

Annual Report and Accounts 2011

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Legal and Administrative Information

| | |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <i>Charity Name</i> | Wessex Medical Trust |
| <i>Other names by which the charity is known:</i> | Wessex Medical Research Hope for Guernsey |
| <i>Trust Office</i> | Mailpoint 420 Level B—South Academic Block Southampton General Hospital Southampton SO16 6YD |
| <i>Registered Charity Number</i> | 274839 |

Patrons and Trustees**Patrons:**

The Lords-Lieutenant of Hampshire, Wiltshire and the Isle of Wight
The Bailiffs of Guernsey and Jersey
Sir Norman Browse FRCS, President of the States of Alderney
Pamela Kimber
Alastair Stewart OBE

Trustees

| | |
|--------------------------|--------------------------------------------------------------------|
| Mike Killingley | <i>Chairman</i> |
| Sir Christopher Benson | |
| Richard Blackburn | |
| Professor Iain Cameron | <i>Dean of the Faculty of Medicine, University of Southampton.</i> |
| Sir deVic Carey | |
| David Hoare | |
| Fleur Kitsell | |
| Malcolm Le Bas | <i>Retired 7 February 2011</i> |
| Luke March | <i>Appointed 7 February 2011</i> |
| Dr Beth Robertson | <i>Appointed 28 October 2011</i> |
| Professor Peter Smith | <i>Appointed by the University of Southampton 1 August 2011</i> |
| Michael Wilkins | |
| Professor David Williams | <i>Retired 30 April 2011</i> |

Officers and Advisers

| | |
|----------------------------|--------------------------------------------------------------------------------|
| <i>Auditor</i> | Sheen Stickland LLP 7 East Pallant Chichester West Sussex PO19 1TR |
| <i>Honorary Solicitors</i> | Bond Pearce LLP Oceana House Commercial Road Southampton SO15 1GA |

Bankers

HSBC Bank plc
165 High Street,
Southampton
SO14 2NZ

Investment Managers

M&G Securities Ltd
M&G House
Victoria Road
Chelmsford
CM1 1FB

Scientific Advisory Committee

| | | |
|----------------------------|-----------------|-----------------------------------------------------------------------------------------------------------|
| Professor Tim Elliott | <i>Chairman</i> | Associate Dean for Research, Faculty of Medicine, University of Southampton. |
| Professor Paul Townsend | | Faculty of Medicine, University of Southampton |
| Professor Donna Davies | | Faculty of Medicine, University of Southampton |
| Professor Carl May | | Faculty of Health Professions and Rehabilitation Sciences, University of Southampton |
| Professor Dan Bader | | Faculty of Health Professions and Rehabilitation Sciences, University of Southampton |
| Professor Tom Fleming | | Faculty of Natural and Environmental Sciences, University of Southampton |
| Professor Lindy Holden-Dye | | Faculty of Natural and Environmental Sciences, University of Southampton |
| Professor Maria Evandrou | | Faculty of Human and Social Sciences, University of Southampton |
| Professor Hywel Morgan | | Faculty of Engineering and the Environment and Physical and Applied Science, University of Southampton |

External Expert Assessors

| | |
|--------------------------|---------------------------|
| Professor John Iredale | University of Edinburgh |
| Professor Tony Kendrick | Hull York Medical School |
| Professor Steve Thornton | Peninsular Medical School |

Chairman's Statement



“over forty high-quality applications were received for...two grants ”

I am very pleased to be able to report on another successful year for Wessex Medical Trust.

Using funds received from two generous legacy bequests, we were able to award two 4-year PhD studentships, each of £80,000 spread over four years. One student took up her place in October 2011 whilst the second will be recruited in time to commence studies in October 2012. The popularity of this type of grant is shown by the fact that over forty high-quality applications were received from potential supervisors for the two grants. It also complements the Trust's programme of Innovation Grants by providing the funding and encouragement to young medical researchers to embark on their chosen career and, subject to an adequate flow of incoming funds, it is our intention to continue this programme in future years.

We were also pleased to be able to award a further PhD grant, similarly of £80,000 spread over four years, to mark the inauguration of the Institute for Life Sciences at Southampton University. This Institute has been specifically established to encourage a multi-disciplinary approach to life science research with a view to broadening the range of topics covered and this should in turn lead to a widening of the range of results achieved, to the benefit of all. It is perhaps fitting that the supervisor of the successful initial PhD project comes from the School of Chemistry but is pursuing

research which reads across to many biological and medical areas. The award of the grant was duly recognised at the ceremony in September 2011 when the new Institute was officially opened by Lord Robert Winston, the eminent authority on human fertility.

We salute yet another successful Channel swim by Roger Allsopp, the seemingly indefatigable Chairman of Hope for Guernsey, our volunteer group on that island. In addition to raising over £100,000 by direct donations, Roger's success also triggered a generous personal contribution of £250,000 from Derek Coates, the owner of Healthspan which operates from the island. These sums, together with other contributions, are currently being held by the Trust in a restricted fund for the purchase of a mass spectrometer to further the ongoing research at Southampton into the early detection of biomarkers for breast, prostate and ovarian cancer. It is anticipated that the purchase will be finalised and the funds released by the middle of 2012.

The vagaries of current accounting practice mean that the income relating to this grant is shown in these 2011 accounts, whereas the related expenditure on the purchase of the mass spectrometer will be shown in the 2012 accounts. The very healthy surplus shown in our Statement of Financial Activities on page 13 does not, therefore, indicate a significant strengthening in our financial position, as much of this income is already committed for the spectrometer.

Our volunteer groups met with mixed fortunes during the year but, despite the general economic situation in the country, all managed to make a positive contribution to our funds. For that we are, as always, very grateful. After a number of difficult years, we welcome the signs of revival from our Gosport & Lee volunteer group and wish them well. We are also continuing our efforts to re-establish a volunteer group in Winchester: we have a large number of active supporters in the area and we will be doing all we can to re-engage more fully with them. The Trustees continue to be extremely grateful for the substantial amount of time and effort which members of the volunteer groups, and others, so willingly expend on the Trust's behalf.

Professor David Williams retired from his post at the University at the end of April 2011 and left the Trustee Board. During his term of more than six years at Southampton, David has been a very staunch supporter of the Trust and we extend our grateful thanks to him. In August, the University appointed as its formal representative on the Trustee Board, Professor Peter Smith, the newly-installed Director of the Institute for Life Sciences. We welcome Peter, as we do Dr Beth Robertson, a former GP in Salisbury, who joined the Trustee Board in October.

The formal objectives of the Wessex Medical Trust continue to be to fund high class peer reviewed medical and health research in the Wessex region. In particular:

1. To provide pump priming grants to early career researchers from our Innovation Fund. The Trust has a track record of starting the research programmes of early career researchers, who are generally the younger scientists, and this has often led to excellent results and further funding from larger organisations;
2. To attract major grants from bodies such as the States of Jersey and the States of Guernsey.
3. To facilitate and support ad hoc projects such as the current research into breast cancer, prostate cancer, Alzheimer's disease, osteoporosis, meningitis and leukaemia.

In conclusion, may I thank the staff in the Trust office for their hard work and dedication throughout the year which has, as always, contributed significantly to the continuing success of the Trust.

Mike Killingley

Mike Killingley

Trustees Report

This report should be read in conjunction with information shown on pages 2 and 3 and the Chairman's statement on pages 4 to 6.

The Trustees present their report along with the Financial Statements of the Trust for the year ended 31 December 2011. The Financial Statements have been prepared in accordance with the accounting policies set out on page 15 and comply with the trust deed, the Charities Act 2011 and the Statement of Recommended Practice (Accounting and Reporting by Charities) 2005.

Charitable Objects

Wessex Medical Trust is an unincorporated Trust established by a Declaration of Trust dated 7th November 1977 and subsequent Charity Commission Schemes.

The objects of the charity are to further medical education, medical research and medical practice both in the Faculty of Medicine and more generally in the University of Southampton.

The Trustees award grants for the purposes of research into medically-related matters and the advancement of medical practice and medical education, all for the public benefit. These include the provision within the University of Southampton of:

- bursaries and scholarships for students;
- teaching facilities and medical equipment of all kinds; and
- amenities for the students and relevant staff including any person engaged on medically-related research or the instruction of medical students.

at such hospitals, places of education and other establishments as shall from time to time be used for the instruction of students or the carrying out of medical research.

The Trust considers it fulfils the requirements of charitable purpose and public benefit as set out in the Charities Act 2011:

- its principal charitable purpose is the advancement of health but it also contributes incidentally to the relief of those in need by reason of ill health or disability;
- its aims—as set out above—are clear and the benefits it creates are directly related to these aims and outweigh any potential detriment;
- the general public are the ultimate beneficiary of the Trust's activities through the advancement of medically-related science. Research papers produced as a result of each grant made are available in the public domain and the clinical benefits of the research are, subject to any necessary regulatory approval processes, immediately available to the general public, both in the Wessex region and beyond.

Trustees

The Board of Trustees comprises a maximum of twelve elected persons who may serve for up to two 3-year terms before retiring. An amendment made to the Trust Deed during 2012 means the Trustee Board now has the power in individual cases to extend a Trustee's tenure beyond six years. The Dean of the Faculty of Medicine at the University of Southampton is an ex-officio Trustee; the University of Southampton may appoint one further person to be a Trustee.

Grants Awarded

Details of all grants awarded during 2011 are set out on page 11. There was a total of 11 grants amounting in aggregate to £361,298 and 66 applicants made submissions for one or more of these. The Trustees are pleased to report that, once again, the grants made covered a wide range of diseases and conditions.

Trustees Report, *continued*

Research Results

The Trust not only has a rigorous process to ensure the quality of the research it supports but it also has a system of requiring reports on research results. This allows the Trustees to monitor progress from the fellowships and project grants that we give.

Financial Review

Unrestricted income for the year was in accordance with the budget and included £22,174 of the total of £65,758 raised by the Trust's volunteer groups.

The Trustees continue to keep fundraising and administrative costs under tight control.

Details of restricted fund movements during the year are set out in Note 16 to the financial statements and details of grants awarded are on page 11.

The overall financial position of the Trust remains sound.

The Future

The major emphasis continues to be on providing pump priming grants from the Innovation Fund to early career researchers. As anticipated, the Trust has during the year awarded two PhD studentships (one for commencement during 2012) and a further PhD studentship to mark the inauguration of the new Institute for Life Sciences at the University of Southampton: each studentship is valued at £80,000 spread over a four year period. However, where other funding is made available to the Trust, this continues to be allocated in the traditional way: such funding includes the valuable funding donated in respect of the purchase of a mass spectrometer for cancer research: it is anticipated that this money will be expended by July 2012.

Governance

The Trust is governed by a Board of Trustees who are each elected for a three year period. A maximum of two consecutive three year periods may be served after which the Trustee must retire. Trustees may then be re-elected after a gap of at least one year unless invited specifically by the Trustees to continue for a further period which must itself be specified at the outset. An exception is the Dean of the Faculty of Medicine whose appointment is ex-officio.

The Trustees aim to ensure that the board has a mixture of experience and talents and is representative of the Wessex region and the Channel Islands. Once elected, the Trustees are given full written information about their duties and about the Trust and are invited to have a discussion with the Trust Director about specific policies and procedures of the time. They are also made familiar with the Trust's work through activities such as the annual Volunteer Groups Day and, of course, attendance at Board Meetings. A Trustee induction pack is given to all new Trustees.

The Board meets at least three times each year: in early February, in the late spring to receive and approve the annual accounts for the previous year, and in the autumn to review the performance of the Trust during the first half year. In addition, the Trustees attend to all matters of policy and governance.

An Executive Committee, comprising the Chairman, the Dean, the Trustee with responsibility for Finance and up to two additional co-opted Trustees, meets approximately every three months with the Trust Director to review progress. Its minutes are circulated to all Trustees.

The Board of Trustees accepts full responsibility for all of the activities of the Trust and has approved a comprehensive set of policies and procedures that the employed staff are required to follow. The Board seeks external professional advice where it feels this is appropriate.

Trustees Report, *continued*

The Trustee with responsibility for Finance is charged with ensuring that sufficient controls and procedures are in place to protect the interests of our donors and of our Trustees and that the Trust satisfies the requirements of the Charity Commission, as well as advising the Board on financial matters such as the investment of its funds and on other issues such as a reserves policy. The Trustees have appointed M&G to act on their behalf in the investment of funds whilst awaiting application. In addition, owing to the relatively large cash inflow arising from legacies and the Channel swim, interest-earning cash deposit accounts have been maintained with the Trust's bankers, HSBC, and with Bank of Scotland.

The Trustees have considered and determined that, for the purposes of the Finance Act 2010, all those who have general control and management of the administration of the Trust are fit and proper persons for that purpose.

As a Member of the Association of Medical Research Charities (AMRC), the Trust subscribes to a code of conduct which includes subjecting applications for funding to peer review in order that the merit and likely outcome of the project can be gauged and the scientific integrity of the projects being funded by the Trust ensured. The Trust successfully completed the AMRC peer review audit in 2011.

To maintain this process independently of the Board of Trustees, the Trust has a Scientific Advisory Committee, chaired by the Associate Dean for Research of the Faculty of Medicine at the University of Southampton. Committee members are listed on page 3 and each serves for a maximum three year term (with a possible single extension of 2 years) or for the length of their relevant appointment at the University, whichever is shorter. Each member is precluded from receiving any research grant from the Trust during their period of office.

On each occasion, once the Scientific Advisory Committee has vetted all applications for a grant for both scientific quality and relevance to the declared priorities of the Faculty from time to time, all applications, together with its list of preferred candidates will invariably be sent for external review. For grants of £50,000 and over, all applications are sent for formal external peer review, normally by at least two reviewers. Additionally, internal peer review may also be sought.

Once peer review has been satisfactorily concluded, the Trustees are invited to authorise the relevant grant.

Grants are formally awarded by the Trustees on a discretionary basis.

Risk Management

The Trustees have instituted a procedure for considering the risks to which the Trust is exposed and have taken steps to remove or minimise these risks where they are within their control. In evaluating these risks, the Trustees have identified the volatility of the stock market as a significant financial risk. The procedures in place to mitigate this risk are detailed in the paragraph of this report entitled 'Reserves Policy'. The Trustees have also identified a risk of lack of free reserves during the year: steps to mitigate this risk are also set out in the Reserves Policy.

Investment Policy

The Trustees have full discretionary investment powers in accordance with the Declaration of Trust dated 7th November 1977 under which the Trust was set up. They have chosen to invest in two M&G unit trusts, Charifund and Charibond, and in cash. Charifund is equity based; Charibond is gilt and corporate bond based. The Trustees keep the allocation between the funds and cash under regular review to maintain a balance of risk.

Trustees Report

Reserves Policy

It is the policy of the Trust to retain a reserve of £100,000, which is approximately one year's operational expenditure, to protect the Trust from stock market volatility or fluctuations in unrestricted income from year to year. This policy is kept under review by the Trustees during the year and on preparation of the annual accounts.

Unrestricted Reserves and Details of Designated Funds are set out in Notes 17 to the accounts.

Supporters and Advisers

The Board of Trustees thanks our honorary solicitors, Bond Pearce LLP, for their assistance during the year. We are also extremely grateful to those external assessors who give their time voluntarily to assist the Scientific Advisory Committee.

Finally we are enormously grateful to all our donors, many of long standing, who have continued to support our work: without their support the charity could not have achieved so much over recent years. Members of our volunteer fundraising groups work tirelessly organising events to raise funds and gain publicity for the charity. Our thanks go to them all.

Statement of Trustees' Responsibilities

Under charity law, the Trustees are required to prepare financial statements for each financial year which show a true and fair view of the Trust's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, generally accepted accounting practice requires that the Trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of applicable Accounting Standards and the Statement of Recommended Practice: Accounting and Reporting by Charities (Charities SORP 2005) 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 the Trust will continue its activities.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and which 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 Trust Deed. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Trust and to prevent and detect fraud and other infringements.

Signed on behalf of the Trustees

(sgd) Mike Killingley

Trustee
26 April 2012

GRANTS AWARDED FOR THE PERIOD: 1ST JANUARY 2011 - 31ST DECEMBER 2011

| Ref | Grantee Research Project | Total Value £ |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| R01 | Dr Ann-Marie Hughes <i>Open hand for stroke</i> | 20,000 |
| R02 | Dr Kai Yang <i>Fabric based medical device</i> | 20,000 |
| R03 | Dr Alexander Johnson <i>Polymersome nanoparticle mediated delivery of GSK3β inhibitors as a potential treatment for Alzheimer's disease</i> | 19,348 |
| R04 | Dr Hans Michael Haitchi <i>Crystal structures of ADAM33 catalytic domain inhibitor complexes to identify novel asthma therapeutics</i> | 20,000 |
| R05 | Dr Annette Louise Hayden <i>Development of novel LSD1 inhibitors for prostate cancer</i> | 20,000 |
| R06 | Dr Matthew Rose-Zerilli <i>The development of next generation sequencing for the analysis of B-cell tumours: understanding disease progression in patients with chronic lymphocytic leukaemia</i> | 18,300 |
| R07 | Postgraduate conference prizes | 1,150 |
| R08 | Dr Edd James (<i>supervisor</i>) PhD Studentship <i>Molecular characterisation of ERAAP association with ankylosing spondylitis (for commencement in October 2012)</i> | 80,000 |
| R09 | Dr Jonathan Strefford (<i>supervisor</i>) PhD Studentship [<i>student: Jade Foster</i>] <i>The development of next generation sequencing for the analysis of B-cell tumours: understanding disease progression in patients with chronic lymphocytic leukaemia</i> | 80,000 |
| R10 | 4 th Year Medical Student Project Presentation Grants | 2,500 |
| R11 | Dr Ali Tavassoli, School of Chemistry (<i>supervisor</i>) IfLS Inauguration Studentship [<i>student Jamie Townsend</i>] <i>Direct stem cell fate with chemical modulators of protein networks.</i> | 80,000 |
| | Annual total 2011 | 361,298 |

WESSEX MEDICAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF WESSEX MEDICAL TRUST

We have audited the financial statements of Wessex Medical Trust for the year ended 31 December 2011 on pages 13 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and 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 auditors' 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.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2011 and of its incoming resources and application of resources 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.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements 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.

(sgd) Sheen Stickland LLP

Sheen Stickland LLP
Chartered Accountants
Registered Auditors
7 East Pallant
Chichester
West Sussex PO19 1TR

26 April 2012

WESSEX MEDICAL TRUST

**Statement of Financial Activities (including income and expenditure account)
For the Year Ended 31st December 2011**

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2011 £ | Total Funds 2010 £ |
|------------------------------------------------------------------------------------|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Incoming resources | | | | | |
| Incoming resources from generated funds | | | | | |
| Voluntary income | | | | | |
| Donations | 2a | 13,831 | 3,765 | 17,596 | 80,917 |
| Legacies | 2b | 3,119 | - | 3,119 | 175,886 |
| Activities for generating funds | | 24,006 | 423,758 | 447,764 | 84,878 |
| Investment income | 3 | 61,096 | - | 61,096 | 67,753 |
| Total incoming resources | | 102,052 | 427,523 | 529,575 | 409,434 |
| Resources expended | | | | | |
| <i>Costs of generating funds</i> | 5 | 71,565 | - | 71,565 | 69,065 |
| Net incoming resources available for charitable application | | 30,487 | 427,523 | 458,010 | 340,369 |
| <i>Charitable Activities: advancement of medical research</i> | | | | | |
| Grants payable in furtherance of the charity's objects | 7 | 307,577 | (56,691) | 250,886 | 360,148 |
| Transfer of Gift of Sight funds to the University of Southampton Development Trust | | - | - | - | 1,671 |
| Support costs of activities in furtherance of the charity's objects | 4 | 24,598 | - | 24,598 | 27,767 |
| Total charitable activities | | 332,175 | (56,691) | 275,484 | 389,586 |
| <i>Governance costs</i> | 4 | 7,922 | - | 7,922 | 8,178 |
| Total resources expended | 6 | 411,662 | (56,691) | 354,971 | 466,829 |
| Net incoming/(outgoing) resources before other recognised gains/losses | | (309,610) | 484,214 | 174,604 | (57,395) |
| Other recognised gains/(losses) on investment assets | | | | | |
| Unrealised gains/(losses) on investment assets | 10/11 | 2,133 | - | 2,133 | 38,931 |
| Net movement in funds | | (307,477) | 484,214 | 176,737 | (18,464) |
| Balances brought forward at 1 st January 2011 | | 622,598 | 201,257 | 823,855 | 842,319 |
| Balances carried forward at 31 st December 2011 | | 315,121 | 685,471 | 1,000,592 | 823,855 |

All amounts relate to continuing activities.

There were no other recognised gains or losses during the period.

The notes on pages 15 to 20 form part of these financial statements.

WESSEX MEDICAL TRUST

Balance Sheet as at 31st December 2011

| | Note | 2011 £ | 2010 £ | |
|----------------------------------------------|---------|-----------------|-----------------|---------|
| Fixed Assets | | | | |
| Tangible Assets | 9 | - | - | |
| Investments | 10 | 486,707 | 513,791 | |
| | | <hr/> | <hr/> | |
| | | 486,707 | 513,791 | |
| Current Assets | | | | |
| Investments | 11 | 706,714 | 677,497 | |
| Debtors | 12 | 8,784 | 135,312 | |
| Short Term Deposits | | 350,638 | 100,000 | |
| Cash at bank and in hand | | 131,700 | 110,765 | |
| | | <hr/> | <hr/> | |
| | | 1,197,836 | 1,023,574 | |
| Current Liabilities | | | | |
| Amounts falling due within one year | 13 | <hr/> (413,877) | <hr/> (510,208) | |
| Net Current Assets / (Liabilities) | | | | |
| | | 783,959 | 513,366 | |
| Total Assets less Current Liabilities | | | | |
| | | <hr/> 1,270,666 | <hr/> 1,027,157 | |
| Liabilities | | | | |
| Amounts falling due after more than one year | 14 | (270,074) | (203,302) | |
| Net Assets | | | | |
| | 15 | <hr/> 1,000,592 | <hr/> 823,855 | |
| Funds | | | | |
| Unrestricted | General | 17 | 315,121 | 622,598 |
| Restricted | | 16 | 685,471 | 201,257 |
| | | <hr/> | <hr/> | |
| | | 1,000,592 | 823,855 | |

These financial statements were approved by the Board of Trustees on 26th April 2012 and were signed on its behalf by

(sgd) Mike Killingley

Mike Killingley
Chairman

The notes on pages 15 to 20 form part of these financial statements.

WESSEX MEDICAL TRUST**Notes forming part of the financial statements****1. Accounting policies**

a) The financial statements are prepared under the historical cost convention as modified by the revaluation of investments at market value, and are in accordance with applicable Accounting Standards and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005) and the Charities Act 2011.

b) The restricted funds represent monies received by the Trust that is specified by the donors for particular projects. The unrestricted fund represents uncommitted funds.

c) Investments are stated at mid-market value. Investments that are separately held to meet current obligations are treated as current assets. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

d) All resources expended, including irrecoverable VAT, are charged against income on an accruals basis. Expenditure is allocated directly where the costs are directly attributable, otherwise on a basis of staff usage and their allocation of time. For further details of expenses, please refer to note 4 of the accounts.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Trust. Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

e) Donations and legacies are recognised in the Statement of Financial Activities only when there is a reasonable assurance of receipt.

f) Dividends on investments and bank interest are accounted for on the accruals basis.

g) Fixed assets are depreciated over their estimated useful lives. The method of depreciating Fixtures, Fittings and Equipment is 33% on cost. All assets costing over £500 are capitalised.

h) Costs in respect of operating leases are charged on a straight line basis over the lease term.

i) Gifts in kind are recognised at market value at the date of receipt.

WESSEX MEDICAL TRUST

Notes forming part of the financial statements - continued

| 2a. Donations | 2011 | 2010 |
|-------------------------------------------|---------------|---------------|
| | £ | £ |
| Trusts and foundations | 2,500 | 3,900 |
| Individuals | 11,021 | 13,909 |
| Gift aid (over provided in previous year) | 714 | (821) |
| Corporate | 1,930 | 60,833 |
| Community groups | 46 | 1,267 |
| Other | 1,385 | 1,829 |
| | <u>17,596</u> | <u>80,917</u> |

2b. Legacies

At 31 December 2011 the Trust had been notified of one legacy which could not be quantified with certainty.

3. Investment Income

| | 2011 | 2010 |
|----------------------------------------|---------------|---------------|
| | £ | £ |
| Income from UK quoted investments | 60,455 | 67,403 |
| Income on short term deposits and cash | 641 | 350 |
| | <u>61,096</u> | <u>67,753</u> |

4. Allocation of Support Costs

| | Fundraising | Charitable Activities | Governance | Total |
|-------------------|--------------------|------------------------------|-------------------|---------------|
| | £ | £ | £ | £ |
| Staff Costs | 4,294 | 4,294 | - | 8,588 |
| Office Costs | 4,653 | 3,102 | 60 | 7,815 |
| Computer Costs | 528 | 352 | - | 880 |
| Professional Fees | 13,648 | 16,850 | 4,322 | 34,820 |
| Audit | - | - | 3,540 | 3,540 |
| | <u>23,123</u> | <u>24,598</u> | <u>7,922</u> | <u>55,643</u> |

Staff costs and professional fees (relating to bookkeeping, accountancy and Trust Director) have been apportioned by the approximate amount of time spent in each area by the staff/professional to which the cost relates.

Office costs, computer costs and depreciation on equipment have been apportioned to the cost categories by reference to which activity the asset/cost related to.

5. Costs of Generating Funds

| | Unrestricted | Restricted | 2011 | 2010 |
|--------------------------|---------------------|-------------------|-------------|-------------|
| | £ | £ | £ | £ |
| Salaries | 28,065 | - | 28,065 | 27,130 |
| Direct fundraising costs | 2,597 | - | 2,597 | 1,542 |
| Event Costs | 11,198 | - | 11,198 | 7,118 |
| Brochures and Leaflets | 4,363 | - | 4,363 | 6,302 |
| Advertising | 2,219 | - | 2,219 | 290 |

| | | | | |
|-----------------------------|---------------|----------|---------------|---------------|
| Support Costs | 23,123 | - | 23,123 | 26,683 |
| | <u>71,565</u> | <u>-</u> | <u>71,565</u> | <u>69,065</u> |
| WESSEX MEDICAL TRUST | | | | |

Notes forming part of the financial statements - continued

6. Analysis of Resources Expended

| | Staff | Other | 2011 | 2010 |
|------------------------------------------------------------------------------------|---------------|----------------|----------------|----------------|
| | £ | £ | £ | £ |
| Costs of Generating Funds | 32,359 | 39,206 | 71,565 | 69,065 |
| Grants payable in furtherance of the charity's objects | - | 250,886 | 250,886 | 360,148 |
| Transfer of Gift of Sight funds to the University of Southampton Development Trust | - | - | - | 1,671 |
| Costs of activities in furtherance of the charity's objects | 4,294 | 20,304 | 24,598 | 27,767 |
| Governance | - | 7,922 | 7,922 | 8,178 |
| | <u>36,653</u> | <u>318,318</u> | <u>354,971</u> | <u>466,829</u> |

Staff costs include £2,764 in respect of social security costs (2010: £3,077)

The average number of persons employed by the Trust during the year was 2 (FTE 2) (2010: 2(FTE 2))

No remuneration was paid to any Trustee in 2011 (2010: nil)

No expenses were paid to Trustees in 2011 (2010: nil)

7. Grants Awarded

During the year 2011, 11 grants totalling £361,298 (2010: 17 grants totalling £367,394) were awarded to the University of Southampton to fund educational posts and research projects as detailed on page 11. Grants not expended totalling £110,412 (2010: £7,246) were netted against these figures in the Statement of Financial Activities.

8. Auditors and Independent Examiners remuneration

| | 2011 | 2010 |
|-----------------------------------------------------------------|--------------|--------------|
| | £ | £ |
| Audit services (under accrued in previous year) | 3,000 | 300 |
| Independent Examiners services (under accrued in previous year) | 540 | 2,520 |
| Non-audit services | - | - |
| | <u>3,540</u> | <u>2,820</u> |

WESSEX MEDICAL TRUST

Notes forming part of the financial statements - *continued*

9. Tangible Fixed Assets

| | Fixtures, Fittings and Equipment |
|------------------------------------------------------------------|-------------------------------------------------|
| | £ |
| Cost at 1st January 2011 | 2,229 |
| Additions | - |
| Disposals | - |
| Cost at 31st December 2011 | <u>2,229</u> |
| Accumulated depreciation at 1st January 2011 | 2,229 |
| Charge for year | - |
| Disposals | - |
| Accumulated depreciation at 31st December 2011 | <u>2,229</u> |
| Net Book Value | |
| 31 st December 2011 | - |
| 31 st December 2010 | - |

10. Investments at market value: fixed assets

| | £ |
|-------------------------------------------|----------------|
| Equities - UK | |
| Market Value at 1st January 2011 | 513,791 |
| Unrealised loss for the year | (27,084) |
| Market value at 31st December 2011 | <u>486,707</u> |

The historical cost of investments at 31st December 2011 amounted to £484,736 (2010: £484,736).

The equities are investments held in the M&G Equities Investment Fund for charities (Charifund)

11. Investments at market value: current assets

| | £ |
|-------------------------------------------|----------------|
| Government Stocks | |
| Market Value at 1st January 2011 | 677,497 |
| Additions | - |
| Unrealised gain for the year | 29,217 |
| Market value at 31st December 2011 | <u>706,714</u> |

The historical cost of investments at 31st December 2011 amounted to £701,444 (2010: £701,444).

The government stocks are UK securities investments held in the M&G Charibond Charities Fixed Interest Common Investment Fund.

WESSEX MEDICAL TRUST

Notes forming part of the financial statements - *continued*

12. Debtors

| | 2011 | 2010 |
|---------------|--------------|----------------|
| | £ | £ |
| Other debtors | 7,991 | 134,558 |
| Prepayments | 793 | 754 |
| | <u>8,784</u> | <u>135,312</u> |

13. Creditors: amounts falling due within one year

| | 2011 | 2010 |
|-----------------|----------------|----------------|
| | £ | £ |
| Grants payable | 333,098 | 454,205 |
| Trade creditors | 72,400 | 46,408 |
| Other creditors | 747 | 757 |
| Accruals | 7,632 | 8,838 |
| | <u>413,877</u> | <u>510,208</u> |

14. Creditors: amounts falling due after more than one year

| | 2011 | 2010 |
|----------------|----------------|----------------|
| | £ | £ |
| Grants payable | 270,074 | 203,302 |
| | <u>270,074</u> | <u>203,302</u> |

15. Analysis of net assets

| | Unrestricted Funds | Restricted Funds | Total Funds |
|--------------------------------------------|-------------------------------|-----------------------------|------------------------|
| | £ | £ | £ |
| Fixed Assets | 486,707 | - | 486,707 |
| Current Assets | 316,439 | 881,397 | 1,197,836 |
| Current Liabilities | (267,951) | (145,926) | (413,877) |
| Amounts falling due after more than 1 year | (220,074) | (50,000) | (270,074) |
| Total Net Assets | <u>315,121</u> | <u>685,471</u> | <u>1,000,592</u> |

WESSEX MEDICAL TRUST

Notes forming part of the financial statements - *continued*

16. Restricted Funds

| | 2011 | 2010 |
|-------------------------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Opening balance at 1 st January 2011 | 201,257 | 244,627 |
| Net movement in restricted funds | 484,214 | (43,370) |
| Balance at 31st December 2011 | <u><u>685,471</u></u> | <u><u>201,257</u></u> |

The income funds of the charity include restricted funds where the donors wish the monies to be applied in a specific research area. The Trust holds many different income funds and the largest of these are illustrated below.

The sums shown are the unexpended balances of donations held on trust to be applied for a specific purpose by the Trustees at a future date.

| | Opening balance at 1st January 2011 | Incoming Resources | Resources Expended | Closing balance at 31 st December 2011 |
|--------------------------------------|-------------------------------------------------|-----------------------|-----------------------|---------------------------------------------------------------|
| | £ | £ | £ | £ |
| Asthma | 13,541 | - | (4,035) | 9,506 |
| Child health | 25 | - | - | 25 |
| Cancer * | 108,562 | 423,758 | 5,638 | 537,958 |
| Diabetes | 70 | 65 | - | 135 |
| Meningitis | 5,747 | 1,500 | - | 7,247 |
| Miscellaneous medical research | 8,672 | - | - | 8,672 |
| Orthopaedics | 6,153 | - | - | 6,153 |
| Innovation fund | 100 | 230 | - | 330 |
| Gift of Sight | 410 | 400 | - | 810 |
| Spire (BUPA) research fellowships | 3,351 | - | (3,351) | - |
| Steve Mills fund | 18,463 | 220 | 70,000 | 88,683 |
| States of Guernsey | 4,205 | - | - | 4,205 |
| States of Jersey | 12,774 | - | 5,355 | 18,129 |
| Other disease specific funds | 19,184 | 1,350 | (16,916) | 3,618 |
| Total | <u><u>201,257</u></u> | <u><u>427,523</u></u> | <u><u>56,691</u></u> | <u><u>685,471</u></u> |

**this includes the funds for the purchase of the mass spectrometer (see page 5)*

17. Unrestricted Funds

| 2011 | 2010 |
|------|------|
| £ | £ |

Unrestricted Funds consist of:

Free Reserves

| | |
|-----------------------|-----------------------|
| 315,121 | 622,598 |
| <u>315,121</u> | <u>622,598</u> |
| <u><u>315,121</u></u> | <u><u>622,598</u></u> |