institute of Child Health) on “A counter-intuitive adventure in early nutrition”.

Thursday 3rd March 2011

Joint Meeting with the Liverpool Medical Institution

Manchester hosted this year’s meeting which was held in the Manchester Dental Education Centre. Liverpool Medical Institution chose the speakers who spoke on the subject of “Paediatric Orthopaedic Research”.

- **Professor Peter Dangerfield** (President of the LMI; Director of Year 1 MBChB at Liverpool University)
- **Mr Dan Perry** (Specialist Registrar in Orthopaedics and Senior Research Fellow, Liverpool University)

Wednesday 16th March 2011

On Wednesday 16th March 2011 the Manchester Medical Society, in collaboration with the University of Manchester Medical School and the Manchester Medical Careers Society, organised the 2nd Medical Careers Fair to which all medical students from years 1-5 were invited to attend. The event exposed the students to some of the current eminent Manchester based clinical academics and also provided them with career guidance. There were two formal lectures: **Professor David Thompson** (Dean of the Manchester University Medical School) “A career in medicine in the new environment; and **Professor Ashley Woodcock OBE** (Head of School of Translational Medicine, University of Manchester and Professor of Respiratory Medicine at the North West Lung Centre) “Asthma and the environment”.

The afternoon comprised of skills workshops and interactive sessions where the medical students benefitted from structured specialty-specific careers guidance, as well as extended informal interaction. Each team comprised eminent consultants as well as middle and junior grade doctors who offered information about their specialty, as well as personal reflections.

Over 400 medical students attended and the feedback both during and after the event was extremely positive.

Wednesday 4th May 2011

John F Wilkinson Memorial Lecture

The final meeting of the session was given by **Professor Anthony Schapira** (Head of Department and Professor of Clinical Neurosciences, Royal Free Hampstead NHS Trust) on “Parkinson’s disease – cause and cure”. Professor Schapira is an expert on Parkinson’s disease and his talk focussed on recent advances in causes and treatment. His research interests include the molecular and clinical aspects of neurodegenerative disease with special emphasis on Parkinson’s disease and other movement disorders.

After the lecture members and guests attended a wine reception and dinner which was held at the Chancellors Conference Centre.

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Achievements and performance

Membership

Membership stands at 1,915 a decrease from last years membership of 1,971. The totals are shown below:

Membership Breakdown	<u>2011</u>	<u>2010</u>
Honorary Fellows	11	11
Life Fellows (not being Honorary Fellows)	312	314
Fellows	1214	1273
Retired Fellows	120	118
Out-of-area Fellows	51	51
Retired out-of-area Fellows	8	3
Overseas Fellows	1	1
Temporary Fellows	2	2
Full Members (Non-Medically qualified)	67	74
Members of Sections	6	5
Honorary Members of Section (Not being Fellows)	12	12
Pre-registration FY1 Doctor/Dentist	10	4
Reduced Rate Years 2-4 after qualification	61	46
Reduced Rate Years 5-7 after qualification	61	56

The following Fellows were elected as Life Fellows in January 2011 having been Fellows or Full Members of the Society for 35 years:-

Gerald Michael Addison	Robert William Johnson
Anand Sheel Ahuja	David James Jolley
Moses Elias Benaim	Peter Kelehan
Archibald Angus Campbell	Ian Alexander McKinlay
John Fawcett Clegg	Anthony Isaac Morris
Peter Talbot Cox	Brian Maurice Newman
Ulhas Chirtamani Dhariyawan	Paul Cedric Sherlock
Garry Hambleton	Andrew David Shepherd
Colin Roy Hardman	David Spurr
David John Hay	Raymond Crawford Routledge

Last year the society introduced a free student affiliate membership to encourage medical students into the society and currently 130 students have joined.

Staff Update

I am pleased to report that the staff team remains the same with Fiona Lamb (Administrator), Sara Raw (Assistant Administrator) and Janet Hall (Secretary). Their excellent work is an essential component of the continuing success of the Society and is greatly appreciated by the Officers and Council of the Society and its individual sections. I should also like to pass on Council's congratulations to Sara who gave birth to William last July and who returned to work in March following maternity leave.

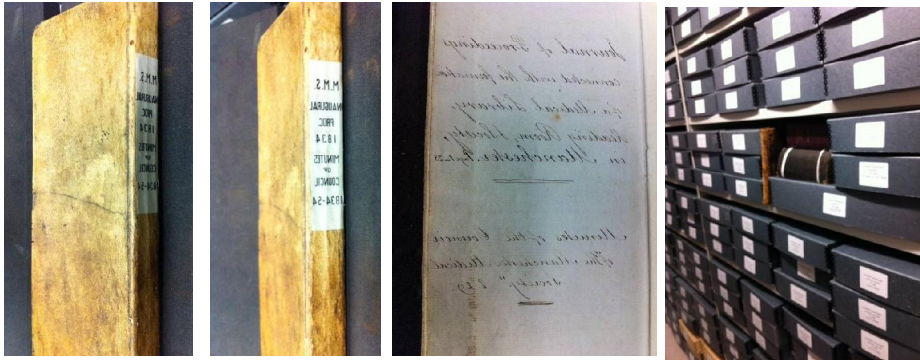
Dr Josanne Holloway
Honorary Secretary
For and on behalf of the Council, 29th June 2011

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Medical Librarian's Report

Archives & Historical issues

1. The Deposit Agreement in which the MMS Archive is on indefinite loan to the John Rylands University Library, was signed on 19/01/11 at a council meeting. The MMS collection is part of the Manchester Medical Collection. It is housed at 18°C under the supervision of James Peters, medical archivist, who showed it to Professor Bill Deakin on 27/06/11. The pictures show the inaugural proceedings of the MMS and the council minutes 1834-54 and a view of the Manchester Medical Collection.



The MMS can withdraw the material at anytime with 6 months notice and sell it with the JRUL having first refusal to buy. But MMS would be charged for the archiving and cataloguing.

2. Manchester Medical Society Manuscripts. This is a virtual collection that includes contains surgeons' and physicians' notebooks, materia medica, pharmacopoeia, lecture notes and treatises on surgery, anatomy, physiology, paediatrics, obstetrics and gynaecology. The majority of texts are in English, but some are in Latin and German, and there are English translations of Continental treatises. Authors include Alexander Monro II (1733-1817), the great Dutch physician Hermann Boerhaave (1668-1738), William Cullen (1710-90), Sir Astley Paton Cooper (1768-1841), John Hunter (1728-93) and Thomas Young. In addition there is a 19th-century receipt book for Manchester Medical Society.
3. Manchester Medical Society library 1000 volumes in 1835. Thomas Windsor MMS librarian increased the stock to 29,000 by 1890. Effectively donated to JRUL in 1875 and ratified in 1930. Not now identifiable as MMS works. Medical Printed Collections include 3000 works printed before 1700 including > 200 incunabula¹. About 4000 18th century books. Located in the Deansgate site they are often exhibited.

¹ A book published before 1500

Comments

It may be useful to MMS to have a section about special collections and archives on our website with links to catalogues that are browseable rather than simply searchable. This link connects to browseable content:

<http://archives.li.man.ac.uk/ead/search/?operation=full&recid=gb133mms>

Faculty of Medicine Library developments

1. New £45M building with 1000+ undergraduate spaces on Moberly Tower site to open in 2012 as mentioned in last years report. No major impact for MMS but may free up space in the vicinity of MMS offices.
2. Principle collection of printed books on Blue 2 in Main Library and duplicates and supplementary reading on 3rd floor Stopford library. Special collections and archives as above. Content Development Policy completed in all subjects. No special implications for MMS except that we could encourage suggestions from sections that BD could take forward.
3. Remote access to electronic journal resources for non-university MMS members is not currently realistic. However, a pilot scheme that could enable remote access is on trial. There are computers in the main library that can access such resources that can be used by non-university staff but this is 'unofficial' and not much help to our members.

Professor Bill Deakin
Honorary Medical Librarian

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Financial review

Reserves Policy

Manchester Medical Society needs to be able to fulfil its objective. This includes its commitment to promote all branches of medicine and related sciences and support the Medical Library.

Reserves currently stand at £696,188 (£646,605 with investments and the remainder in bank accounts which is used to run the Society during the year). It is important that the Society maintains reserves as a third of the income to run the Society comes from the investment income and without it subscription fees for Fellows and Full Members would have to be greatly increased. The surplus is invested in accordance with the Society's investments and financial reserves policy. We aim to maximise interest by prudent investment and to also ensure effective cash flow.

Principal funding sources

Income derives principally from two sources—subscription income and income from the dividends on investments.

Investment policy and objectives

The investment objective for the Manchester Medical Society is to have a balanced portfolio which will maximise overall return and will protect the funds' income and capital against inflation, subject to satisfying the funds' income requirements.

Manchester Medical Society has delegated investment management to Brown Shipley Investment Managers. Brown Shipley has discretionary powers within the terms of this policy. Council are in agreement that no investment may be made in any company that derives 10% or more of its income from tobacco or tobacco-related products.

The performance of the portfolio will be measured against the FTSE 100, FTSE All Share and FTSEA All Government Stocks.

Honorary Treasurer's Report

Income derives principally from two sources. The first is the subscription income, which amounts to £84,129, and the second is income from the investments, which in the current financial year amounted to £22,683. Although expenditure has risen only slightly, it remains a concern that the level of income does not meet the level of expenditure required for the day-to-day running of the Society. It is of interest to note that in 2006 membership of the Society stood at 2,115. However, over the past five years this has gradually reduced and currently stands at 1,971. Income from investments has also fallen over the five year period from £35,235 in 2006 to £22,683. Council therefore recommends an increase in subscription rates from the 1st January 2012.

Finally, I would like to thank Fiona Lamb for her efficient running of the Society's finances and administration.

Dr Kieran Moriarty, CBE
Honorary Treasurer

Investment Trustees Report

At the end of March 2011 the Society's investment portfolio was valued at £646,604. The total return (income and capital) over the Society's financial year was 6.3% which compares with 8.7% and 5.1% for the FT All Share and Government Stocks indices respectively. The overall return therefore is pretty much in line with these benchmarks given that our portfolio consists of a mixture of equity and fixed interest securities. In purely capital terms the equity element slightly underperformed the All Share index (3.7 and 4.2% respectively). However, income, upon which the Society relies for day to day running and to mitigate increases in subscriptions, amounted to £22,600 (3.5%). In the current low-interest environment this is a creditable return for a medium-risk mixed portfolio designed to generate both capital and income.

The relatively modest returns on the Society's portfolio and the Financial Times indices gloss over the considerable volatility that was seen during the course of the year with a 15.5% fall in the All Share index in the spring and early summer of last year followed by a recovery of 27% in early 2011. The problems within the Eurozone and the Japanese earthquake and tsunami have taken their toll and volatility is likely to continue given the parlous state of several economies in the peripheral Eurozone, the political uncertainties in the Middle East and the impact of spending cuts, only now starting to take effect, on the pace of the economic recovery. Interest rates may rise later in the year but the increase is likely to be marginal at least in the medium term.

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Overall our advisors believe that the market is fairly valued and current prices well supported, though there remain several problems to be resolved as described above. It is their opinion that defensive stocks, such as food retailers, manufacturers and utilities, and companies with major overseas earnings, such as oil producers and pharmaceutical companies, are favourably placed and these are well represented in our portfolio.

Once again we should like to thank Mr John Wood and his colleagues at Brown Shipley for their advice and hard work on behalf of the Society.

Dr Paul Miller & Dr John O'Driscoll
Investment Trustees

COUNCIL OF MANAGEMENT

Members who served during the year were:

Malcolm Leon Chiswick	John Paul Miller
Emyr Wyn Benbow	Kieran John Moriarty
Paul Nelson Durrington	John Graham Mosley
Mark William James Ferguson	John Brian O'Driscoll
Josanne Holloway	Paul Anthony O'Neill
Ian Isherwood	Maire Patricia Shelly
Raymond Francis Thomas McMahon	Ashley Arthur Woodcock

At the Annual General Meeting on 27th October 2010 Ian Isherwood retired from the Council and at the end of March 2011 Maire Shelly resigned as she was moving away from the North West.

Statement of responsibilities of the Council of the Society (trustees)

The Council of the Society are responsible for preparing the Council of the Society's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law in England & Wales requires the Council of the Society to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity for that period. In preparing the accounts the Council of the Society are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Council of the Society is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable it to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Council of the Society, who are trustees for the purposes of charity law, who served during the year and up to the date of this report are set out on page 1.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

Approved by the Council of the Society and signed on its behalf by:

..... Dr Josanne Holloway, Honorary Secretary

..... Date

Independent Examiner's Report to the Trustees of

Manchester Medical Society

I report on the accounts of the Society for the year ended 31 March 2011 which are set out on pages 11 to 22.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England & Wales.

It is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 41 of the 1993 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Paul Cowham ACA DChA
Slade & Cooper Limited
Accountants
6 Mount Street
Manchester M2 5NS

Date.....

Manchester Medical Society
Statement of Financial Activities
for the year ended 31 March 2011

	Note	Unrestricted funds £	Restricted funds £	2011 £	2010 £
Incoming resources	2				
<i>Incoming resources from generated funds</i>					
Donations		4,859	581	5,440	16,133
Investment income		22,615	68	22,683	25,033
Activities for generating funds		323	-	323	409
<i>Incoming resources from charitable activities</i>					
Subscriptions		84,129	-	84,129	84,091
Dinners and prizes		26,533	140	26,673	18,919
Total incoming resources		138,459	789	139,248	144,585
Resources expended	3				
Cost of generating funds		3,534	-	3,534	2,724
<i>Charitable activities</i>		148,691	3,930	152,621	146,844
Governance costs		6,565	-	6,565	6,754
Total resources expended		158,790	3,930	162,720	156,322
Net incoming/(outgoing) resources for the year	5	(20,331)	(3,141)	(23,472)	(11,737)
Realised and unrealised loss on investments		19,329	-	19,329	148,279
Transfer between funds		-	-	-	-
Net movement in funds		(1,002)	(3,141)	(4,143)	136,542
Funds at 31 March 2010		638,762	22,076	660,838	524,296
Funds at 31 March 2011		£ 637,760	£ 18,935	£ 656,695	£ 660,838

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

Manchester Medical Society

Balance Sheet as at 31 March 2011

	Note	2011		2010	
		£	£	£	£
Fixed assets					
Tangible assets	10		915		1,640
Investments	11		609,398		609,120
			610,313		610,760
Current assets					
Stock		105		113	
Debtors	12	10,006		12,286	
Cash at bank and in hand	13	59,193		54,744	
			69,304	67,143	
Creditors: amounts falling due in less than one year	14	(22,922)		(17,065)	
			46,382	50,078	
Net current assets			46,382	50,078	
Total assets less current liabilities			£ 656,695	£ 660,838	
Reserves					
Unrestricted funds					
Designated funds	16	8,137		5,780	
General funds	15	628,567		631,926	
			636,704	637,706	
Subtotal			636,704	637,706	
Restricted funds	17		18,935	22,076	
Endowment funds	18		1,056	1,056	
			£ 656,695	£ 660,838	

Approved by the Management Committee and signed on their behalf by:

Dr R F T McMahon (chairman)

Dr K J Moriarty, CBE (treasurer)

Date

Manchester Medical Society
Notes to the accounts
for the year ended 31 March 2011

1 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. They have been applied consistently during the year, and in the preceding year.

a Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Charities Act 1993, the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in March 2005), and the Financial Reporting Standard for Smaller Entities (effective April 2008).

b Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.
- Designated funds are amounts which have been set aside at the discretion of the Council for specific but not legally binding purposes.
- Restricted funds are to be used for specified purposes as laid down by the donor or through the terms of an appeal. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and support costs.
- Endowment Funds consist of funds where the capital may not be spent, but it is invested to produce an income. The income is spent subject to the specific conditions imposed by the donor which are binding on the council of management.

c Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Subscription income is accounted for when received. There is no deferral of subscription income.

d Resources expended

Expenditure is recognised on an accrual basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is included as part of the expenditure to which it relates.

- Cost of generating funds includes the cost of ties, goblets, boxes and books sold as well as costs associated with managing the investments.
- Governance costs of the charity relate to the central costs of management including the costs of meetings, audit and statutory compliance and an apportionment of staff time spent on management and administration of the charity.
- Staff costs and overheads expenses are allocated to activities either directly when identifiable or on the basis of staff time spent on those activities.

Manchester Medical Society

Notes to the accounts for the year ended 31 March 2011 (continued)

1 Accounting policies (continued)

e Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remains with the lessor, are charged to the Statement of Financial Activities in the year in which they fall due.

f Tangible fixed assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. Individual items costing less than £250 are not capitalised.

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

Asset Category	Annual rate
Office equipment, fixtures & fittings	25%

g Investments

Investments are valued at mid market price at the year end date. Realised and unrealised losses in the year are shown on the bottom of the Statement of Financial Activities.

h Stock

Stocks of ties, goblets, boxes and books for resale are valued at the lower of cost and net realisable value.

i Pensions

The charity participates in the Universities Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The liabilities are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustee on the advice of the actuary. In the intervening years, the actuary reviews the progress of the scheme. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the scheme and are accounted for on the basis of charging the cost of providing pensions over the period during which the institution benefits from the employees' services.

There were contributions outstanding / (prepaid) at the balance sheet date of £Nil (2010: £Nil).

j Cash flow statement

The charity has taken advantage of the exemption in Financial Reporting Standard 1 from preparing a Cash Flow Statement on the grounds that it is a small entity.

Manchester Medical Society
Notes to the accounts
for the year ended 31 March 2011 (continued)

2 Incoming resources

	Unrestricted £	Restricted £	Endowment funds £	Total 2011 £	Total 2010 £
Incoming resources from generated funds					
<i>Legacies and donations</i>					
Legacies	-	-	-	-	10,000
Donations	4,859	581	-	5,440	6,133
	<hr/> 4,859	<hr/> 581	<hr/> -	<hr/> 5,440	<hr/> 16,133
<i>Investment income</i>					
Dividends and interest	22,604	-	-	22,604	24,923
Bank interest	11	68	-	79	110
	<hr/> 22,615	<hr/> 68	<hr/> -	<hr/> 22,683	<hr/> 25,033
<i>Activities for generating funds</i>					
Fundraising & other income	323	-	-	323	409
	<hr/> 323	<hr/> -	<hr/> -	<hr/> 323	<hr/> 409
Incoming resources from charitable activities					
<i>Subscriptions</i>					
	84,129	-	-	84,129	84,091
	<hr/> 84,129	<hr/> -	<hr/> -	<hr/> 84,129	<hr/> 84,091
<i>Dinners and prizes</i>					
Members' contributions for dinners and sponsorships	23,963	140	-	24,103	17,069
Sponsorship for prizes and awards	2,570	-	-	2,570	1,850
	<hr/> 26,533	<hr/> 140	<hr/> -	<hr/> 26,673	<hr/> 18,919
	<hr/> 26,533	<hr/> 140	<hr/> -	<hr/> 26,673	<hr/> 18,919
Total incoming resources	<hr/> <hr/> £ 138,459	<hr/> <hr/> £ 789	<hr/> <hr/> £ -	<hr/> <hr/> £ 139,248	<hr/> <hr/> £ 144,585

Manchester Medical Society
Notes to the accounts
for the year ended 31 March 2011 (continued)

3 Resources expended

	Cost of Generating Funds £	Restricted Funds £	Sectional funds (designated) £	Charitable activities £	Support costs £	Governance £	Total 2011 £	Total 2010 £
Office expenditure	-	-	-	11,487	-	-	11,487	12,146
Honorarium	-	-	-	-	-	-	-	350
Annual report	-	-	-	-	-	4,104	4,104	4,344
Prizes	-	1,780	1,850	830	-	-	4,460	3,980
Depreciation	-	-	-	725	-	-	725	882
Direct debit service	-	-	-	1,142	-	-	1,142	1,482
Grant to library	-	-	-	10,000	-	-	10,000	10,000
175th anniversary celebration	-	-	-	-	-	-	-	(922)
Meeting expenses	-	2,150	-	23,249	-	-	25,399	20,493
Service charge to MANDEC	-	-	-	2,200	-	-	2,200	2,200
Professional fees	3,534	-	-	313	-	2,461	6,308	5,441
Rent for use of library	-	-	-	500	-	-	500	500
Salaries & pensions	-	-	-	80,143	-	-	80,143	86,712
Section meetings (dinners)	-	-	4,033	12,219	-	-	16,252	8,164
Other costs	-	-	-	-	-	-	-	550
Total resources expended	£ 3,534	£ 3,930	£ 5,883	£ 142,808	£ -	£ 6,565	£ 162,720	£ 156,322
Total resources expended 2010	£ 2,724	£ 5,922	£ 6,449	£ 134,473	£ -	£ 6,754	£ 156,322	

Manchester Medical Society

Notes to the accounts for the year ended 31 March 2011 (continued)

4 Corporation tax

The charity is exempt from tax on income and gains falling within S505 of the Income & Corporation Taxes Act 1988 (ICTA 1998) or S256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

5 Net incoming/(outgoing) resources

This is stated after charging/(crediting) the following:

	2011 £	2010 £
Independent examiner's remuneration	2,461	2,410
Depreciation	725	882
	<hr/> <hr/>	<hr/> <hr/>
Independent Examiner's remuneration comprised:		
Independent examination	1,230	1,205
Accountancy	1,231	1,205
	<hr/>	<hr/>
	£ 2,461	£ 2,410
	<hr/> <hr/>	<hr/> <hr/>

6 Staff costs

Staff costs during the year were as follows:

	2011 £	2010 £
Wages and salaries	64,136	71,290
Social security costs	4,959	5,110
Pension costs	11,049	10,312
	<hr/>	<hr/>
	£ 80,144	£ 86,712
	<hr/> <hr/>	<hr/> <hr/>

The average number of employees during the year calculated on the basis of full time equivalents was as follows:

Administrator	1.0	1.0
Administrative assistants	2.0	2.0
	<hr/>	<hr/>
Total	3.0	3.0
	<hr/> <hr/>	<hr/> <hr/>

The number of employees earning over £60,000 per annum excluding pension contributions was nil (2010: nil).

Manchester Medical Society
Notes to the accounts
for the year ended 31 March 2011 (continued)

7 Pension

The institution participates in the Universities Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme and hence contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost recognised within the surplus/deficit for the year in the income and expenditure account being equal to the contributions payable to the scheme for the year.

The latest actuarial valuation of the scheme was at 31st March 2008 by Mr E S Topper of Mercer Limited. The results of the valuation can be summarised as follows:

- 1 The employer's contribution rate is maintained at 16% of annual salary (from 1 October 2009, prior to which it was 14%) and the employees' contribution rate is maintained at 6.35% of annual salary.
- 2 The assets of the scheme at the valuation date were 71% of the accrued liabilities based on projected pensionable salaries with a past service deficit of £11,777 million.
- 3 The scheme is 107% funded in terms of the PPF regulations introduced by the Pensions Act 2004.
- 4 The valuation includes a reserve of £1.35 billion to take account of recent promotional salary experience. Further analysis of promotional salary increases will be carried out to determine whether the unexpectedly high rate of increase in 2002-08 has been a temporary phenomenon or represents a long term trend.
- 5 The contribution rate will be subject to review at the next actuarial valuation which is due to take place on 31 March 2011. Depending on the analysis of promotional salary increases and other factors, it may be necessary to consider the contribution rate in advance of the next actuarial valuation.
- 6 Although not referred to in the valuation report and not a requirement for USS, the actuary has estimated that the funding level at 31 March 2008 using the FRS18 formula was approximately 104%.

Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment. The next formal actuarial valuation is due as at 31st March 2011 when the above rates will be reviewed.

The total pension cost for the institution was £11049 (2010: £10312). The contributions outstanding at the balance sheet date were nil (2010: Nil). The contribution rate payable by the institution was 16% of pensionable salaries from 1 October 2009, prior to which it was 14%.

The society's share in the fund is extremely small and the trustees do not feel it is appropriate to make any further disclosures in the body of the accounts.

8 Trustees' remuneration and expenses

Neither the trustees nor any persons connected with them received any remuneration during the year.

None of the trustees received travel and subsistence expenses during the year (2010: Nil).

9 Related parties

The Council considers the Catherine Chisholm Lecture Fund to be a connected charity. The principal contact address and administration are located at the offices of Manchester Medical Society, where a copy of the annual report can be obtained.

The charity owed £799 to the Catherine Chisholm Lecture Fund at the year end (2010: £795).

Manchester Medical Society
Notes to the accounts
for the year ended 31 March 2011 (continued)

10 Fixed assets: tangible assets

	Office equipment £
Cost	
At 1 April 2010	19,567
Additions	-
	£ 19,567
Depreciation	
At 1 April 2010	17,927
Charge for the year	725
	£ 18,652
Net book value	
At 31 March 2011	£ 915
<i>At 31 March 2010</i>	<i>£ 1,640</i>

11 Fixed assets: investments

Manchester Medical Society holds a portfolio of listed securities managed on their behalf by Brown Shipley. Analysis of change in investments during the year:

	2011 £	2010 £
Market value at 1 April 2010	609,120	492,635
Additions at cost	136,329	212,756
Disposals	(155,380)	(244,550)
Realised and unrealised gain/(loss)	19,329	148,279
	£ 609,398	£ 609,120
	£ 591,186	£ 581,046

Manchester Medical Society
Notes to the accounts
for the year ended 31 March 2011 (continued)

11 Fixed assets: investments (continued)

Investment in individual entities held at 31 March 2011 which are over 5% of the portfolio by value are:

	Market Value £
Murray Income Trust	34,760
Fil Investment services (UK) Ltd	33,213

12 Debtors

	2011 £	2010 £
Income tax receivable	4,053	3,549
Other debtors	265	100
Prepayments	5,688	8,637
	<hr/>	<hr/>
	£ 10,006	£ 12,286
	<hr/> <hr/>	<hr/> <hr/>

13 Cash at bank and in hand

	2011 £	2010 £
Bank and cash held by Manchester Medical Society	20,903	32,110
Bank and cash held by Brown Shipley on behalf of the Society	38,290	22,634
	<hr/>	<hr/>
	£ 59,193	£ 54,744
	<hr/> <hr/>	<hr/> <hr/>

14 Creditors: amounts falling due in less than one year

	2011 £	2010 £
Bank overdraft	8,864	11,316
Other creditors	799	795
Accruals	13,259	4,954
	<hr/>	<hr/>
	£ 22,922	£ 17,065
	<hr/> <hr/>	<hr/> <hr/>

Manchester Medical Society

**Notes to the accounts
for the year ended 31 March 2011 (continued)**

15 Reserves

	Unrestricted funds		Restricted funds £	Endowment funds £	Total £
	Designated £	General £			
Balance brought forward 1 April 2010	5,780	631,926	22,076	1,056	660,838
Net outgoing/incoming resources	3,369	(23,700)	(3,141)	-	(23,472)
Transfers (restricted)	-	-	-	-	-
Transfers (designated)	(1,012)	1,012	-	-	-
Gains/(losses) on investments	-	19,329	-	-	19,329
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance carried forward 31 March 2011	8,137	628,567	18,935	1,056	656,695
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

16 Designated funds

	<i>As at 1 April 2010</i>	Incoming resources	Outgoing resources	Transfers	As at 31 March 2011
Dinners excess funds					
Medical	40	160	(172)	-	28
Surgical	-	6,225	(4,033)	131	2,323
Pathology	-	61	(176)	115	-
Anaesthesia	-	11,805	(10,301)	(1,100)	404
Odontology	-	870	(826)	(4)	40
Psychiatry	-	-	-	-	-
Imaging	5,586	500	(744)	-	5,342
Medical careers fair	154	-	-	(154)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	£ 5,780	£ 19,621	£ (16,252)	£ (1,012)	£ 8,137
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Funds have been designated by the management committee for the following purposes:

The NHS Educational Grant has been designated by the Council to be used for special educational purposes.

Surpluses on sectional dinners have been designated by the Council for use by the section of the Society where the excess was generated.

Manchester Medical Society

Notes to the accounts for the year ended 31 March 2011 (continued)

17 Restricted funds

	<i>As at 1 April 2010</i>	Incoming resources	Outgoing resources	Transfers	As at 31 March 2011
	£	£	£	£	£
K Bloor Memorial Fund	4,609	18	(750)	-	3,877
A Hunter Memorial Fund	8,046	615	(750)	-	7,911
J Steward Memorial Fund	2,113	12	-	-	2,125
Primary Health Care Fund	1,644	-	-	-	1,644
Paediatric Club	5,664	144	(2,430)	-	3,378
	<hr/>				
	£ 22,076	£ 789	£ (3,930)	£ -	£ 18,935
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Restricted funds represent monies to be used for the following specific purposes:

Memorial Funds:

Kenneth Bloor - established in 1986 to provide scholarships to assist surgeons in training to travel to other centres.

Andrew Hunter - established in 1992 to provide financial assistance for trainee anaesthetists to travel to other centres.

Jake Steward - transferred to the charity in 1995 following the amalgamation with the Manchester Paediatric Club. The income arising is used to finance a triennial lecture on a subject related to paediatric oncology.

Other funds:

The primary care fund was established in 2000 to administer the health authority grants received for the new primary care section.

Paediatric Club - This represents funds allocated separately by the paediatric section of the society and spent on that sections activities.

18 Endowment funds

	<i>As at 1 April 2010</i>	Incoming resources	Outgoing resources	As at 31 March 2011
	£	£	£	£
Cooper bequest	1,056	-	-	1,056
	<hr/>	<hr/>	<hr/>	<hr/>

The Cooper Bequest was established in 1991 as an endowment fund, the capital of which must remain intact. The income arising is used to purchase books for the medical library.

19 Analysis of net assets between funds

Fund balances at 31 March 2011 are represented by:

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	915	-	915
Investments	609,398	-	609,398
Net current assets	27,447	18,935	46,382
	<hr/>	<hr/>	<hr/>
Total net assets	£ 637,760	£ 18,935	£ 656,695
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>