

**The Association
of Upper
Gastrointestinal
Surgeons of
Great Britain &
Ireland (AUGIS)**

**Annual Report and
Financial Statements**

31 May 2019

Charity Registration Number
1093090

Contents

Reports

Legal and administrative information	1
Report of the Council	3
Independent auditor's report	13

Financial statements

Consolidated statement of financial activities	16
Balance sheets	17
Consolidated statement of cash flows	18
Principal accounting policies	19
Notes to the financial statements	23

The following pages do not form
part of the statutory financial statements:

Consolidated detailed income and expenditure statement	30
---	----

Legal and administrative information

Members of the Council

Professor Giles Toogood	President
Mr Nicholas Maynard	President Elect
Mr Adrian O' Sullivan	Honorary Secretary
Mr Simon Galloway	Honorary Secretary Elect
Mr Stephen Fenwick	Honorary Treasurer
Mr Mark Taylor	Education, Training and Research Lead
Mr Andrew Smith	Education, Training and Research Lead Elect
Mr Iain Cameron	Chair of Clinical Services, Audit and Corporate
Professor David Kerrigan	Bariatric Lead
Mr Vinod Menon	BOMSS Representative
Louise Jones	CNS/AHP Representative; HPB CNS
Bernadette Fairley	CNS/AHP Representative; OG CNS
Mr James Gossage	OG Cancer Lead
Mr Mark Taylor	HPB Lead
Professor Ashraf Rasheed	OG Benign Lead
Mr Peter Small	NBSR Chair
Mr Jim Byrne	BOMSS Treasurer
Mrs Siobhan McKay	Trainee Member Representative
Mr Dinesh Sharma	Regional Representative; North Thames
Mr Richard Krysztopik	Regional Representative; South West
Mr Andrew Kennedy	Regional Representative; Northern Ireland
Mr Bilal Al-Sarireh	Regional Representative; Wales
Mrs Naheed Farooq	Regional Representative; North West & Mersey
Mr Bhaskar Kumar	Regional Representative; East Anglia
Mr Martin Wadley	Regional Representative; West Midlands
Mr Zahir Soonawalla	Regional Representative; Oxford & Wessex
Matthew Forshaw	Regional Representative; Scotland
Mr Krishnamurthy Ravi	Regional Representative; Trent
Miss Cynthia Borg	Regional Representative; South Thames
Mr Shajahan Wahed	Regional Representative; North Yorkshire
Mr Keith Roberts	SSL in Pancreatic Cancer
Professor Tim Underwood	SSL in Oesophageal Cancer
Robert Jones	SSL in CRLM
Mr Y K S Viswanath	ALSGBI Representative
Mr Shahab Siddiqi	ACPGBI Representative

Council members shown in **bold** are also members of AUGIS executive.

Legal and administrative information

Principal office Royal College of Surgeons of England
35 – 43 Lincoln's Inn Fields
London
WC2A 3PE

Telephone 0207 869 6116/6115
Email sarvjit@augis.org/nichola@augis.org
Website www.augis.org

Charity registration number 1093090

Auditor Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Bankers Coutts & Co
Commercial Banking
440 Strand
London
WC2R 0QS

National Westminster Bank plc
243 Glossop Road
Sheffield
S10 2HA

Report of the Council Year to 31 May 2019

The Council present the statutory report together with the financial statements of The Association of Upper Gastrointestinal Surgeons of Great Britain & Ireland (AUGIS) and its subsidiary company AUGIS Trading Ltd (together the 'Group' or 'consolidated') for the year ended 31 May 2019.

The financial statements have been prepared in accordance with the accounting policies set out on pages 19 to 22 of the attached financial statements and comply with the charity's trust deed, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

Structure, Governance and Management

The Association is governed by the Council drawn from the members of the Association. The members of the Council are trustees of the charity for the purposes of the Charities Act 2011. The Council consists of:

- ◆ The Executive Officers (President, President Elect, Honorary Treasurer, and Honorary Secretary and BOMSS President, BOMSS Secretary and GBIHPBA President).
- ◆ The Chairmen of the Committees (Education, Training & Research, Clinical Services and Audit).
- ◆ The Regional Representatives.
- ◆ A representative of the Association of Coloproctology of Great Britain and Ireland (ACP).
- ◆ A representative of the Association of Laparoscopic Surgeons of Great Britain and Ireland (ALS).
- ◆ The President of the OG Group.
- ◆ The AUGIS trainees' representative.
- ◆ The Nurse/Allied Health Professional members' representative.
- ◆ The Communications Officer.

Other Council Members may be co-opted by the Council.

Report of the Council Year to 31 May 2019

Structure, Governance and Management (continued)

Nominations for the President and Officers are sought from the membership and Council decide by ballot which nominations to recommend to the membership at the Annual General Meeting. A President Elect is approved up to two years before becoming President.

The Chairmen of the Committees are selected by the Council for election at the Annual General Meeting.

The Trainee Members' Representative is nominated by the trainee members and elected by the Council.

The Affiliate Members' Representative is nominated by the affiliate members and elected by the Council.

The Regional Representatives are elected by members of the regions following invitations for nomination and a ballot.

Members of the Council

The following members of council represented AUGIS on the council of the associations or organisations as indicated:

Mr Iain Cameron	ACP
Professor Giles Toogood	ALS and ASGBI
Mr Stephen Fenwick	BOMSS
Mr Bhaskar Kumar	BSG

In addition to Council Members listed on page 1, the following Members also served on AUGIS Council during the year to 31 May 2019:

Council Members	Appointed/End of term of office
Professor Ashley Dennison	GBIHPA President (demitted September 2018)
Mr Shaw Somers	Bariatric Lead (demitted September 2018)
Orla Evans	CNS/AHP Representative (demitted September 2018)
Mr Nick Everitt	Communications Officer (demitted September 2018)

Out of pocket travelling expenses totalling £11,537 (2018 - £10,395) were reimbursed to 15 members (2018 - 15 members) members of the Council during the period. No members of the Council had any beneficial interest in any contract with the charity during the year (2018 -- none).

Structure, Governance and Management (continued)

Key management personnel

The members of the AUGIS executive consider that they, supported by the specialty managers, comprise the key management of the charity in charge of directing and controlling, operating and running the charity on a day to day basis.

Members of the AUGIS executive are not remunerated for their services. The remuneration of the specialty managers is decided upon by the Council Members, based on comparison with similar organisations.

Organisation structure

The administration of the charity is carried out by two full-time salaried general managers at the offices of the Association of Surgeons of Great Britain and Ireland (Charity registration number 1068016), a charity with related objects and activities. The expenditure incurred on administration and office services has been recharged to AUGIS at cost.

The AUGIS Sub-Committees listed below are led by the Chairs of the respective groups and consist of members of the Council and ordinary members of the Association. The individual memberships are listed in the relevant sections of this report. The Committees are:

ROUX Group;
BOMSS Council; and
GBIHPBA Committee; and
AHP/CNS Committee

In addition, the Chairs of the following groups co-opt council members and ordinary members as appropriate to assist with:

Clinical Services and Audit; and
Education Research and Training.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and the group and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;

Structure, Governance and Management (continued)

Statement of trustees' responsibilities (continued)

- ♦ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Subsidiary company

AUGIS has one wholly owned subsidiary, AUGIS Trading Limited, with an issued share capital of £2. AUGIS Trading Limited, Company Registration No. 06380156, registered office Royal College of Surgeons of England, 35-45 Lincoln's Inn Fields, London, WC2A 3PE, carries out the Association's commercial operations raising sponsorship on its behalf for their annual meetings.

Risk management

The Council is aware of the need to assess the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity and its finances. The Council has assessed the major risks and in doing so, the Council has established effective systems to mitigate the risks identified.

The honorary secretary is responsible for maintaining a risk register for the Association. This identifies the key risks to the Association and the processes put in place to mitigate those risks. The risk register is reviewed by all trustees at each full Council meeting three times a year, and updated accordingly.

The major risk to the organisation is that the cost of administering the association exceeds the income generated. This risk has been mitigated through sound financial planning, an increase in member subscription rates, and close working with our commercial partners to ensure continued support of the charitable activities of the Association.

Objectives and Activities

Principal aims and objects

AUGIS aims to provide a structure for training objectives, foster developments in upper gastrointestinal surgery, promote educational and academic objectives and act as a liaison under the umbrella of the Association of Surgeons of Great Britain & Ireland (ASGBI) with the Senate of Surgery, the Royal Colleges, the Specialists Advisory Committee and other surgical and academic bodies.

The overall objective of the Association is the advancement of the science and practice of upper gastrointestinal surgery.

Public benefit statement

The trustees confirm that they have complied with their duty under the Charities Act. They have considered the public benefit guidance published by the Charity Commission and believe that they have followed its guidance in this area. The annual report gives a detailed description of the activities undertaken by the charity during the period in furtherance of its charitable purposes, and the trustees are satisfied that all such activities provide a public benefit.

Fundraising statement

The charity does not actively solicit donations and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the charities aim to protect personal data and never sell data or swap data with other organisations. During the year ended 31 May 2019, the charity received no complaints about its fundraising activities.

Activities

In pursuit of the Association's aims and objectives, the Council meets regularly to consider developments within the field of upper gastrointestinal surgery and identify those areas that merit further work. Where necessary, funding is provided to allow this work to be completed.

General and scientific meetings are held each year which provide an educational forum designed to promote standards in training in upper gastrointestinal surgery and endoscopy. Speakers of national and international repute are invited and the Association is supported by a lectureship through the British Journal of Surgery Society. Presentations are also welcomed from the clinical and scientific fields and are selected by the programme committee and the best papers compete for the "BJS Prize".

In addition two of the three sub-specialty groups within AUGIS; The British Obesity and Metabolic Surgery Society (BOMSS) and the Great Britain and Ireland Hepato Pancreaticobiliary Association (GBIHPBA), hold their own regular stand-alone meetings.

Achievements and Performance

A.) AUGIS

Over the past year we have had a number of very successful meetings including the AUGIS Annual Scientific Meeting (ASM) in Edinburgh the BOMSS ASM in Belfast and the inaugural ROUX Group Meeting in Chesford Grange. The meetings remain critical for generating income for the association. To ensure the sustainability of the association we increased our consultant, trainee and AHP member rates in January, bringing us in line with comparable associations. With this extra income we are looking at improving the way we engage and interact with our membership and will invest in an updated website with closed member only forums for support and discussion. Since our separation from ASGBI we are running our own membership database and have full control of Association funds.

The AUGIS office is increasingly busy and as a result we are looking to recruit an extra member of staff to assist with the increase in workload. We have a busy year ahead; with AUGIS in Liverpool in September 2019, BOMSS in Aberdeen in January 2020, the 2nd ROUX Meeting in Chesford Grange and of course our combined 2020 UGI Meeting which will take place in Belfast on 14-16 October 2020.

Liverpool 2019 is the warm up for next year's "UGI Congress 2020" in Belfast. This big meeting includes AUGIS, BOMSS, GBIHPBA, EUS Society, Pancreatic Society and The ROUX Group as well as a large contingent of surgeons from China. Each of these organisations have fully committed to the Belfast meeting which is very exciting. The news of this conference has also been warmly welcomed by industry who seem very pleased to be able to focus their efforts on one large meeting. We have already set up both a Scientific Committee chaired by Ian Beckingham and a Management Committee chaired by Nick Maynard. Both committees have already made excellent progress.

We have also been successful in producing our mission statement. The Committee experienced and enjoyed a successful CNS/AHP event at the AUGIS Conference 2018, which had positive feedback overall for the Conference.

The AHP/CNS committee have focused on nominating key individuals into regional representative posts, to increase the AHP/CNS membership and consolidate the current Committee's position. The overall aim originally was to try and get a CNS and a dietician as representatives for each region. The committee will work closely with the AUGIS Council, to help increase overall membership and recruitment, this will cover membership and vacancies in regional representation.

AUGIS is really making an effort to truly represent all team members of both benign and cancer upper gastrointestinal units. We also want to be a home for liver transplant and they have very successfully kept all the colorectal surgeons of Great Britain and Ireland together under one roof. Our new trainee group, "ROUX Group". The stunning training weekend we had earlier this year in Leamington Spa was full of trainee Upper GI surgeons wanting to work together and wanting their seniors to do the same. In addition, we have recently appointed three SSL's to the team.

Achievements and Performance (continued)

A.) AUGIS (continued)

The NOGCA and BOMSS audits are continuing to collect data and the feasibility of securing funding for a national HPB audit, possibly looking at resection rates for colorectal liver metastases.

In addition, we are pushing ahead with our programme of trainee and emergency surgery focussed AUGIS meetings delivered at regional level. There have been several recent examples of successful meetings in Trent, Yorkshire and the South West, plus a very popular joint meeting with the Association of Coloproctology in the North West.

AUGIS is trying to listen to all members and wants to engage and recently met the leaders of the Emergency General Surgery group; the National Forum for Acute Surgery. AUGIS has agreed to work closely, look to have representation on each other's Councils and be supportive in common areas of interest. We are stronger together.

B.) BOMSS

The BOMSS highlight of the new year was a well attended Annual Scientific Meeting (ASM) at the Europa Hotel Belfast in January. The 'most bombed hotel' in the world with stunning décor, provided great hospitality and conference facilities. The training day attracted around 100 delegates and the interactive political symposium on 'Obesity services in Northern Ireland' will hopefully provide the impetus to setting up a comprehensive morbid obesity & bariatric service. The inaugural session focussed on one of our key objectives – 20,000 NHS bariatric procedures a year – an impossible dream? Increasing access, obstacles and solutions, tariff and affordability were discussed. We also heard the Nordic perspective from Dr Paulina Salminen and the Swiss perspective from Dr Ralph Peterli. We also listened to the legal issues including patients' rights from a senior barrister in London. Dr Boru from Rome spoke about hiatal hernia surgery in morbidly obese patients. The first of the debates was on whether only bariatric surgery with published randomised controlled trial (RCT) data should be applied outside of a research setting. The second debate analysed RCT data comparing sleeve gastrectomy and gastric bypass. We also heard BOMSS research activities from Yitka Graham and trainees' needs and aspirations from Corinne Owers. Jim Byrne provided up to date information about Byband-sleeve trial.

BOMSS continues to work very closely with AUGIS Council, we were delighted to have several AUGIS executive colleagues at our council meeting and ASM in Belfast. Executive level meetings across both societies is now a regular feature and we will be coming together to host a joint meeting involving AUGIS, BOMSS, GBIHPBA, Pancreatic Society & EUS users group in Belfast in October 2020.

Achievements and Performance (continued)

B.) BOMSS (continued)

Peter Small leads a very vibrant and active NBSR committee, the registry has more than 70,000 patients on the database (and growing). COP 2017/18 will be published over the next few weeks clearly demonstrating excellent outcomes and safety of such surgery. COP 2018/19 will also be published in a few months' time bringing the cycle back on track. NBSR is one of the largest bariatric surgical databases in the world and we are one of the main contributors to IFSO global registry. A number of interesting publications are underway, we are working with PHIN (Private Health care Information Network) to help ensure robustness of data that gets published in the public domain regarding surgery provided in the private sector. The committee is working with Dendrite to generate individual consultant / trust reports that can be used for appraisals & to inform discussions with commissioners in addition to developing patient reported outcome measures (PROM) relevant to bariatric surgery.

GDPR regulations and introduction of new IT systems for AUGIS / BOMSS have seen a reduction in membership numbers.

In March, Corinne Owers ran a successful training day in Doncaster and our winter meeting in Covara was enjoyable and educational as always. September will be a busy month with IFSO 2019 in Madrid and the AUGIS meeting in Liverpool with a broad bariatric spread on the programme.

BOMSS Council will also be working closely with International Bariatric Club (IBC) who run fantastic meetings and have active social media presence and it would be great to learn from each other. Mary O'Kane and colleagues are working on BOMSS nutritional guidelines and a one page executive summary on 'Psychology guidance' will be uploaded on to our website soon.

Financial Review

Financial report for the period

The consolidated statement of financial activities on page 16 shows income for the year of £563,000 (2018 - £673,000) and total expenditure in the year was £484,000 (2018 - £517,000).

Subscription income from AUGIS members amounted to £95,000 (2018 - £73,000). In addition, a further £38,000 of BOMSS subscriptions has been included in the financial statements for the year ended 31 May 2019 (2018 - £29,000).

The annual scientific meeting was held in Edinburgh in September 2018, a surplus of £83,000 was made on costs (2019 -- £28,000).

Financial Review (continued)

Financial report for the period (continued)

Income from BOMSS Annual Scientific Meeting, which was held in Belfast in 2019, totalled £156,000 (2018 - £144,000 from the 2018 BOMSS Annual Scientific meeting in Telford). This comprised £58,000 (2018 - £54,000) from registration fees and £98,000 (2018 - £90,000) from sponsorships. The direct costs of holding the meeting totalled £96,000 (2018 - £89,000).

In the prior year, the Association also received a share of £186,000 from activities relating to IFSO this included £14,000 of reimbursed expenditure previously committed.

These costs form part of the direct costs of the Association. Total direct costs for the period were £290,000 (2018 - £287,000). Office and secretarial support costs amounted to £162,000 (2018 - £198,000) and governance costs regarding compliance with statutory requirements amounted to £33,000 (2018 - £32,000).

Net income for the year was £78,000 (2018 - £156,000).

Reserves policy and financial position

Reserves policy

The Council has examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes, or otherwise committed. The Council considers that, given the nature of the charity's work, the level of free reserves should be £150,000 at any one time. The Council is of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to timing differences in income flows, adequate working capital to cover core costs, and will allow the charity to cope and respond to unforeseen events.

Financial position

The balance sheet shows total funds of £624,000 (2018 - £546,000), of which £218,000 (2018 - £158,000) are free reserves.

The charity recorded a surplus for the year of £78,000 and at the year end the charity had free reserves of £218,000 which is in excess of the reserves policy.

The additional funds will be spent in line with the charitable aims of the association, current priorities are:

1. Supporting the education and training of young surgeons committed to a career in UGI surgery; and
2. Developing and delivering collaborative research to drive forward the care of patients of UGI disease.

Report of the Council Year to 31 May 2019

Going concern

The Council have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. They are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Future Plans and Targets

From the clinical services perspective we are intending to review all the AUGIS clinical services documents in Autumn 2019 following the annual conference in Liverpool. The aim is to update the benign conditions guidelines later this year and the cancer guidelines during 2020. It is our intention to produce a timetable for revision of these documents with the leads for HPB, Bariatrics, OG cancer and benign upper GI surgery and involve as many council and non-council AUGIS members as possible in these reviews.

Approved by the Council and signed on their behalf by:

Member of the Council



S RENWICK

Approved by the Council on:

25/9/19

Independent auditor's report to the Council of the Association of Upper Gastrointestinal Surgeons of Great Britain & Ireland (AUGIS)

Opinion

We have audited the accounts of the Association of Upper Gastrointestinal Surgeons of Great Britain & Ireland (AUGIS) (the 'charity') for the year ended 31 May 2019 which comprise the consolidated statement of financial activities, the charity and group balance sheets, the consolidated statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- ♦ give a true and fair view of the state of the charity's affairs as at 31 May 2019 and of the group 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 Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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.

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 accounts is not appropriate; or
- ♦ the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity'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 accounts are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the Report of the Council is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report Year to 31 May 2019

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

29 October 2019

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities Year to 31 May 2019

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2019 £	Unrestricted funds £	Restricted funds £	Total funds 2018 £
Income from:							
Other trading activities	1	187,134	—	187,134	150,163	—	150,163
Interest receivable		95	—	95	95	—	95
Charitable activities	2	321,484	46,800	368,284	464,215	58,550	522,765
Other		7,396	—	7,396	—	—	—
Total income		516,109	46,800	562,909	614,473	58,550	673,023
Expenditure on:							
Charitable activities	3	432,698	51,788	484,486	494,405	22,158	516,563
Total expenditure		432,698	51,788	484,486	494,405	22,158	516,563
Net income (expenditure) and net movement in funds							
		83,411	(4,988)	78,423	120,068	36,392	156,460
Reconciliation of funds:							
Fund balances brought forward at 1 June		441,993	103,825	545,818	321,925	67,433	389,358
Fund balances carried forward at 31 May		525,404	98,837	624,241	441,993	103,825	545,818


All recognised gains and losses are included in the above statement of financial activities.

All of the Group's activities derived from continuing operations during the above two financial periods.

Balance sheets 31 May 2019

	Notes	Consolidated		Association	
		2019 £	2018 £	2019 £	2018 £
Fixed assets					
Investment in subsidiary	11	—	—	2	2
		—	—	2	2
Current assets					
Debtors: due within one year	8	87,310	101,277	80,623	71,688
Short term deposits		149,385	149,843	149,385	149,843
Cash at bank and in hand		449,362	387,196	408,551	386,310
		686,057	638,316	638,559	607,841
Liabilities					
Creditors: amounts falling due within one year	9	(61,816)	(92,498)	(14,320)	(62,025)
Net current assets		624,241	545,818	624,239	545,816
Total net assets		624,241	545,818	624,241	545,818
The funds of the group/charity:					
Funds and reserves					
Restricted funds	12	98,837	103,825	98,837	103,825
Unrestricted funds					
. Designated funds	13	307,241	283,931	307,241	283,931
. General fund		218,163	158,062	218,163	158,062
		624,241	545,818	624,241	545,818

Approved by the Council
and signed on their behalf by:

 S. W. PENWICK
Member of the Council

Approved on:

25/9/19

Consolidated statement of cash flows 31 May 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	61,616	18,907
Cash flows from investing activities:			
Deposit interest		95	95
Net cash provided by investing activities		95	95
Change in cash and cash equivalents in the year		61,711	19,002
Cash and cash equivalents at 1 June	B	537,039	518,037
Cash and cash equivalents at 31 May	B	598,750	537,039

Notes to the statement of cash flows for the year to 31 May

A Reconciliation of net movement in funds to net cash provided by operating activities

	2019 £	2018 £
Net movement in funds (as per the statement of financial activities)	78,426	156,460
Adjustments for:		
Deposit interest	(95)	(95)
Decrease (increase) in debtors	13,967	(56,230)
Decrease in creditors	(30,682)	(81,228)
Net cash provided by operating activities	61,616	18,907

B Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	449,362	387,196
Short term deposits (less than three months)	149,385	149,843
Total cash and cash equivalents	598,747	537,039

Principal accounting policies Year to 31 May 2019

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 May 2019.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

There are no items in the accounts which required the trustees and management to make significant judgements or estimates.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Association and its subsidiary AUGIS Trading Limited. These have been consolidated on a line by line basis. The statement of financial activities represents the consolidation of charitable activities of the Association and its subsidiary.

No separate statement of financial activities has been presented for the Association alone.

Principal accounting policies Year to 31 May 2019

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises subscriptions, meeting registration fees, income from other trading activities and interest receivable.

Subscription income is accounted for in the period it is receivable. The income arising from scientific meetings is recognised on a receivable basis. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Other income relates to a refund of items recognised as expenditure in previous financial years.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated to charitable activities.

Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include direct and support costs, including governance costs.

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All expenditure is stated inclusive of irrecoverable VAT.

Principal accounting policies Year to 31 May 2019

Fund accounting

The general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects. The designated funds are monies set aside out of general funds and designated for specific purposes by the charity's trustees.

The restricted funds are monies to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged against the specific fund.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

Principal accounting policies Year to 31 May 2019

Pension contributions

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 6. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

Notes to the financial statements Year to 31 May 2019

1 Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	Total funds 2019 £	Unrestricted Funds £	Restricted Funds £	Total funds 2018 £
Fundraising income – sponsorships and partnerships						
. AUGIS Annual scientific meeting	89,727	—	89,727	51,293	—	51,293
. BOMSS Annual scientific meeting	97,407	—	97,407	89,745	—	89,745
. GBIHPBA meeting	—	—	—	9,125	—	9,125
	187,134		187,134	150,163		150,163

2 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total funds 2019 £	Unrestricted Funds £	Restricted Funds £	Total funds 2018 £
Subscriptions						
. AUGIS subscriptions	95,242	—	95,242	73,472	—	73,472
. BOMSS subscriptions	38,301	—	38,301	28,669	—	28,669
. BJS subscriptions	3,625	—	3,625	—	—	—
Meetings						
. AUGIS registrations	98,732	—	98,732	82,530	—	82,530
. BOMSS registrations	58,417	—	58,417	53,581	—	53,581
. ROUX registrations	16,080	—	16,080	—	—	—
. GBIHPBA registrations	184	—	184	34,250	—	34,250
. BOMSS Winter meeting registrations	9,380	—	9,380	4,995	—	4,995
. BOMSS IFSO income	—	—	—	186,217	—	186,217
. AUGIS other meetings	—	—	—	250	—	250
. BOMSS other meetings	280	—	280	251	—	251
. BOMSS other meetings	1,243	—	1,243	—	—	—
Surgical Outcome and Revalidation						
. BOMSS NBSR	—	46,800	46,800	—	58,550	58,550
	321,484	46,800	368,284	464,215	58,550	522,765

3 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total funds 2019 £	Unrestricted funds £	Restricted funds £	Total funds 2018 £
Direct costs	237,734	51,788	289,522	264,949	22,158	287,107
Support costs	161,756	—	161,756	197,826	—	197,826
Governance costs (note 4)	33,208	—	33,208	31,630	—	31,630
	432,698	51,788	484,486	494,405	22,158	516,563

	Unrestricted Funds £	Restricted Funds £	Total funds 2019 £	Unrestricted Funds £	Restricted Funds £	Total funds 2018 £
Direct costs						
Annual scientific meeting						
. Venue hire, catering and audio visual equipment	62,020	—	62,020	44,610	—	44,610
. Printing, stationery and couriers	68	—	68	1,204	—	1,204
. Promotion and marketing	—	—	—	635	—	635
. Administration and other costs	2,852	—	2,852	2,197	—	2,197
. Exhibition/sponsorship	11,076	—	11,076	11,730	—	11,730
. Social events, including drinks reception	13,588	—	13,588	27,589	—	27,589
. AUGIS training day	—	—	—	2,233	—	2,233
. BJS prize	500	—	500	600	—	600
. Abstract costs	100	—	100	300	—	300
. Travel and accommodation	13,328	—	13,328	11,910	—	11,910
. Website & database	—	—	—	1,434	—	1,434
. Insurance	1,659	—	1,659	1,808	—	1,808
	105,191	—	105,191	106,250	—	106,250
Other direct costs						
BOMSS Annual scientific meeting	96,346	—	96,346	88,895	—	88,895
AUGIS Roux meeting	17,475	—	17,475	—	—	—
CNS/AMP meeting	701	—	701	—	—	—
AUGIS	—	—	—	1,880	—	1,880
GBIHPBA meeting	1,593	—	1,593	53,119	—	53,119
BOMSS Winter meeting	9,098	—	9,098	4,975	—	4,975
AUGIS prize at ASIT	130	—	130	130	—	130
Surgical Outcome and Revalidation webtool	7,200	—	7,200	7,200	—	7,200
AUGIS other grants	—	—	—	2,500	—	2,500
NBSR Surgeons' Outcome Data Reporting	—	—	—	—	—	—
. BOMSS-administration staff costs	—	3,357	3,357	—	4,454	4,454
. BOMSS-other administration costs	—	607	607	—	2,818	2,818
. BOMSS-NBSR database maintenance	—	47,824	47,824	—	14,886	14,886
	237,734	51,788	289,522	264,949	22,158	287,107

Notes to the financial statements Year to 31 May 2019

3 Expenditure on charitable activities (continued)

Support costs	AUGIS £	BOMSS £	2019 £	AUGIS £	BOMSS £	2018 £
Secretarial and administration staff costs	65,819	32,909	98,728	67,229	33,614	100,843
Telephone	555	277	832	350	175	525
Printing, postage and stationery	3,526	1,773	5,299	5,906	2,953	8,859
Accommodation, overheads and services	5,398	2,699	8,097	6,314	3,157	9,471
Subscription collection fee	—	—	—	2,838	1,419	4,257
Computer maintenance	2,270	1,135	3,405	2,602	1,301	3,903
Website costs	5,276	2,638	7,914	8,794	12,303	21,097
Database costs	2,210	1,105	3,315	9,597	4,799	14,396
IFSO subscription and journals	—	20,244	20,244	—	16,669	16,669
PR costs	1,189	594	1,783	—	6,587	6,587
Meetings, travel and subsistence	2,031	1,016	3,047	1,730	865	2,595
Bank charges	4,114	2,571	6,685	2,718	1,786	4,504
Other	62	2,345	2,407	2,747	1,373	4,120
	92,450	69,306	161,756	110,825	87,001	197,826

4 Governance costs

	2019 £	2018 £
Professional fees	20,905	17,004
Council meetings' expenses and reimbursed expenses	12,303	14,626
	33,208	31,630

Notes to the financial statements Year to 31 May 2019

5 Net income

This is stated after charging:

	2019 £	2018 £
Staff costs (note 6)	102,085	105,297
Auditor's remuneration (excluding VAT)		
. Statutory audit (including consolidation)	13,034	12,784
. Other services	3,856	4,220

6 Staff costs, trustees' remuneration and remuneration of key management personnel

None of the trustees received any remuneration in respect of their services during the year ended 31 May 2019 (2018 – none).

During the year out of pocket travelling expenses amounting to £11,537 (2018 - £10,395) were reimbursed to 15 trustees (2018 – 15).

	2019 £	2018 £
Wages and salaries	86,940	87,150
Social security costs	6,229	9,425
Other pension costs	8,916	8,722
	<u>102,085</u>	<u>105,297</u>
Incurred in respect of		
Direct BOMSS costs	3,357	4,454
Support costs	98,728	100,843
	<u>102,085</u>	<u>105,297</u>

The average number of secretarial and administrative employees during the year, calculated on an average headcount and full time equivalent basis was 2 (2018 – 2). No employee earned more than £60,000 during the year (2018 – none).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprises the AUGIS Executive (as listed on page 1), with the support of the specialty managers. None of the AUGIS Executive received remuneration for their services (2018 – none). The total remuneration (including taxable benefits and including employer's pension contributions) of the key management personnel for the year was £102,085 (2018 – £105,297).

7 Taxation

The Association of Upper Gastrointestinal Surgeons of Great Britain & Ireland (AUGIS) is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Notes to the financial statements Year to 31 May 2019

8 Debtors

	Consolidated		Association	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	41,400	16,350	—	—
Prepayments				
• Sundry prepayments	11,543	17,233	7,337	9,065
• Accrued income	30,056	45,592	9,006	24,542
VAT	—	21,480	—	—
Other debtors	4,311	622	4,114	425
Amount owed by AUGIS Trading Limited	—	—	60,166	37,656
	87,310	101,277	80,623	71,688

9 Creditors: amounts falling due within one year

	Consolidated		Association	
	2019	2018	2019	2018
	£	£	£	£
Other creditors	1,110	29,249	—	28,139
Accruals and deferred income	59,331	63,249	14,320	33,886
VAT	1,375	—	—	—
	61,816	92,498	14,320	62,025

Included within creditors is deferred income relating to future meetings as set out below:

	2019
	£
Deferred income at 1 June	—
Resources deferred in year	11,483
Amounts released in year	—
Deferred income at 31 May	11,483

10 Connected party

For part of the year ended 31 December 2017, the administration of the charity was carried out at the offices of the Association of Surgeons of Great Britain and Ireland (charity registration number 1068016), a charity with related objects and activities. The expenditure incurred on administration and office services was recharged to AUGIS at cost.

11 Net income from subsidiary

The Association has one wholly-owned subsidiary, AUGIS Trading Limited, which is incorporated in England and Wales. AUGIS Trading Limited raises sponsorship on behalf of the Association for the annual programme of meetings. AUGIS Trading Limited, company registration number 06380156, registered office Royal College of Surgeons of England, 35-45 Lincoln's Inn Fields, London, WC2A 3PE, was incorporated on 24 September 2007.

A summary of AUGIS Trading Limited's results for the year to 31 May is shown below.

	2019 £	2018 £
Turnover	247,772	219,809
Cost of sales	(212,944)	(186,709)
Gross profit	34,828	33,100
Administrative expenses	(5,952)	(5,701)
Operating profit	28,876	27,399
Interest receivable	—	—
Net profit	28,876	27,399
Retained profit brought forward		—
Gift aid to AUGIS	(28,876)	(27,399)
Retained profit carried forward	—	—

12 Restricted funds

	At 1 June 2018 £	Income £	Expenditure £	At 31 May 2019 £
BOMSS NBSR restricted funds	103,825	46,800	(51,788)	98,837

	At 1 June 2017 £	Income £	Expenditure £	At 31 May 2018 £
BOMSS NBSR restricted funds	67,433	58,550	(22,158)	103,825

The restricted funds are funds collected from NHS trusts and HQIP for the purpose of fulfilling their legal obligation to publish yearly information on bariatric surgery outcomes. This information is collated in the NBSR database.

13 Designated funds

The income funds of AUGIS include the following designated fund which has been set aside out of unrestricted funds by the Council Members for specific purposes:

	At 1 June 2018 £	New designations £	Utilised in year £	At 31 May 2019 £
BOMSS fund	283,931	205,028	(181,718)	307,241

Notes to the financial statements Year to 31 May 2019

13 Designated funds (continued)

	<i>At 1 June 2017 £</i>	<i>New designations £</i>	<i>Utilised in year £</i>	<i>At 31 May 2018 £</i>
<i>BOMSS fund</i>	<i>107,012</i>	<i>363,458</i>	<i>(186,539)</i>	<i>283,931</i>

The BOMSS funds have been designated in the financial statements in order to ensure the funds relating to BOMSS are separately identifiable. Each year income from BOMSS specific activities is added to the fund and relevant expenditure is charged to the fund.