

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

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THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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OUR VISION, MISSION AND VALUES

Our Vision outlines the scale of our ambition and sets out what we want to be:

Leading Perioperative Excellence

Our Mission is:

To improve patient care through constantly developing and promoting the leading standards for perioperative practice and practitioners.

Our Values and principles are the guiding light of our organisation. They are:

- We put public benefit first
- We put our members at the heart of what we do
- We disseminate learning We act with integrity
- We are a business-like organisation
- We are a people-focused organisation
- We are a quality organisation

We achieve our Vision and Values by:

- The excellence of our professional advice to members
- The excellence of our education resources
- The high level of influence we exert
- Determining standards and promoting best practice
- Facilitating education and practice development
- Providing a forum for partnerships with industry
- Shaping healthcare policy

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024

Trustees

R A Collins, President
N J Deane, Trustee
L Dye, Trustee (appointed 1 January 2024)
J Maher, Trustee
L H Nealen, Trustee (appointed 1 January 2024)
M Page, Trustee
J E Spencer, Trustee
L E Tierney, Trustee
O D Tierney, Trustee
A C Venn, Trustee
J D Dade, Trustee (resigned 1 January 2024)

Company registered number 06035633

Charity registered numbers 1118444 and SCO43668

Registered office

Daisy Ayriss House
42 Freemans Way
Harrogate
North Yorkshire
HG3 1DH

Chief executive officer Alex Duke

Independent auditors

Armstrong Watson Audit Limited
Chartered Accountants
Statutory Auditors
Third Floor
10 South Parade
Leeds
West Yorkshire
LS1 5QS

Bankers

National Westminster Bank
3 Cambridge Crescent
Harrogate
HG1 1PE

Solicitors

Hempsons Solicitors
The Exchange
Station Parade
Harrogate
HG1 1TS

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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PRESIDENT'S MESSAGE
FOR THE YEAR ENDED 31 MARCH 2024

I am pleased to report on the progress and achievements of the Association for Perioperative Practice (AfPP) during the past year. It has been a year of significant developments and successes for our organisation.

One of the key highlights of the year was the formal appointment of our new CEO, Alex Duke. Alex has brought a wealth of experience and expertise to the role, and her leadership has already had a positive impact on AfPP.

We have also made significant strides in strengthening our HQ team, particularly in the areas of finance and marketing. This has allowed us to better serve our members and enhance the services and resources we provide.

In line with our commitment to innovation and improvement, we worked hard to ensure the new digital platform would be ready to go live early in April 2024. It offers a more seamless and user-friendly membership and HQ experience, has been well-received by our members and has helped us to better engage with them.

As we celebrate our 60th year, we have organised a roadshow with multiple locations across the UK and hosted a wonderful conference at the University of York. These events have provided valuable networking opportunities for our members and have allowed us to showcase the important work that AfPP does.

Throughout the year, we have remained committed to our strategic vision and have continued to be guided by a board that is representative of our membership. The board members have been voted in based on their dedication and commitment to the mission of AfPP.

I had the privilege of representing AfPP at the AORN conferences in San Antonio in April 2023 and then in Nashville in March 2024 plus the IFPN in Kos. These experiences have allowed me to connect with colleagues from around the world, to share best practices in perioperative care and offer influence at a global level.

As we look to the future, I am excited about the opportunities that lie ahead under our new leadership. I will be passing on the presidential mantle to Oliver Tierney in January 2025, and I am confident that he will lead AfPP with passion and dedication.

I want to thank all of our members, volunteers, and staff for their continued support and hard work. Together, we are making a difference in the field of perioperative practice. Here's to another successful year ahead.

Sincerely,

Ruth Collins

President, AfPP

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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CHIEF EXECUTIVE OFFICER'S MESSAGE
FOR THE YEAR ENDED 31 MARCH 2024

Following my appointment to Interim CEO in June 2023, I was delighted that the role became substantive in December 2023.

The last financial year was one of consolidation, reviewing our activities, expenses and the returns on investment. As a result, some of our activities were cancelled such as Togetherall membership, surgical skills workshops, the online Standards and Recommendations and the online Audit Tool and some were streamlined such as the members insurance application process.

We have looked carefully at the gaps in our organisation, and we identified in our strategy that we should strengthen our educational output, education being one of the primary reasons for members joining the Association. To this end we restructured the HQ team slightly and started the process of recruiting a new Education Lead and a new Head of Department for Education, Publications and Professional Advice. Unfortunately, we were unable to fill these roles with the right candidates within the financial year although I'm pleased to report that the appointments are now in place and their efforts will start to have an impact in the financial year 2024/2025.

Recruiting and retaining volunteers remains a challenge for the Association and our dependency on the contribution that volunteers make does leave us exposed on occasion, in that we have in the past been unable to deliver a Regional Study Day if there was either no Regional Lead or if the Lead left during the execution of an event.

In an effort to avoid these gaps in our regional education we kickstarted the AfPP Roadshow initiative. The goal with the roadshow was to put on seven educational events spaced evenly and accessibly across the country with the dates and locations published for the whole year in advance. We established a new Educational Team which included the Regional Leads, Trustees and HQ members with the joint purpose of providing an event, regardless of the availability of a lead in the chosen cities. Another goal of the Roadshow is to attract new members by showing them the value of our educational events at a discounted price during our 60th Anniversary year (a celebratory 'taster'). Although much of the planning has fallen within this reported financial year, the first actual event was in May 2024 so part of the current financial year.

Another major area of our efforts this year has been in getting the new Radius CRM system and new website live. It's noted that this project has had significant delays and I set a very clear live date target that we worked to and achieved, albeit tipping just into the next financial year (the system became live 16th April 2024).

Membership of the Association fell during the period as we had anticipated, and the changes put into place to build our education output in addition to the improvements we will gain from our new CRM should start to impact membership numbers positively in the next financial year.

We have put considerable efforts into ensuring all our teams mandatory training is compliant in addition to meeting the requirements for our external consultants.

Our commercial work continues to be strong, and we have spent considerable time developing and formalising the reports generated from the audit and accreditation visits. This work is ongoing and will, in time cover all aspects of our commercial activities.

We are excited that we have been able to put in place some of the key building blocks (across all departments, not just those mentioned) that will enable us to create the AfPP worthy of practitioner's membership, not just for today, but of the future. We will continue working hard to make AfPP relevant to practitioners at all stages in their career.

Alex Duke

Chief Executive Officer

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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YOUR BOARD OF DIRECTORS/TRUSTEES AND ADVISORS TO THE BOARD
FOR THE YEAR ENDED 31 MARCH 2024

Ruth Collins: President/Trustee and Director of AfPP Limited

With over 20 years of experience as a theatre nurse, Ruth currently holds the position of Clinical Director at Solasta Healthcare, a provider of premium cataract surgery whose vision is to become the leading light in ophthalmology patient care.

In her previous role as a Nurse Development Lead, Ruth was responsible for coordinating education and training, practice development, clinical workforce, and governance. Although trained as an adult nurse, this role was in a paediatric setting, where she managed nearly 500 nurses and was involved in the perioperative environment.

Ruth's main areas of interest are education, governance, infection prevention and control, person-centred care and patient and staff experience. She is an advocate for patient and staff safety and the development of safe, caring and confident practitioners within the perioperative environment. Ruth is passionate about fostering safe cultures and promoting inclusivity for all roles within the perioperative setting. Additional to this, her areas of clinical expertise include orthopaedics, general surgery, vascular, plastics, neuro and ophthalmology.

Ruth has been a member of NATN, and subsequently AfPP, since 2005 and was originally a member of the Brunel Branch. She was involved in the Northern Ireland branch with responsibility for membership and then became the regional lead for Northern Ireland, a role she now supports as trustee.

Ruth has represented AfPP in relation to OneTogether, HIS and NAP6 and provides consultancy support to the Association. Ruth currently sits on the Governance Committee and considers it a privilege to contribute in this way.

John Dade: Immediate Past President / Trustee and Director of AfPP Limited

John qualified as an Operating Department Assistant in 1983 based then in Norwich and worked at a few hospitals around the UK before taking up a role in 2004 as lecturer in Operating Department Practice at the University of Leicester.

John retired in November 2021 but remains as a visiting lecturer and Perioperative Consultant. He regularly spends time in theatres to keep up to date with current practice and developments. He feels it imperative in his role to maintain one's clinical credibility.

John joined the then NATN in 1998 and has been a member of the AfPP Governance Committee since 2014 and was elected as a Trustee in November 2017 and President in January 2021.

John currently represents AfPP on the Board of the Centre for Perioperative Care (CPOC). John was very involved in updating the HCPC ODP Standards of Proficiency and in projects with Health Education England which will chart the future of Perioperative practice.

John stepped down from his president role in January 2024.

Oliver Tierney: President Elect/Trustee and Director of AfPP Ltd

Oliver started with the NHS in 1999 at the Liverpool Royal Hospital, qualifying as an Operating Department Practitioner in 2008. Post qualification, he worked at the Liverpool Heart and Chest before moving to The Walton Centre in 2013. Oliver became a Band 6 Clinical Skills Facilitator in 2015 and then a Band 7 Practice Education Facilitator in 2017. Since May 2022, Oliver's role has further expanded, and he is now the Lead for Education, Risk and Governance at Walton Operating Theatre.

Throughout his career Oliver has always had a passion for education and he won The Walton Centre "Best Contribution to Education" Award in 2016. Recently, Oliver has become an accredited Applied Human Factors Trainer and qualified Workplace Mediator.

In 2019, Oliver became an accredited Mental Health First Aider and from this, set-up the Walton Theatre Health & Wellbeing team, which would prove invaluable during the COVID pandemic.

He has been an AfPP Trustee since 2021 and a director of AfPP Ltd since January 2024.

**YOUR BOARD OF DIRECTORS/TRUSTEES AND ADVISORS TO THE BOARD CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

Julia Spencer: Trustee

Julia qualified as an Operating Department Practitioner (ODP) in 2001 with an NVQ3 in ODP. Since qualifying, Julia has gained invaluable experience across almost all ODP specialities, working in both permanent and agency roles within the NHS and private sector. Julia has completed various Royal College of Surgeons courses including a PG Cert in Surgery, Basic Surgical Skills and Non-Technical Skills for Surgeons.

In 2015, Julia began working within resuscitation. She held positions as a Resuscitation Lead and Resuscitation Officer in the NHS and private sector, and as a Resuscitation Council (UK) instructor for both adult and paediatric courses.

Julia is currently the Professional Lead for Advanced Clinical Practice at York and Scarborough Teaching Hospitals NHS trust, working clinically within the speciality of breast surgery and oncoplastics.

Julia has been an AfPP Trustee since 2021.

Jennifer Maher: Trustee

Jennifer is an ODP Team Leader and a Clinical Skills Facilitator. She has over 23 years' experience in and around theatres. Most of these years were spent in large adult trusts in Liverpool, with the last 5 years in Paediatrics in Alder Hey Hospital. Jennifer has an ILM level 3 in Leadership & Management and is currently studying a level 5 Coaching qualification. She is also a trained Human Factors trainer.

Jennifer has a keen interest in Human Factors and the impact on patient safety. Recently, she has been part of a core team developing a new programme to create a safer way of working in teams, using Human Factors, Simulation and Coaching as the core of the programme. She feels her vast experience and skills across the many specialities help her to understand the needs, and the many challenges theatre staff can face day to day. Jennifer believes that we can coach our teams into overcoming, and maybe preventing some of these challenges.

Lisa Tierney: Non-Elected Trustee

Lisa has worked in theatres throughout the UK since 1980, predominately in the role of scrub practitioner. Previous roles include Theatre Matron at The Royal Liverpool and Broadgreen University Hospitals Trust and Theatre Matron/Manager at Liverpool Heart & Chest Hospital. Following 38 years in the NHS Lisa moved to the Independent sector working for over 5 years as Head of Nursing for The Private Clinic of Harley Street.

Lisa is passionate about patient care and strives to create an environment of continuous quality improvement with a focus on safety, quality and improving the patient experience. She served as a Major in the Army Reserves for 18 years and completed three operational tours to Iraq and Afghanistan.

Lisa has worked for the Care Quality Commission (CQC) since July 2015 as a Specialist Advisor and has participated in numerous Inspections in the NHS and Independent Sector.

Lisa has been a member of NATN/AfPP for a number of years and represents AfPP on the steering group of the SAFE OR program, which supports and promotes safe standards in low-income countries. She has contributed to developing the program and has delivered multi-disciplinary teaching on courses in Africa, India, Bangladesh and the UK.

Lisa is a non-elected Trustee and a Consultant for AfPP. She also provides consultancy services for healthcare providers regarding regulatory compliance and registration.

**YOUR BOARD OF DIRECTORS/TRUSTEES AND ADVISORS TO THE BOARD CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

Maxine Page: Elected Trustee

Maxine began her theatre career in 1992 as a newly qualified nurse. Over the last 30 years she has worked primarily as a scrub practitioner within general, urology, colorectal and vascular surgery and rotationally in PACU. She was the Theatre Education Co-ordinator at the Princess Alexandra Hospital, Harlow. In January 2009 she became the Matron for theatres, post anaesthetic care unit, day surgery theatres, pre assessment and the acute pain service. Maxine was a previous associate lecturer at Anglia Ruskin University on the ODP degree programme.

Maxine is passionate about education and the development of staff. She has devised roles, training programmes and competencies within theatres and PACU at Princess Alexandra Hospital to foster staff development and growth. She has shared her educational experiences at several conferences, including AfPP's Annual conference, to inform, support and energise theatre practitioners around education and its importance.

Maxine is equally passionate about patients' safety, quality and providing a positive patient experience. She works collaboratively with patients and relatives to improve care and service delivery.

Maxine is a mental health first aider and is committed to staff health and wellbeing.

Maxine has been a member of NATN latterly AfPP since 1992. During this time, she has been a link member, Educators SIG Lead and an AfPP Consultant for theatre accreditations.

Nadiene Deane; Elected Trustee

Nadiene qualified as an Operating Department Practitioner in 2014 having built her career in the perioperative setting. After gaining invaluable experience in the NHS, Nadiene moved into the private sector. As a continuous champion for high standards of care, Nadiene progressed through the roles of Team Lead and Clinical Coordinator into her current role of Deputy Theatre Manager. In this latest role, Nadiene assisted in leading the team to achieve full marks in AfPP Accreditation.

Nadiene has also completed training as a Surgical First Assistant and has also completed leadership and management training.

With a passion for Patient Safety, Nadiene has a keen interest in Human Factors and the relationship between perioperative team culture and patient experience. She is also passionate about talent recognition and development, strongly advocating that competent, confident staff create a safe perioperative environment, and believes that effective staff engagement and development can improve both patient safety and experience.

Currently, Nadiene chairs the staff engagement forum within her hospital. She also sits on the resus committee and takes an active role in Radar investigation and learning.

Nadiene says: "I am keen to support the development of AfPP's long-term strategy by taking a more active role in upholding the vision, mission and values which very much align with my own. It is both a welcomed opportunity and an honour to sit on the Board of Trustees and share and develop my own skills whilst positively contributing to the future of perioperative practice."

Outside of work, Nadiene is a wife and mother of three. She has a passion for love and laughter, believing in enjoying life in all its fullness!

Alison Venn: Non-Elected Trustee

Alison has previously collaborated with AfPP within her current role at Becton Dickinson UK Ltd (BD), working as a Senior Clinical Consultant. More specifically in her role, Alison focuses on Infection Prevention and Biosurgery.

Alison has a strong working knowledge of the NHS, as well as the economic and regulatory environment. She strives to deliver strong engagement and advocacy with customers and external stakeholders, including the NHS at all levels, regulatory bodies, and scientific and clinical associations. Alison also excels at delivering clinical solutions that drive patient safety, experiences and outcomes to high-level clinical and academic thought leaders.

Within her role at Becton Dickinson UK Ltd, Alison also acts as a coach and mentor for national and international clinical leaders to enable effective platforming of value-based care, which includes BD solutions. In addition, she also provides training to sales team and their customers at a tactical level, providing tools and resources enabling them to work effectively.

**YOUR BOARD OF DIRECTORS/TRUSTEES AND ADVISORS TO THE BOARD CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

Louise Dye: Non-Elected Trustee

Louise is a Clinical Education Facilitator for the Orthopaedic Theatres service at the Norfolk & Norwich Hospital. Louise qualified as a Registered General Nurse in April 1993, she has been working within the field of perioperative practice for over 25 years with the majority of her practice being within the field of Orthopaedics and Trauma. Working in both full time and part time roles from Band 5 Nurse to Band 8a Lead Nurse / Theatre Manager across 3 NHS trusts and 2 private sector hospitals.

Louise has been an AfPP member for several years and has held the position as Orthopaedic SIG Lead for 5 years. As part of the Anglia regional team, Louise has been involved with the organization and delivery of regional study days. She is also a member of AO Trauma UK Faculty and has facilitated local and national AO Trauma Operating Room Personnel Courses.

Louise is also involved with the supervision and assessment of students who are on placement in her team these include Nurses, Operating Department Practitioners and Paramedic's. The trust she works in facilitates Degree students and apprentice students from several local universities' which brings a wide variety of course programmes for them to facilitate.

Lisa Nealen: Elected Trustee

Lisa gained her 'Practice Development' degree in 2017, since then Lisa has used the knowledge and confidence gained to reach a wider audience through webinars and study days. Lisa is passionate about education, with over 29 years of theatre experience, Lisa loves providing the junior staff and students with the knowledge and skills to enable them to become confident, safe practitioners. Lisa represents AfPP as a regional member for the Northeast area and is the Link member within her own theatre department. Lisa represents the AfPP through national webinars and at the 'Safety for All', conference at the Royal College of Physicians in London.

Lisa has worked alongside Stryker UK LTD as their 'Key Opinion Leader' and with them has helped others to have courageous conversations within their own departments in order to create 'Clean Air Theatres', which safeguard their colleagues and patients from the potential dangers of surgical smoke plume. Lisa's work has been acknowledged by us and her webinar has been awarded CPD hours that staff can use towards their revalidation. Lisa has also helped to create guidelines within her departments, ensuring the continued use of smoke evacuation devices.

Lisa is a Freedom to Speak up champion and is part of two committees: Surgical smoke coalition and Surgical Burns Action Group.

Alex Duke: Chief Executive Officer and Director of AfPP Limited

Prior to taking on the role of CEO in June 2023, Alex worked for the Association at HQ in Harrogate for five years as the Commercial Development Lead when she also deputised for the CEO. She has broad ranging experience and has previously worked in a diverse range of sectors from retail, fashion and manufacturing to homeware, lighting, and healthcare IT, predominantly but not exclusively in the SME sector.

Working with SME's, including start up's, has provided Alex with very hands-on experience and strong commercial understanding. She enjoys getting involved with the variety of departments in a business, understanding how everything hangs together and the challenges facing each department. She also has the practical experience of setting up several new businesses from scratch and successfully selling a healthy, profitable retail and web-based business of her own.

Her responsibilities have generally been in the management, problem solving, planning, sales and marketing functions and she sees herself very much as a people person who thrives on colleague and customer interaction.

Working in New York for two and a half years as President of a US subsidiary to a large UK lingerie manufacturer gave Alex an appreciation and respect for anyone working in a foreign country. Alex says that, even as an English-speaking country, the United States was a minefield in terms of navigating subtle differences in language. She has huge respect for people working in the UK from abroad, for all the additional challenges that a different language brings.

Alex's strengths lie in her analytical approach, planning, evaluating, and implementation of commercial opportunities that will support the continued development of the Association. She has a keen attention to detail and naturally curious (some may say nosey!) nature.

**YOUR BOARD OF DIRECTORS/TRUSTEES AND ADVISORS TO THE BOARD CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

David Robinson: Professional Advisor and Director of AfPP Limited

David is a Chartered Accountant and joined the Board in January 2018. After many years as a Partner in private practice David set up his own business advisory company in April 2016. He now holds a number of non-executive roles and provides advisory services to a broad range of businesses. His work principally relates to financial matters and business development. He was, for over 12 years, a trustee and treasurer of a leading local Charity and is now a trustee of a charity that provides access to the countryside for people with disabilities. David has extensive third sector and business experience. David stepped down as a trustee in April 2024.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Directors present their report and audited financial statements for the year ended 31 March 2024. The financial statements comply with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

The organisation is a charitable company, limited by guarantee, registered in England and Wales, incorporated on 21 December 2006 and registered as a charity on 20 March 2007. The Company was established under a Memorandum of Association which established the objects and powers of the charitable Company and is governed under its Articles of Association. The Directors review these governing documents annually.

The business and assets of the unincorporated body, also known as The Association for Perioperative Practice, were donated to the Charity on 1 April 2007 and its liabilities were discharged by the Charity. In the event of the Company being wound up members are required to contribute an amount not exceeding 1.

The Association has grown and thrived since it was founded in 1964 by Doreen 'Daisy' Ayriss MBE. From a membership of only 250, AfPP has developed into a nationally respected organisation which promotes the highest level of clinical care in perioperative practice.

Related company

At 31 March 2024, the charity has one wholly owned subsidiary company being AfPP Limited (No. 3102102).

The principal activity of the Company is the provision of training and consultancy to healthcare institutions and organisations working in or visiting the perioperative environment. Other activities include the publishing of journals and publications for the medical profession.

Further information is provided within the financial statements.

Pay policy for senior staff

The Directors, who are the Association's Trustees, consider that the key management personnel are the senior management team which is responsible for directing and controlling, running and operating the Association on a day-to-day basis. All Directors give their time freely and no Director received remuneration in the year for these services as Trustees. Details of Directors' expenses and related party transactions are disclosed in note 23 to the accounts.

Governance and Management

The Directors of the Company are also charity trustees for the purposes of charity law and under the Company's Articles of Association, are known as the Board of Directors and Trustees ('Board').

The Board meets at least three times per year and is responsible for business planning, strategy and the management of the charity. The day-to-day management of the charity has been delegated to the Chief Executive who is accountable to the Board.

The Board may delegate any powers or discretions to committees consisting of such persons as it may think fit. Any such committees report fully their acts and proceedings to the Board.

The Board of elected Directors/Trustees come from a background of employment based clinical practice, whilst non-elected Board members bring their business and administrative skills.

The elected Directors/Trustees act as ambassadors and are the external face of the Association both at national and international levels. Furthermore, the elected Directors/Trustees support various areas of governance activities including standards, membership, regions and education.

DIRECTORS' REPORT CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Recruitment and appointment of Directors/Trustees

In accordance with the Articles of Association, Directors/Trustees are elected by the voting members of the Charity for a term determined by the Articles of Association. The Board may, by resolution, appoint up to four more non-elected Directors/Trustees.

All members of the Board are familiar with the practical work of the Charity. Any new Director is fully briefed by the Board on all aspects of the Charity, including its operational framework, future plans and current financial position. New Board members are provided with guidance from the Charities Commission on trusteeship.

All members of the Board give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in note 20 to the financial statements.

Board induction, training and assessment

A structured approach ensures that the skills of new and current Directors/Trustees are developed in order to contribute to their roles as Board members.

New Board members are helped through a mentorship scheme involving an experienced Trustee who, in providing support, assists the new Board member to quickly become aware of the work and practices of the charity and is thereby equipped to contribute to the Board.

The performance of Directors/Trustees is reviewed annually by the President as part of an individual development plan which sets out any further training/development needs.

Regional Teams

HQ continues to work closely with our regional teams. Virtual meetings have taken place to ensure they have been supported and kept up to date with ongoing AfPP business and all regional leads were invited to attend our Annual Conference at no cost. Our regional teams continue to support all regional accomplishments and have worked hard to maintain and enhance the profile of the Association at local level.

Sub-committees

There are various sub-committees and groups which have delegated authority from the Board:

Governance Committee - The aim of the Governance Committee is to ensure and evidence that systems are in place that deliver a sound and robust approach to integrated governance. The Governance Committee reports to the Board and meetings are aligned to the Board meetings.

Nominating Committee - The function of the Nominating Committee is to encourage and assist in the maintenance of the succession of Board roles. The committee meets as required to support the Trustee election process and reports to the Board.

OUR AIMS AND OBJECTIVES

Purposes

AfPP exists to advance health by improving patient care in perioperative practice by:

- determining standards and promoting best practice
- facilitating education and practice development
- providing professional support services
- providing a forum for partnership with industry
- shaping healthcare policy

Our vision

To lead perioperative excellence.

Ensuring our work delivers our aims

The achievements and the results of the Charity's activities are reviewed monthly by the Board. The Board also reviews the aims and objectives in the context of achievements and results.

DIRECTORS' REPORT CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

The focus of our work

The main objectives for the year continued to be the advancement of health by the improvement of patient care in perioperative practice. The strategies and activities we employed to meet these objectives included:

- the provision of education and ongoing professional development courses
- the provision of advice to practitioners in the delivery of perioperative practice
- to act as a consultative body on perioperative care and practice to any government department, public or private institution or other interested groups
- to institute or assist in instituting and providing continuing support for research in furtherance of the objects of the Charity
- to award scholarships, bursaries and prizes
- to facilitate the publication of periodicals, journals, books and other forms of media and the provision of library and reference services consistent with the Charity's objects

How our activities deliver public benefit

The Trustees have considered the Charity Commissions' guidance on public benefit including its publication 'Public Benefit: running a Charity' (PB2) in setting its objectives and planning activities for the year.

Whilst our activities are focused upon perioperative professionals within all health settings, the nature and scope of our work results in a much wider audience than the members who subscribe to the Charity.

By the promotion of best practice in perioperative care through the delivery of our activities, the clinical journey of anyone in the United Kingdom having surgical treatment will be enhanced.

Who used and benefited from our services?

Members of the public in the United Kingdom in need of perioperative care are the ultimate beneficiaries of the Charity's services. The Charity supports skilled perioperative staff through direct membership and the provision of website information to non-members.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE IN THE YEAR

Overview:

I'm pleased to announce that the accounts for last financial year shows a favourable surplus of c£142,000 versus a budget deficit of c£51,000. The largest of the differences are outlined in this overview. To a greater extent, the surplus is a result of our commercial work and some elements of income and expenditure not falling quite as we expected.

Audit income was higher than expected and also included an adjustment in the recognition of income. Depreciation on the Radius system of £55,000 did not fall into this financial year on account of the service not going live until 16th April 2024 and therefore it will commence in next year's accounts. Wages were £56,000 less than budgeted due to delays in finding the right recruits.

Membership income was greater than budgeted although this was due to the simplistic budgeting method rather than an increase in membership. A more detailed and robust budget has been produced for 2024/2025.

The sales forecast for publications was too high and we were considerably down against budget. Additionally, sales from Open Box (our Journal and IPP media partner) were below expectations and we believe this is a result of a change in their sales team, and the move to digital (where the perception is that digital isn't as desirable for advertisers). There had also been a historical issue with our Google Analytics account not functioning correctly and therefore we have been unable to give advertisers analytics for their advertisements. This has been corrected with the advent of the new website going live.

Annual Conference produced a greater surplus and the Regional Study Days a lesser deficit than budgeted. The latter was in part due to the cancellation of several events due to the absence or departure of regional volunteers to facilitate the events. As a result of the cancellations, we used our anniversary year (2024) as an opportunity to try something new and we created our 60th Anniversary Roadshow.

Membership:

Membership recruitment and retention has continued to be a challenge for the Association. At the close of the year on 31st March 2024, the Charity's membership was 5,648 (2023: 6,330). During the financial year we started work on developing a programme for recruitment and retention, to be implemented when the new CRM system and website were live.

DIRECTORS' REPORT CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

Membership subscription fees had not been increased for around 10 years and despite the economic climate we took the decision to make an increase. Price increases varied dependant on membership type from 9.09% to 20.00%. The bulk of the membership are Registered members whose increase was 17.14%. Going forward we will plan for smaller incremental increases.

Annual Conference:

The Charity's Annual Conference took place once again at the University of York on 10-13th August 2023. The surge in numbers post covid when people were eager to be at an in-person event again wasn't sustained and both in-person and virtual numbers returned to more typical numbers. Despite this, the conference was very successful and generated £16,800 above budget surplus (£70,000 surplus in total).

The event attracted 283 on site paying delegates and 86 paying virtual delegates. Of the paying delegates, 36% were non-members. Additionally, there were 123 delegates attending free of charge including 59 supplier funded student places, 10 first time attendee award winners, Regional Leads, SIGs, Trustees, speakers and HQ. The event felt full and busy with 406 delegates on site plus supplier representatives from 39 exhibiting companies. We received excellent feedback and evaluations from our delegates and suppliers.

Regional Study Days and Webinars:

As mentioned in the CEO's message, the execution of Regional Study Days has been a challenge for some time. Despite that challenge, there were three Regional Study Days during the year, attracting 172 delegates.

The ease and convenience of webinars continued to be popular and the nine live webinars that we hosted attracted 546 delegates. In addition to that, the on-demand webinars attracted 356 delegates. Our library of free of charge webinars for members continues to grow. Once paid for webinars become over a year old, providing the content is still current, they are offered to members free of charge.

Extensive plans were made for the AfPP Roadshow, to visit Birmingham, Exeter, Cardiff, London, Glasgow, Belfast and Leeds, the first event taking place in May 2024.

Professional Advice Service (PAS):

In what continues to be a challenging time for members, our PAS service supported 145 members with confidential cases in the financial year. Although the number of cases was lower than the previous year, it was comparable in terms of the percentage of members that used the service (2.6% versus 2.7% last year). Once again, employment was the most requested advice topic, followed by education, infection control and staffing.

The Journal of Perioperative Practice (JPP) & The Innovation People and Practice Magazine (IPP):

The Charity's peer reviewed academic Journal the JPP, maintained its impact factor of 1.2 as indexed in the Web of Science. The Journal is now ranked 186/290 in the surgery category.

The editorial team and volunteers are working on initiatives to promote writing for the Journal to ensure that the articles remain relevant to the day-to-day activity of perioperative practitioners. A new Writers Special Interest Group (SIG) has been established and this should start to flourish once Radius is live and the new SIG Forums have a more robust platform for engagement.

We have begun to offer a range of digital advertisements alongside our traditional paper options, including the insertion of video in our PageSuite view of the JPP.

Sales of subscription packages through SAGE publications were as we expected. The cost of the paper copies of the JPP were happily lower than we were led to believe (unfortunately there was nothing historical for Sage base their cost predictions on when we moved to digital first).

The IPP magazine continues to be popular with good reviews from practitioners who perceive it to be an easy read, and favoured by advertisers, as it has a wider distribution than the JPP. It is another way in which we support our membership, whilst advertising the Association to the wider perioperative audience (it's a free subscription magazine). Each issue of the IPP is mailed to all members and 3,775 non-member digital subscribers.

**DIRECTORS' REPORT CONTINUED
FOR THE YEAR ENDED 31 MARCH 2024**

Projects and Collaborations:

We have continued to collaborate on several significant projects, and we sit on many groups including Centre for Perioperative Care Collaborative (CPOC), Perioperative Care Collaborative (PCC), Faculty of Perioperative Care (FPC), Royal College of Surgeons England (RCSE) Robotics Network, British Association of Day Surgery (BADs) Core Competencies Documents, and SAFE OR to name a few. These pieces of work further our mission to improve patient care through constantly developing and promoting the leading standards for perioperative practice and practitioners. Some of the specific projects include:

Surgical Burns Action Group (SBAG)

Lindsay Keeley acts as chair on behalf of AfPP as part of SBAG. This group was established to seek and consolidate clinical and patient support, to remove the significant gaps in the reporting of surgical fires/burns, ensuring patients are properly informed of the risk, and clinicians are educated/trained on the necessary safety requirements. The group is currently lobbying parliament to get recognition of the issue.

GIRFT Elective Surgical Hubs

AfPP was invited and has participated as an observer of the GIRFT accreditation programme for elective surgical hubs and to provide feedback to the GIRFT team. We have been invited to participate further in the future.

BD Joining Hands to Reduce Surgical Site Infection Project

Working with the European Expert Working Group (EWG) initiated by Professor Marja Boermaster from UMC Amsterdam to define the optimal universal, evidence-based bundle to reduce Surgical Site Infections (SSI). A Delphi methodology study was undertaken, and a survey completed. Results have been correlated and research findings are currently being interpreted before being published.

NHS England – Peri-Operative & Theatres Workforce Programme Expert Stakeholder Engagement Group

AfPP are working as part of this EWG. It focuses on clinical roles within the theatre environment, looking at the four practitioner roles: Scrub, Anaesthetics, Recovery and Circulating. The review is of the capabilities frameworks, and elements and roles within the perioperative environment from novice to expert. The aim is to build a collective understanding of current national frameworks and guidance relating to capabilities of the theatre workforce and to co-design a way forward to address unwanted variation in the workforce, establishing a 'unified collective' voice.

ISO Standard - ISO/TC 84 WG8

Providing clinical advice for ISO 23908 technical standards on sharp containers.

ISO Standard - ISO/TC 84 WG9 N927 Catheters

Providing clinical advice for ISO 10555-1 2023 Intravascular Catheters – sterile and single-use catheters.

ISO Standard - ISO/TC84 WG10 N 213 Needles

Providing clinical advice for ISO 9626:2016 Stainless Steel Needle Tubing - for the manufacture of medical devices.

Commercial Work

This continued to be strong in the last financial year. Our consultants have between them supported 23 hospital audit visits and have accredited 21 hospitals. Additionally, we have completed whole team training at one hospital and one staffing review.

We have reviewed the process of ensuring all our consultants meet mandatory training requirements and have current DBS checks. We have also re-written our consultant contracts.

IT

We have purchased and installed a new server and implemented multi factor authentication on all our email accounts making our systems more secure. Further cyber security enhancements will be made as soon as Radius, the new CRM system is live.

DIRECTORS' REPORT CONTINUED FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL REVIEW

Results of the Group

The gross income of the Group amounted to £1,477,965 (2023 - £1,628,476). The Group has reported a surplus for the year of £142,007 (2023 - £28,558). The increase in surplus generated for the year is very pleasing.

Investment policy

The Charity holds money not required for immediate use on deposit with UK commercial banks and seeks to maximise the interest earned by active cash management.

Reserves policy

Reserves are required to bridge the gap between expenditure and income to cover unplanned emergency expenditure and to develop new services.

Total funds as at 31 March 2024 amounted to £934,918 (2023 - £792,911) of which £934,918 (2023 - £792,911) was unrestricted. However, the unrestricted funds include functional fixed assets (e.g. Goodwill, computer hardware, software and other equipment) of £399,324 (2023 - £306,856) that are essential for the Charity's activities and are therefore excluded from free reserves. Therefore, the Charity's reserves freely available to spend at 31 March 2024 were £535,594 (2023 - £486,055).

The Charity's policy is to achieve sufficient reserves to cover three months' expenditure on charitable activities (£326,000) plus the estimated costs of meeting all commitments on a winding-up of the organisation (£151,000); a total of £477,000. The trustees note that reserves freely available to spend have increased in the year again. This continues to reverse the significant decreases in the previous years which reflected deficits incurred as a direct result of the pandemic, which was out of our control, together with the impact of a positive decision to invest in our IT infrastructure. The trustees note that the Group was in a strong financial position prior to the pandemic and the group has maintained significant cash balances. Reserves freely available to spend at 31 March 2024 are above the level required to satisfy our reserves policy at that date. The trustees consider the reserves policy to be prudent.

The reserves policy is reviewed biannually.

Fundraising Activities

In the directors' opinion the charity does not carry out any fundraising activities of the nature set out in the Charities Act 2016.

Risk Management

The Board has a risk management strategy which comprises:

- Compilation of a risk register for the Group which is underpinned by detailed risk assessments and supported through standard methodologies. The risk assessments are reviewed quarterly by the Governance Committee and annually by the Board as part of the Charity's strategic and operations plans
- Establishment of policies, systems and procedures to mitigate the risks identified in the risk register
- Implementation of procedures to minimise the potential impact of any risks that do materialise

Key risks currently are:

- Organisational support systems fail to enable effective communication with members
- Achieving delegate numbers at AfPP events
- Loss of key operational staff from HQ leading to loss of knowledge

Principal funding sources

During the year, a total of £1,158,009 (2023 - £1,305,431) was generated from charitable activities.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2024

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:



Ruth Collins (Sep 10, 2024 19:38 GMT+1)

R A Collins

(Trustee)

Date: 7 September 2024

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION FOR PERIOPERATIVE PRACTICE

Opinion

We have audited the financial statements of The Association for Perioperative Practice (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION FOR PERIOPERATIVE PRACTICE (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

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

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

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION FOR PERIOPERATIVE PRACTICE (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, was as follows:

- we identified laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the industry. The key laws and regulations we identified as being applicable to the company were the Charities Act 2011, Companies Act 2006, employment legislation and tax legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the entity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and noncompliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and noncompliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ASSOCIATION FOR PERIOPERATIVE PRACTICE (CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Williams (Senior statutory auditor)

for and on behalf of

Armstrong Watson Audit Limited

Chartered Accountants

Statutory Auditors

Leeds

Date: 10/09/2024

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Donations and legacies	3	570	570	-
Charitable activities	5	1,158,009	1,158,009	1,305,431
Other trading activities	5	305,531	305,531	320,619
Investments	6	13,855	13,855	2,426
Total income		1,477,965	1,477,965	1,628,476
Expenditure on:				
Raising funds		306,123	306,123	317,689
Charitable activities	7	1,029,835	1,029,835	1,282,229
Total expenditure		1,335,958	1,335,958	1,599,918
Net movement in funds		142,007	142,007	28,558
Reconciliation of funds:				
Total funds brought forward		792,911	792,911	764,353
Net movement in funds		142,007	142,007	28,558
Total funds carried forward		934,918	934,918	792,911

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 27 to 46 form part of these financial statements.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE

(A company limited by guarantee)

REGISTERED NUMBER: 06035633

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	As restated 2023 £
Fixed assets			
Intangible assets	12	359,198	263,674
Tangible assets	13	40,126	43,182
		<u>399,324</u>	<u>306,856</u>
Current assets			
Stocks	16	17,339	14,284
Debtors	17	783,404	752,262
Cash at bank and in hand		683,744	590,333
		<u>1,484,487</u>	<u>1,356,879</u>
Creditors: amounts falling due within one year	18	(948,893)	(870,824)
Net current assets		<u>535,594</u>	<u>486,055</u>
Total assets less current liabilities		<u>934,918</u>	<u>792,911</u>
Total net assets		<u>934,918</u>	<u>792,911</u>
Charity funds			
Restricted funds	20	-	-
Unrestricted funds			
General funds	20	934,918	792,911
Total unrestricted funds	20	<u>934,918</u>	<u>792,911</u>
Total funds		<u>934,918</u>	<u>792,911</u>

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE

(A company limited by guarantee)

REGISTERED NUMBER: 06035633

CONSOLIDATED BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2024

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Ruth Collins (Sep 10, 2024 19:38 GMT+1)

.....
R A Collins
(Chair of Trustees)

Date: 7 September 2024

The notes on pages 27 to 46 form part of these financial statements.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE

(A company limited by guarantee)

REGISTERED NUMBER: 06035633

COMPANY BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	As restated 2023 £
Fixed assets			
Intangible assets	12	356,198	257,674
Tangible assets	13	37,626	36,491
Investments	15	70,058	70,058
		<u>463,882</u>	<u>364,223</u>
Current assets			
Stocks	16	12,960	9,521
Debtors	17	508,550	543,975
Cash at bank and in hand		679,245	486,589
		<u>1,200,755</u>	<u>1,040,085</u>
Creditors: amounts falling due within one year	18	(708,441)	(587,977)
Net current assets		<u>492,314</u>	<u>452,108</u>
Total assets less current liabilities		<u>956,196</u>	<u>816,331</u>
Total net assets		<u>956,196</u>	<u>816,331</u>
Charity funds			
Restricted funds	20	-	-
Unrestricted funds			
General funds	20	956,196	816,331
Total unrestricted funds	20	<u>956,196</u>	<u>816,331</u>
Total funds		<u>956,196</u>	<u>816,331</u>

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE

(A company limited by guarantee)

REGISTERED NUMBER: 06035633

COMPANY BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2024

The Company's net movement in funds for the year was £139,865 (2023 - £25,292).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Ruth Collins (Sep 10, 2024 19:38 GMT+1)

R A Collins

(Chair of Trustees)

Date: 7 September 2024

The notes on pages 27 to 46 form part of these financial statements.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities	190,962	257,593
	<hr/>	<hr/>
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	-	808
Purchase of intangible assets	(98,524)	-
Purchase of tangible fixed assets	(12,882)	(53,690)
	<hr/>	<hr/>
Net cash used in investing activities	(111,406)	(52,882)
	<hr/>	<hr/>
Cash flows from financing activities		
Interest income	13,855	2,426
	<hr/>	<hr/>
Net cash provided by financing activities	13,855	2,426
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	93,411	207,137
Cash and cash equivalents at the beginning of the year	590,333	383,196
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	683,744	590,333
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 27 to 46 form part of these financial statements

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

The Association for Perioperative Practice is a charitable company limited by guarantee and a registered charity (No. 1118444) incorporated and registered in England and Wales under the Companies Act 2006. The registered office is given on the reference and administrative details of the charity page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Association for Perioperative Practice meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The directors assess whether the use of going concern is appropriate i.e ., whether there are any 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 directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern. The directors continue to adopt the going concern basis of accounting in preparing the financial statements. Having carried out a review of the Charity's cash flow and resources, the directors are confident that the Charity is able to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

2.3 Income

All incoming resources are included in the SOFA when the Charity is entitled to the income it is probable that the income will be received, and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- investment income is included on a received basis;
- donations and grants are credited to the SOFA on a receivable basis;
- membership income is recognised on a receivable basis subject to deferral based upon a member's date of renewal;
- income from study days is recognised on an accruals basis;
- grants are recognised when received;
- all incoming resources are stated gross and are not netted down for expenditure.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Charitable activities comprise those costs incurred by the Charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. It also includes Governance Costs which are those costs associated with meeting the constitutional and statutory requirements of the Charity and include costs linked to the strategic management of the Charity.
- Raising funds. This comprises both the direct costs and overheads incurred by the subsidiary, AfPP Limited, in the conduct of its trading activities.
- All overhead and support costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis as set out in note five. Irrecoverable VAT is charged as a separate cost item and allocated in the same way as other costs.

2.5 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Consolidated statement of financial activities.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.8 Intangible assets and amortisation (continued)

The estimated useful lives are as follows:

On-line education asset	-	5 years
Website	-	4 years
Goodwill	-	5 years

2.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line and reducing balance method.

Depreciation is provided on the following basis:

Building improvements	-	20% straight line
Plant and machinery	-	20% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	25% straight line
Computer equipment	-	20% straight line

2.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.11 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.14 Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.15 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.16 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Grants	570	570	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

4. Income from charitable activities

	Unrestricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£
Membership	740,725	740,725	747,811
Study days and events	13,790	13,790	29,835
Residential income	224,342	224,342	248,341
Journal subscriptions	1,811	1,811	1,564
Journal advertising income	140,740	140,740	180,576
Publication sales	36,601	36,601	97,304
	<hr/> 1,158,009	<hr/> 1,158,009	<hr/> 1,305,431
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The amount of membership income deferred at 31 March 2024 is £315,703 (2023 - £352,943) and this is included in accruals and deferred income in note 19.

All income from charitable activities in the prior year was unrestricted.

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£
Trading turnover and other income - subsidiary	305,531	305,531	320,619
	<hr/> 305,531	<hr/> 305,531	<hr/> 320,619
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

All income from non charitable trading activities in the prior year was unrestricted.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

6. Investment income

	Unrestricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£
Interest receivable	11,121	11,121	2,092
Interest receivable - subsidiary	2,734	2,734	334
	13,855	13,855	2,426
	13,855	13,855	2,426

All investment income in the prior year was unrestricted.

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£
Charitable activities	1,029,835	1,029,835	1,282,299
	1,029,835	1,029,835	1,282,299
	1,029,835	1,029,835	1,282,299

All expenditure in the prior year was unrestricted.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Analysis of expenditure by activities

Direct costs

	Basis of allocation	Charitable activities	Total funds 2024	As restated Total funds 2023
		£	£	£
Staff costs	Staff time	275,843	275,843	259,241
Publications, Printing and Postage	Direct	60,484	60,484	119,133
Conference costs	Direct	154,487	154,487	185,854
Study day costs	Direct	16,018	16,018	16,095
Marketing	Direct	30,880	30,880	67,391
Subscriptions	Direct	8,455	8,455	8,305
Membership expansion costs	Direct	32,039	32,039	41,339
Awards	Direct	750	750	750
		<hr/>	<hr/>	<hr/>
		578,956	578,956	698,108
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

All direct costs in the current year and prior year were unrestricted.

During the year, management reviewed the salary costs allocated to direct and support costs and identified that some costs were better classified as relating directly to activities. An adjustment has therefore been made to reclassify £212,018 of staff costs allocated to support costs in 2023 to direct costs.

This has no impact on the total costs or surplus for the prior year.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Analysis of expenditure by activities (continued)

Support costs

	Basis of allocation	Charitable activities	Total funds 2024	As restated Total funds 2023
		£	£	£
IT costs	Usage	38,896	38,896	36,666
Staff costs	Staff time	133,812	133,812	126,781
Rent and rates	Usage	36,493	36,493	30,831
Light and heat	Usage	6,058	6,058	5,240
Insurance	Usage	11,898	11,898	7,127
Telephone	Usage	10,198	10,198	8,789
Sundries	Usage	1,138	1,138	346
Legal and professional	Usage	5,558	5,558	2,279
Depreciation and impairment	Usage	11,747	11,747	152,641
Profit on disposal of fixed asset	Usage	-	-	(386)
Irrecoverable VAT	Usage	61,228	61,228	74,659
Printing and stationery	Usage	15,236	15,236	16,270
Bank charges	Transactions	25,134	25,134	23,529
Staff recruitment costs	Usage	13,012	13,012	7,055
Staff travel	Usage	1,862	1,862	5,393
Staff training	Usage	8,558	8,558	7,424
Bad debts	Transactions	17,060	17,060	15,627
Office costs	Usage	10,043	10,043	8,817
Public relations	Usage	2,593	2,593	10,146
Governance costs	Usage	40,355	40,355	44,887
		<u>450,879</u>	<u>450,879</u>	<u>584,121</u>

All support costs in the current year and prior year were unrestricted.

During the year, management reviewed the salary costs allocated to direct and support costs and identified that some costs were better classified as relating directly to activities. An adjustment has therefore been made to reclassify £212,018 of staff costs allocated to support costs in 2023 to direct costs.

This has no impact on the total costs or surplus for the prior year.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

9. Net incoming resources for the period

This is stated after charging:

	Group 2024	Group 2023	Company 2024	Company 2023
	£	£	£	£
Depreciation	15,938	15,381	11,747	13,709
Impairment provision	-	138,932	-	138,932
Amortisation	3,000	3,000	-	-
Operating lease rentals - land and buildings	41,330	40,631	41,330	40,631
Audit fees	13,800	13,200	13,800	13,200
Tax compliance services	550	1,250	-	-
Accountancy and other services	3,000	2,000	2,000	-
	=====	=====	=====	=====

10. Staff costs

	Group 2024	Group 2023	Company 2024	Company 2023
	£	£	£	£
Wages and salaries	493,887	507,193	366,418	356,798
Social security costs	43,887	48,908	32,695	34,021
Contribution to defined contribution pension schemes	10,542	13,203	10,542	13,203
	=====	=====	=====	=====
	548,316	569,304	409,655	404,022
	=====	=====	=====	=====

During the year, the Charity recharged its subsidiary £138,661 (2023 - £165,282) for Staff costs. These are included within the management charge expenses in the accounts of the subsidiary.

The average number of persons employed by the Company during the year was as follows:

	Group 2024	Group 2023	Company 2024	Company 2023
	No.	No.	No.	No.
Chief Executive	1	1	1	1
Member services	3	3	3	3
Patient Safety and Quality	2	2	2	2
Editorial	1	1	1	1
Marketing	2	2	2	2
Commercial	2	2	2	2
Finance	1	1	1	1
Management and administration	2	2	2	2
	=====	=====	=====	=====
	14	14	14	14
	=====	=====	=====	=====

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

10. Staff costs (continued)

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

	Group 2024 No.	Group 2023 No.
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	1

During the year pension contributions on behalf of these staff amounted to £670 (2023 - £3,195).

During the year key management personnel received remuneration of £83,928 (2023 - £85,179).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL). During the year five (2023 - three) of the trustees of the Charity were paid £21,200 (2023 - £8,100) through the wholly owned subsidiary, AfPP Ltd, for consultancy services on behalf of the company. During the year, the President of the Charity received payment of £10,661 (2023 - £3,061) related to other promotional services on behalf of the Charity. None of these payments were made in relation to the individual's roles as trustees of the Charity, and the articles of association do not prohibit the payments.

During the year ended 31 March 2024, expenses relating to travel and subsistence costs totalling £2,081 were reimbursed or paid directly to 7 Trustees (2023 - £3,085 to 5 Trustees). Expenses amounting to £13,812 (2023 - £6,611) were paid directly by the Charity to third parties relating to travel and subsistence costs.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

12. Intangible assets

Group

	Software £	Goodwill £	Total £
Cost			
At 1 April 2023 (as previously stated)	-	15,000	15,000
Prior Year Adjustment	257,674	-	257,674
	257,674	15,000	272,674
At 1 April 2023	257,674	15,000	272,674
Additions	98,524	-	98,524
	356,198	15,000	371,198
At 31 March 2024	356,198	15,000	371,198
Amortisation			
At 1 April 2023	-	9,000	9,000
Charge for the year	-	3,000	3,000
	-	12,000	12,000
At 31 March 2024	-	12,000	12,000
Net book value			
At 31 March 2024	356,198	3,000	359,198
At 31 March 2023 (as restated)	257,674	6,000	263,674

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

12. Intangible assets (continued)

Company

	Software £
Cost	
At 1 April 2023 (as previously stated)	-
Prior Year Adjustment	257,674
	<hr/>
At 1 April 2023 (as restated)	257,674
Additions	98,524
	<hr/>
At 31 March 2024	356,198
	<hr/>
Net book value	
At 31 March 2024	356,198
	<hr/> <hr/>
At 31 March 2023 (as restated)	257,674
	<hr/> <hr/>

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Tangible fixed assets

Group

	Long-term leasehold property £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2023 (as previously stated)	13,033	14,000	365,071	392,104
Prior Year Adjustment	-	-	(257,674)	(257,674)
At 1 April 2023 (as restated)	13,033	14,000	107,397	134,430
Additions	-	-	12,882	12,882
At 31 March 2024	13,033	14,000	120,279	147,312
Depreciation				
At 1 April 2023	13,033	7,309	70,906	91,248
Charge for the year	-	4,191	11,747	15,938
At 31 March 2024	13,033	11,500	82,653	107,186
Net book value				
At 31 March 2024	-	2,500	37,626	40,126
At 31 March 2023 (as restated)	-	6,691	36,491	43,182

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Tangible fixed assets (continued)

Company

	Long-term leasehold property £	Software and Computer equipment £	Total £
Cost or valuation			
At 1 April 2023 (as previously stated)	13,033	365,071	378,104
Prior Year Adjustment	-	(257,674)	(257,674)
At 1 April 2023 (as restated)	13,033	107,397	120,430
Additions	-	12,882	12,882
At 31 March 2024	13,033	120,279	133,312
Depreciation			
At 1 April 2023	13,033	70,906	83,939
Charge for the year	-	11,747	11,747
At 31 March 2024	13,033	82,653	95,686
Net book value			
At 31 March 2024	-	37,626	37,626
At 31 March 2023 (as restated)	-	36,491	36,491

14. Prior year adjustments

During the year, the Trustees decided that the assets relating to software development should be more appropriately classified as intangible fixed assets rather than tangible fixed assets. Therefore, £257,674 has been transferred out of tangible fixed assets opening position to intangible fixed assets.

This has had no impact on the opening fund balances or surplus for the year.

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

15. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2023	121,465
At 31 March 2024	121,465
Impairment	
At 1 April 2023	51,407
At 31 March 2024	51,407
Net book value	
At 31 March 2024	70,058
At 31 March 2023	70,058

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
AfPP Ltd.	03102102	Daisy Ayris House, 42 Freemans Way, Harrogate, HG3 1DH	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
AfPP Ltd.	308,265	306,123	2,142	48,774

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. Stocks

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Consumables held by the subsidiary	4,377	4,763	-	-
Education literature for resale	12,962	9,521	12,960	9,521
	<u>17,339</u>	<u>14,284</u>	<u>12,960</u>	<u>9,521</u>

17. Debtors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Due within one year				
Trade debtors	403,338	399,215	369,076	352,101
Amounts owed by group undertakings	-	-	14,051	80,004
Prepayments and accrued income	380,066	353,047	125,423	111,870
	<u>783,404</u>	<u>752,262</u>	<u>508,550</u>	<u>543,975</u>

18. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Trade creditors	70,974	75,649	67,077	47,747
Other taxation and social security	55,808	48,537	55,476	48,537
Other creditors	9,031	11,659	9,031	5,414
Accruals and deferred income	813,080	734,979	576,857	486,279
	<u>948,893</u>	<u>870,824</u>	<u>708,441</u>	<u>587,977</u>

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19. Accruals and deferred income

	Membership	Other
	£	£
Deferred income at 1 April 2023	352,943	104,838
Resources deferred during the year	315,703	427,268
Amounts released from previous periods	(352,943)	(104,838)
Deferred income at 31 March 2024	315,703	427,268

20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023	Income	Expenditure	Balance at 31 March 2024
	£	£	£	£
Unrestricted funds				
General Funds - all funds	792,911	1,477,965	(1,335,958)	934,918

Statement of funds - prior year

	Balance at 1 April 2022	Income	Expenditure	Balance at 31 March 2023
	£	£	£	£
Unrestricted funds				
General Funds	764,353	1,628,476	(1,599,918)	792,911

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

21. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Balance at 31 March 2024 £
General funds	792,911	1,477,965	(1,335,958)	934,918

Summary of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
General funds	764,353	1,628,476	(1,599,918)	792,911

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	40,126	40,126
Intangible fixed assets	359,198	359,198
Current assets	1,484,487	1,484,487
Creditors due within one year	(948,893)	(948,893)
Total	934,918	934,918

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	43,182	43,182
Intangible fixed assets	263,674	263,674
Current assets	1,356,879	1,356,879
Creditors due within one year	(870,824)	(870,824)
Total	<u>792,911</u>	<u>792,911</u>

23. Capital commitments

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Contracted for but not provided in these financial statements				
Acquisition of intangible assets	-	19,589	-	19,589
	<u>-</u>	<u>19,589</u>	<u>-</u>	<u>19,589</u>

24. Pension commitments

The group and charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group and charity in an independently administered fund. The pension cost charge in the year amounted to £10,542 (2023 - £13,203) and £4,031 (2023 - £12,463) was payable to the fund at the balance sheet date and are included in creditors.

25. Operating lease commitments

At 31 March 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Not later than 1 year	41,424	41,424	41,424	41,424
Later than 1 year and not later than 5 years	58,684	100,108	58,684	100,108
	<u>100,108</u>	<u>141,532</u>	<u>100,108</u>	<u>141,532</u>

THE ASSOCIATION FOR PERIOPERATIVE PRACTICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

26. Related party transactions

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL). During the year five (2023 - three) of the trustees of the Charity were paid £21,200 (2023 - £8,100) through the wholly owned subsidiary, AfPP Ltd, for consultancy services on behalf of the company. Of these amounts, £1,000 (2023 - £Nil) was outstanding at the year end and included in trade creditors.

During the year, the President of the Charity received payment of £10,661 (2023 - £3,061) related to other promotional services on behalf of the Charity. None of these payments were made in relation to the individual's roles as trustees of the Charity, and the articles of association do not prohibit the payments. Of these amounts, £Nil (2023 - £Nil) was outstanding at the year end.

Donations from the Trustees to the Charity during the year were £Nil (2023 - £Nil).

Management charges were paid to the Charity by its subsidiary during the year of £172,230 (2023 - £213,035). At 31 March 2024 the subsidiary owed £14,051 (2023 - £80,004) to the Charity.

27. Controlling party

In accordance with the Articles of Association of the Charity, overall control is held by the Trustees and Directors who form the Board. Day to day management of the operational affairs of the charity has been delegated to the Chief Executive Officer who reports to the Board.

The Association for Perioperative Practice

Final Management Report

For the period ended 31 March 2024

This document is strictly private and confidential



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Armstrong Watson Trustees Limited is a limited company registered in England and Wales, number 8449 56 56. The registered office is James Watson House, Montgomery Way, Rosehill, Carlisle, CA1 2UU.

Armstrong Watson is a trading style of Armstrong Watson LLP, Armstrong Watson Audit Limited and Armstrong Watson Financial Planning Limited.

1. INTRODUCTION

a. Purpose

This report has been prepared for the Trustees of The Association for Perioperative Practice to bring attention to various matters arising from the audit of The Association for Perioperative Practice for the period ended 31 March 2024.

b. Responsibilities

Details of the responsibilities of the Trustees of The Association for Perioperative Practice are set out in our engagement terms dated 22 March 2024.

Armstrong Watson Audit Limited, as auditor to The Association for Perioperative Practice, is responsible for forming an opinion on the financial statements. Details of our responsibilities are set out in our engagement terms. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

c. Limitations

Our audit procedures, which have been designed to enable us to express an opinion on the financial statements, have included the examination of the transactions and the controls thereon of The Association for Perioperative Practice. The International Standards on Auditing (UK) do not require us to design audit procedures for the purpose of identifying supplementary matters to communicate with those charged with governance.

Our audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation.

We have included in this report only those matters that have come to our attention as a result of our normal audit procedures and, consequently, our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

This report is to be regarded as confidential to the Trustees of The Association for Perioperative Practice and is intended for use by them and staff of The Association for Perioperative Practice only. No responsibility is accepted to any other person in respect of the whole or part of its contents. Before this report, or any part of it, is disclosed to a third party our written consent must be obtained.

d. Independence

Based on the information provided by you and our own internal procedures to safeguard our independence as auditors, we confirm that there are no relationships between us and any of our related or subsidiary companies and you and your related entities creating an actual or perceived threat to our independence within the regulatory or professional requirements governing us as your auditors.

2. AUDIT RISK AREAS

a. Significant Audit Risks

Significant audit risks highlighted in the Audit Strategy Memorandum

Significant risk	Our response	Findings
<p>Revenue Recognition</p> <p>The ISA's prescribe that revenue recognition is the area of the financial statements most likely to perpetuate fraud.</p>	<p>We will undertake income depth testing starting outside the system to ensure that income is complete.</p> <p>We will also perform income cut off testing to ensure income is recognised in the correct accounting period.</p> <p>We will review the deferred and accrued income calculations to ensure that income is recognised in the correct accounting period.</p> <p>We will undertake detailed analytical procedures to ensure income appears reasonable and accurately stated.</p>	<p>We have performed a test of detail reviewing sales recognised in the year. No issues were identified within the testing carried out.</p> <p>We have also completed a cut-off specific test matching despatch documentation to the recognition period. No issues were identified during the testing or matters to bring to your attention.</p> <p>We have identified no evidence of revenue recognised outside the FRS102 criteria.</p>
<p>Management Override</p> <p>In addition to fraud by revenue the ISA's prescribe that all audits remain sceptical for evidence of management override or bias.</p>	<p>We will review systems and procedures to identify potential areas of management override risk.</p> <p>We will test a sample of journals to confirm the accuracy of the financial statements.</p>	<p>From our testing we have found no errors or adjustments in relation to management override.</p> <p>Based on our sampling all journals appear to be of a genuine commercial nature and do not constitute management override.</p>

b. Key Audit Focus Areas

Key audit focus areas highlighted in the Audit Strategy Memorandum

Key area of focus	Our response	Findings
Valuation of investments	We will review trading results for the subsidiary during the year and identify if there are any indicators of impairment.	The carrying value of the investment in the subsidiary is £70k. The subsidiary has net assets of £49k, but has made a small profit over the past couple of years. Management considers that the investment is fairly stated. This appears reasonable on the basis of the profitability of the subsidiary.
Software and computer equipment	We will review the items included in software and computer equipment. We will discuss with management the items included in the categories to identify if there are any indicators of impairment.	Included with fixed assets is £356k of IT costs related to the CRM project that have not been depreciated as the CRM system was not in use at the year end. Following discussions with management, it was confirmed that the system was in use post year end.
Prepayments	We will review the list of prepaid expenditure relating to events and publications to ensure that the expense is recognised in the correct period.	Prepayments have been reviewed with no issues to note.
Recoverability of trade debtors	We will review post year end receipts for balances included in trade debtors at the year end. We will discuss with management the reasonings behind any bad debt provision recognised in the financial statements.	The majority of the unrecovered trade debtors balance relates to membership income which is collected via direct debit. Our audit testing indicated that there is no issue in relation to the recoverability of trade debtors.

c. Additional Risks Identified

We have not identified any additional risks during the audit process and therefore we have not had to amend our planned audit procedures.

3. SUMMARY OF ADJUSTMENTS

a. Late Adjustments (following receipt of information)

The Trustees have identified the below year end accounting adjustments. These have been approved by the board and posted to the nominal ledger in the year to 31 March 2024 and therefore they are recognised in the profit reconciliation from the opening position as presented at the start of the audit work.

Charity

	£
Net movement in funds per management accounts presented for audit	139,866
<i>No late adjustments to note</i>	nil
Net movement in funds per financial statements	<u>139,866</u>

Group

	£
Net movement in funds per management accounts presented for audit	141,853
Insurance debtor finalisation (Ltd)	1,929
Consultancy costs accruals (Ltd)	(1,775)
Net movement in funds per financial statements	<u>142,007</u>

b. Unadjusted Audit Difference

The following audit differences have been identified which remain unadjusted:

Charity

No	Account	Type	DR	CR	Impact SOFA	Reasons
1	Dr Trade debtors Cr Trade creditors	Fact	1,155	1,155	Nil	Re-classifying the debit balances per the trade creditors listing.
2	Dr Expenditure Cr Accruals	Fact	2,000	2,000	(2,000)	Recognition of whole audit fee as accrual within Chairty rather splitting the accrual between the two entities.
3	Dr Deferred Income Cr Trade debtors	Fact	2,250	2,250	Nil	Post year end credit note for Premier Surgical Alliance removed an exhibit from deferred income.

Ltd

No	Account	Type	DR	CR	Impact P&L	Reasons
1	Dr Accruals Cr Expenditure	Fact	2,000	2,000	2,000	Unrecognising part of the audit fee accrued within Limited.

4. AUDIT FINDINGS

a. Matters Identified To Bring To Your Attention

There are no matters to bring to your attention.

b. Key Audit Judgements

There are no key audit judgements other than those already covered in section 2 (Audit Risk Areas).

c. Qualitative Aspects of Financial Statements

There are no qualitative aspects which we would like to bring to you attention.

5. INTERNAL CONTROLS

a. Significant Deficiencies In Internal Controls

We have not identified any significant deficiencies in the internal controls. However please refer to the section below for recommendations on improvements in internal systems identified during the course of the audit.

b. Systems Improvements

These controls have been assessed on the following basis:

Recommendation Rating / Colour	Definition
Red Priority	Recommendations which are fundamental to the system and upon which the organisation should take immediate action.
Amber Priority	Recommendations which, although not fundamental to the system, provide scope for improvements to be made.
Green Priority	Recommendations concerning issues which are considered to be of a minor nature, but which nevertheless need to be addressed.
Improved System Potential	Issues concerning potential opportunities for management to improve the operational efficiency and/or effectiveness of the system.

Observation	Risk Arising	Recommended Actions	Management Response
Amber priority			
We understand that the VAT partial exemption special method was last agreed with HMRC over ten years ago and the 'fair and reasonable' basis may have altered.	There is a risk that the VAT claimed is not correct.	We recommend that the basis is reviewed, and consideration given as to whether seeking a further agreement with HMRC would be appropriate. Whilst the VAT position may change (favourably or unfavourably), the benefit of any agreement is the certainty that the position would not be subject to challenge by HMRC.	AFPP have engaged with AW VAT team to review this.
Green Priority			
Charity: We obtained declarations of interest dated post year end and some Trustees were missing (Nadiene Juanita Deane, Jennifer Maher, and John Dade [resigned in	Without up to date declarations of interest an unidentified related party may exist.	Retain yearly copies of declarations of interest for all trustees.	Confirmed that this has been added to the board meeting for December as an agenda point.

year]).			
Charity: The residential income from December 23 to March 24 did not agree to the deferred residential income (3,035 difference identified between invoices posted to nominals and amounts deferred)	Deferred residential income may not be complete, this would overstate revenue in the period	Ensure all residential income is deferred correctly with a schedule displaying if there are any differences	TBC
Improved System Potential			
AFPP Ltd: Recognition of accreditation income. Invoice amount differing to the amount recognised.	Due to the number of calculations for deferred income, this could lead to human error, causing a misstatement.	Invoices could be issued in line with the amount being recognised to avoid a miscalculation.	Noted. Not always possible due to deposits being made for larger customers (e.g. Circle Group) but recognise is open to human error.

6. AUDIT CONCLUSIONS

a. Significant Difficulties Encountered During The Audit

No significant difficulties were encountered during the audit. We would like to thank all members of staff for their assistance throughout the engagement.

b. Written Representations

A Letter of Representation will be signed on behalf of the Trustees prior to the audited accounts being issued. Please note that we will be seeking specific representations.

c. Audit Opinion

We anticipate that we will issue an unmodified audit report on the financial statements of The Association for Perioperative Practice, subject to the Trustees approving the accounts as presented to us.

d. Acknowledgement of Final Report

I acknowledge receipt of the final management report on behalf of those charged with governance

Signed: 
Ruth Collins (Sep 10, 2024 19:38 GMT+1)

Name Ruth Collins

Position: President

Date: 10/09/2024

APPENDIX 1 – Current Pension Issues

a. Cyber & Data Protection


We would like to bring to your attention some recent developments in this important area.

It is clear from recent well publicised cyber-attacks on UK entities that data breaches are of a major concern and risk to companies both financially and reputationally.

Most companies are data controllers under the Data Protection Act (2018) which was applicable in the UK from May 2018. Whilst this is over five years ago, a company's responsibility remains to have all appropriate protocols and procedures in place, demonstrating that your risks continue to be appropriately managed and regularly reviewed and that your outsourced activities are similarly covered.


We recommend you consider regularly reviewing and if necessary, refreshing existing cyber security policies, procedures and checklists. In addition, updating your Risk Register for the methodology you use to ensure your company's protocols are sufficiently robust in this area. These should be kept under regular review. Raise awareness and train staff. The most common types of breaches can be linked to human factors, such as unwittingly clicking on a malicious link. Staff awareness and vigilance are essential to a business' cyber security alongside any technical and software protections. Raising awareness and education across all staff - not just specialist IT staff - is essential.

On the next page are the ten steps to cyber security as issued by the National Cyber Security Centre



10 Steps to Cyber Security

Defining and committing your Board's Information Risk Regime is central to your organisation's overall cyber security strategy. The National Cyber Security Centre recommends you make this regime – together with the other associated security steps identified below, in order to protect your business against the majority of cyber attacks.



Make cyber risk a priority for your Board

Set up your Risk Management Regime
Assess the risk to your organisation's information and systems with the same vigour you would for legal, regulatory, financial or operational risks. To achieve this, develop a Risk Management Regime across your organisation, supported by the Board and senior managers.

Produce supporting risk management policies

Determine your risk appetite

For more information go to www.ncsc.gov.uk

Network Security

Protect your networks from attack. Limit the network perimeter, restrict unauthorised access and malicious content. Monitor and test security controls.

User education and awareness

Produce user security policies covering acceptable and secure use of your systems. Produce in-depth training. Maintain awareness of cyber risks.

Malware prevention

Produce relevant policies and maintain anti-malware controls across your organisation.

Removable media controls

Produce a policy to control all access to removable media. Limit media types and use. Scan all media for malware before importing onto the corporate system.

Secure configuration

Apply security patches and ensure the secure configuration of all systems in multi-tenant. Create a system inventory and define a baseline build for all devices.

Managing user privileges

Establish effective management processes and limit the number of privileged accounts. Limit user privileges and monitor user activity. Control access to equity and exit logs.

Incident management

Establish an incident response and disaster recovery capability. Test your incident management plans. Provide specialist training. Report criminal incidents to law enforcement.

Monitoring

Establish a monitoring strategy and produce supporting policies. Continuously monitor all systems and networks. Analyse logs for unusual activity that could indicate an attack.

Home and mobile working

Develop a mobile working policy and train staff to adhere to it. Apply the secure baseline and build to all devices. Protect data both in transit and at rest.

b. Upcoming changes to FRS102

Following consultations under exposure draft (FRED82) in March 2024 a revised FRS102 was issued.

There are a number of extensive changes to update the standard to align it more closely with International Financial Reporting Standards (IFRS). The changes apply to accounting periods commencing 1 January 2026 onwards.

The main changes include:

Revenue

A new model for revenue recognition is now mandated.

This model is based on the five step model for revenue recognition in IFRS15 with a small number of simplifications.

Revenue will be largely recognised based on promises included in contracts with customers and whether these are satisfied over time or at a point in time.

This may mean that revenue will be recognised in a different accounting period to which it is now.

Leasing

A new on-balance sheet model has been adopted. This model is based on the IFRS16 leasing requirements with a small number of simplifications.

Lessees with significant operating leases will be the most affected by the new arrangements as most leased assets and lease liabilities will come onto the balance sheet.

Exceptions are available for small value leases and for short term leases (those with a lease term of 12 months and under at commencement)

There is no monetary limit stated in the standard in determining what are small value leases.

The disclosures under the new standard are significantly more extensive both in volume and complexity.

There is not much of an impact on lessors.

Other

Following Brexit, there has been changes to disclosures for small companies. Disclosures in Appendix E to section 1A, which currently are encouraged, will become

mandatory. This means that full related party disclosures and dividend notes will be required again.

The revisions will affect accounting periods commencing on 1st January 2026 although early adoption will be permitted if all changes to the standard are applied at the same time.

c. Employment taxes risk factors

Employment taxes red flags

All of these scenarios present significant tax risk to clients and it is important to recognise when it is an issue for you.

Fact pattern	Risks
<ul style="list-style-type: none"> High contractor/consultancy expenditure (e.g. £50k+ for smaller clients, £100k+ for larger clients) 	<ul style="list-style-type: none"> Non-compliance with employment status rules Not completing statutory IR35 processes Exposure for both can be significant
<ul style="list-style-type: none"> Payments to employment agencies or labour providers 	<ul style="list-style-type: none"> PAYE/NIC liabilities can often be transferred if agency is non-compliant IR35 responsibilities for end client if off-payroll labour exists
<ul style="list-style-type: none"> Trustees or board members being paid off-payroll (excluding dividends) 	<ul style="list-style-type: none"> Almost certainly going to be a compliance failure that needs to be fixed Risk of reputational damage as well as financial cost
<ul style="list-style-type: none"> Construction Industry Scheme tax paid or received 	<ul style="list-style-type: none"> Non-compliance with CIS (also links to employment status)
<ul style="list-style-type: none"> Significant expenditure on redundancy or other pay-offs 	<ul style="list-style-type: none"> May have wrongly applied £30k exemption (not automatic) May not be following statutory formula for Post Employment Notice Pay
<ul style="list-style-type: none"> Double-cab pickups or vans owned or leased by the business 	<ul style="list-style-type: none"> Vehicles may be incorrectly classified as vans for tax purposes (following leading case law) Incorrect use of the commuting exemption for vans
<ul style="list-style-type: none"> Accommodation costs (rent or purchase), excluding commercial premises 	<ul style="list-style-type: none"> May not be reporting BIKs correctly (or at all). Strict rules can bring many accommodation into a charge to tax Incorrect use of (limited) work-related exemptions
<ul style="list-style-type: none"> Overdrawn director loan accounts 	<ul style="list-style-type: none"> S.455 CT position irrelevant to employment tax position – is this being reported correctly on P11Ds?

	<ul style="list-style-type: none"> Overdrawn accounts often indicate other bad practices which can give rise to tax/NIC charges
<ul style="list-style-type: none"> Significant expenditure on travel and subsistence 	<ul style="list-style-type: none"> Rules are complex and may give rise to additional tax/NIC charges around Permanent Workplace rules
<ul style="list-style-type: none"> Family members receiving salaries 	<ul style="list-style-type: none"> Tax avoidance if not genuine employments with robust records kept to evidence this

d. Holiday pay entitlement reforms

The UK government has introduced reforms to simplify holiday entitlement and holiday pay calculations. These changes, effective from 1 January 2024, include:

- Defining irregular hours workers and part-year workers:** This relates to the introduction of the holiday entitlement accrual method and rolled-up holiday pay.
- Calculating statutory holiday entitlement for irregular hours and part-year workers:** A method has been introduced to determine holiday entitlement for these workers.
- Accrued leave calculation:** When irregular hour or part-year workers take maternity or family-related leave or are off sick, a method is used to calculate their accrued leave.
- Removal of COVID-19 carryover accrual:** The Working Time (Coronavirus) (Amendment) Regulations 2020, which affected COVID-19 carryover of leave, have been removed.
- Holiday pay rates:** The current rates remain unchanged, with 4 weeks paid at the normal rate of pay and 1.6 weeks paid at the basic rate of pay. Two distinct pots of leave are retained.
- Definition of 'normal remuneration':** This is clarified in relation to the 4 weeks of statutory annual leave.
- Rolled-up holiday pay:** An alternative method for calculating holiday pay for irregular hours workers and part-year workers.

Calculating holiday pay for irregular workers and part-year workers

What is an irregular worker?

A worker is an irregular hours worker, in relation to a leave year, if the number of paid hours that they will work in each pay period during the term of their contract

in that year is, under the terms of their contract, wholly or mostly variable. This could be a 'casual' contract or a zero hours contract.

What is a part-year worker?

A worker is a part-year worker, in relation to a leave year, if, under the terms of their contract, they are required to work only part of that year and there are periods within that year (during the term of the contract) of at least a week which they are not required to work and for which they are not paid. This includes part-year workers who may have fixed hours.

What is the change in calculating holiday pay?

For leave years beginning on or after 1 April 2024, there is a new accrual method for irregular hour workers and part-year workers in the first year of employment and beyond. Holiday entitlement for these workers will be calculated as 12.07% of actual hours worked in a pay period.

Worked example:

Mr Watson works 70 hours in May 2024.

1. Divide the hours worked in that pay period by 100 - $70/100 = 0.70$
2. Multiply by 12.07% - $0.70 \times 12.07 = 8.449$
3. Round up to the nearest hour – 9 hours of holiday accrued for the month of May

Changes to maternity or family related leave or off sick leave

Leave is accrued in these instances using the same method outlined above, but using a 52 week relevant period to calculate an average for hours worked. This 52 week period works backwards from the first date of leave. The employer is only required to calculate this one per period of leave.

Worked example:

Mrs Watson is a part-year worker who is entitled to the minimum 5.6 weeks statutory holiday entitlement. Over a 52 week period, she worked 25 weeks for a total of 900 hours. She then took the following 40 weeks as maternity leave:

1. Calculate average hours per week during the relevant 52 week period leading up to the first day of maternity leave – 52 weeks – 5.6 holiday pay = 46.4 weeks.
 - $900 \text{ hours} / 46.4 \text{ weeks} = 19.397 \text{ hours (3dp)}$
2. Calculate the number of hours of annual leave accrued per week of the maternity period
 - $19.397 / 100 \times 12.07\% = 2.341$
3. Calculate the total number of hours of annual leave accrued whilst on maternity
 - $2.341 \times 40 \text{ weeks} = 93.64$

In this example Mrs Watson would have 94 hours holiday entitlement accrued under the new rules.

Holiday pay rates

Regulation 13 of the Working Time Regulations now states that 4 of the 5.6 weeks paid statutory holiday entitlement for the year must be paid at a worker's 'normal' rate of pay. The remaining 1.6 weeks' can be paid at 'basic' rate of pay.

From 1 January 2024, 'Normal rate' of pay is defined as:

- Payments, including commission payments, intrinsically linked to the performance of tasks which a worker is contractually obliged to carry out.
- Payments relating to length of service, professional status or professional qualifications.
- Other payments, such as overtime payments, which have regularly been paid to a worker in the 52 weeks preceding the calculation date.

Basic pay = a workers wages that they would have earned had they been working (not including bonuses, commission and other additional payments).

For leave years beginning on or after 1 April 2024, part-year and irregular hours workers are legally entitled up to a maximum amount of 5.6 weeks of paid statutory holiday entitlement per year, calculated according to actual hours worked using the 12.07% accrual method. If their employer chooses to use rolled-up holiday pay, then the entire amount of their leave for irregular hours and part-year workers will be paid at the 'normal' rate of pay.

Rolled-up holiday pay for irregular hour and part-year workers only

Employers have an option which allows them to include an additional amount with every payslip to cover a worker's holiday pay, rather than paying it whilst the worker is on annual leave.

This can only be used on leave years beginning on or after 1 April 2024.

Holiday pay is still calculated using the 12.07% based on a workers total pay in a pay period. If employers want to opt to use this method, they will need to revisit contracts of employment and their HR team to ensure that variations are made where required. Holiday pay will also need to be separated out on a workers payslip, and paid at the same time as their normal pay.

e. Companies House reform

The Economic Crime and Corporate Transparency Act 2023 received royal assent on 26 October 2023.

Whilst the bill gave Companies House more powers over verification and correction of information and introduced new identity identification protocols the main effect for companies is the requirement for small and micro companies to produce and file a profit and loss account with Companies House.

The timescales for this are unclear as it needs secondary legislation to be passed to actually implement the measures. It is again unclear whether the filed profit and loss account will be viewable by the public as the legislation passes the decision to decide to a minister at a later date.

The ability to file filleted or abridged accounts has been removed but again at a future undetermined date.

Companies House can mandate the electronic filing of all accounts but there is no date set for this to be implemented.

f. Economic Crime and Transparency Act 2023 – Failure to prevent

The act became law on 26 October 2023. Some parts of the Act are still to be enacted.

One of them is a new 'failure to prevent' offence

Organisations will be held criminally liable where a person associated with it (including employees, agents and subsidiaries) commits a fraud intending to benefit the organisation and it does not have reasonable procedures in place to prevent the fraud.

The offence will apply to all large organisations including:

- Companies
- Partnerships
- Not for profit organisations
- Incorporated public bodies

Organisations are large if they meet 2 out of 3 of the following:

- More than 250 employees
- More than £36 million turnover
- More than £18 million total assets

Types of offences that could be committed

- False accounting
- False representation
- Failure to disclose information
- False statements by company Trustees amongst others

What are reasonable procedures to prevent fraud?

- The government is to publish guidance.
- The offence will then come into force.
- There will be a transition period but its length is unknown.
- The penalty is an unlimited fine.

Organisations should now consider if they are within its scope prior to its introduction and prepare themselves to implement when it's start date is known.

The Trustees
The Association for Perioperative Practice
Daisy Ayris House
42 Freemans Way
Harrogate
HG3 1DH

Date: 10 September 2024
Please ask for: Steven Williams
Our Ref: SW/MW/TC
T: 0113 221 1310
e: steven.williams@armstrongwatson.co.uk

Dear Sirs

**The Association for Perioperative Practice
AfPP Ltd**

The purpose of this letter, along with the schedule of professional services, 'Scope of Work Required' documents, and our related standard terms of business, is to set out the basis on which we are to act as auditors of The Association for Perioperative Practice (the 'charity'), and accounts of The Association for Perioperative Practice and AfPP Ltd (the 'company') and our respective areas of responsibility.

We are bound by the ethical guidelines of the Institute of Chartered Accountants in England and Wales and accept instructions to act for you on the basis that we will act in accordance with those ethical guidelines.

1 Professional services provided

1.1 The professional services you have asked us to carry out are as follows:

- Audit of the financial statements (The Association for Perioperative Practice)
- Preparation of statutory financial statements (The Association for Perioperative Practice and AfPP Ltd)

The scope of these services is set out in the schedule of professional services and 'Scope of Work Required' documents. These should be read in conjunction with our standard terms of business (revised August 2023) and the attached schedule of professional services. Our terms of business can be obtained at <http://www.armstrongwatson.co.uk/terms-business>

Any additional services that you ask us to provide will be subject to new or amended terms of engagement. Telephone support calls lasting up to half an hour are included within our service, providing you with the ability to speak with us without the worry of incurring additional charges. Should those calls require additional work outside of the call, an additional fee would be payable on a basis agreed at the time.

2 Fees

2.1 Our charges are as previously agreed.

Armstrong Watson Audit Limited
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T: 0113 221 1300

www.armstrongwatson.co.uk
www.armstrongwatsonfp.co.uk



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- 2.2 If, upon returning the original signed engagement letter, you later decide not to go ahead with the service, our fees for work undertaken to the point that your written notice is received will be charged at our current charge out rates as subsequently confirmed to you in writing.
- 2.3 All fees are subject to disbursements and VAT. In addition, you will pay our expenses, including travelling, printing and out of pocket expenses and any legal or professional fees incurred by us whether on its own account or on your behalf. Invoices will be raised 30% on completion of planning, 30% on completion of fieldwork, 30% at completion and 10% on signing of the accounts unless otherwise agreed. All fees and expenses must be paid by you within 14 days. We reserve the right to charge interest at the rate of 4% per annum above the Santander Base Rate on the gross amount of any invoices that remain unpaid for more than seven days after the due date for payment.

3 Limitation of liability

- 3.1 We have not agreed any limitation of our liability in respect of our audit work under sections 534 to 536 of the Companies Act 2006.

4 Help us to give you the right service

- 4.1 In order to give you the right service, we will deploy our best and most suitable staff to provide the Services to you. Our staff are our most important business asset. In order to protect them and our business, you agree that you will not (except with our prior written consent) directly or indirectly solicit or entice away (or attempt to solicit or entice away) from our employment:
- (a) any person who is a partner, employee, worker or independent contractor in our business; and
 - (b) who is engaged by us in the provision of the services to you at any time, provided that nothing in this clause 4.1 shall stop you from recruiting such a person by means of a national advertising campaign open to all comers and not specifically targeted at any of our partners, employees, workers or independent contractors.
- 4.2 Clause 4.1 shall apply whilst we are providing Services to you and for a further period of 24 months after we have stopped providing Services to you. If you commit any breach of clause 4.1, you shall, on demand, pay to us a sum equal to twelve month's basic salary and profit share that would have been payable by us to that partner, employee, worker or independent contractor plus the recruitment costs incurred by us in replacing such person.

5 Senior Statutory Auditor

- 5.1 Steven Williams is responsible for the auditor's report, and is therefore the Senior Statutory Auditor for the purposes of section 504 of the Companies Act 2006 and will sign the report in his own name on behalf of the firm.

6 Agreement of terms

- 6.1 The terms set out in this letter, which include the schedule of professional services, 'Scope of Work Required' documents and terms of business, shall take effect immediately upon your countersigning this letter and returning it to us or upon the commencement of the audit and preparation of the financial statements for the accounting period ended 31 March 2024 whichever is the earlier.

6.2 Once it has been agreed, this letter will remain effective until it is replaced. We shall be grateful if you could confirm in writing your agreement to these terms by signing and returning a copy of this letter, or let us know if they are not in accordance with your understanding of our terms of engagement.


If you instruct us to commence our services without signing and returning this letter, however communicated, we will treat that instruction as acceptance of this letter, attachments and terms of business unless we hear to the contrary from you within 30 days.

Yours faithfully


.....
Steven Williams (Sep 10, 2024 16:43 GMT+1)

Armstrong Watson Audit Limited

We agree to the terms of this letter, together with the schedule of professional services, 'Scope of Work Required' documents and your standard terms of business (revised August 2023).


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Ruth Collins (Sep 10, 2024 19:38 GMT+1)

Signed for and on behalf of The Association for Perioperative Practice

Ruth Collins
.....
Print name

President
.....
Position

10/09/2024
.....
Date

SCOPE OF WORK REQUIRED
Audit of Financial Statements

The Association for Perioperative Practice

Your day to day contact:	Molly Whiteley Audit & Assurance Manager Telephone: 0113 221 1363 E-mail: molly.whiteley@armstrongwatson.co.uk
Your engagement partner:	Steven Williams Audit & Assurance Partner Telephone: 0113 221 1310 E-mail: steven.williams@armstrongwatson.co.uk We may choose to use additional members of our team as we consider necessary.
Summary of work required:	(1) Planning meeting. (2) Issue of our Audit Strategy Memorandum (ASM) and deliverables list to confirm key information and requirements. (3) Onsite planning and fieldwork visits to complete the audit work in line with auditing standards. (4) Debrief meeting. (5) Issue of our Final Management Report. (6) Signing the Audit Report within the financial statements.
Timetable for work:	Step (1) – Typically one month before year end date. Step (2) – Typically two weeks before year end date. Step (3) – At a time arranged with you but typically within 6 months of year end date. Step (4 - 6) – Typically within one month of fieldwork completion. Note: All to be confirmed in the ASM.
Pricing:	Our charges are as previously agreed.
Assumptions:	It is important for you to appreciate that the information provided above is based on a number of assumptions, including: (1) You will provide us with a complete set of statutory financial statements in a timely manner and in any event not less than seven days before step 3 above. (2) You will provide all information as set out in the deliverables list not less than seven days before step 3 above. (3) Any additional information requested during the process is provided within an agreed timescale. (4) Your relevant people will be available on reasonable request during the onsite visits to assist us. (5) Immaterial adjustments would be subject to an extension of scope and priced accordingly.

	<p>If any of these key assumptions are incorrect or change over time or if you require any additional services, we will need to provide you with a revised scope of work, revised timetable and revised fee estimate.</p> <p>This scope includes the availability for you to raise general queries in telephone calls with us, with calls lasting up to half an hour. Where we can answer your queries in that time there will be no further charge; should the calls last longer or further investigation is required, a additional fee will be payable.</p> <p>You agree for us to include your financial and other information in our benchmarking database on an anonymised basis.</p>
Exclusions:	<p>Despite our efforts to ensure that our role is clear, clients sometimes make incorrect assumptions about what we are and are not going to do for them. To help avoid any such misunderstanding we bring to your attention the fact that unless agreed in a further Scope of Work document, that we are not providing you with any advice on any of the following:</p> <ul style="list-style-type: none">• Legal advice• Tax advice• Profit extraction planning• Accounts preparation or amendments to the financial statements• Bookkeeping entries• Anything else not specifically identified in the 'Summary of Work Required' <p>When necessary, we will, in consultation with you obtain such additional advice as is required from appropriately qualified members of our own specialist team or where relevant third parties.</p> <p>Where the above services are not considered necessary for the business and therefore a separate Scope of Work is not agreed, then we accept no duty of care in respect of these areas. This includes but is not limited to: higher tax payments due to lack of planning; tax payments due to risk areas not being fully considered which could include penalties and interest; time costs incurred in responding to queries from regulators; time costs in respect of adjustments considered unnecessary after final figures have been agreed.</p> <p>We accept no duty of care if legal advice on a matter is not considered necessary; we are able to facilitate introductions to independent third party law firms or work with your existing legal advisors.</p>
Questions:	<p>Your involvement in this process is critical and we encourage you to take an active part in it. If any of the information set out above is not clear or you think it is incorrect, please be sure to raise this or any other questions or concerns you have with us immediately.</p>

SCOPE OF WORK REQUIRED
Preparation of Financial Statements

The Association for Perioperative Practice
AAPP Ltd

Your day to day contact:	Molly Whiteley Audit & Assurance Manager Telephone: 0113 221 1363 E-mail: molly.whiteley@armstrongwatson.co.uk
Your engagement partner:	Steven Williams Audit & Assurance Partner Telephone: 0113 221 1310 E-mail: steven.williams@armstrongwatson.co.uk We may choose to use additional members of our team as we consider necessary.
Summary of work required:	A compilation engagement, where we are engaged to prepare the statutory financial statements (FS) from the accounting records provided by you, but without carrying out any verification of those records. (1) Issue deliverables list containing details of all information to be provided by you. (2) Preparation of FS from final reconciled trial balances supplied by you. (3) Completion of information required to be disclosed in the financial statements (FS) as required by relevant accounting standards. (4) Agreement of (2) and (3) with you via meeting, call or email; and processing of any final adjustments agreed with you at that point. (5) Issue FS for signature. (6) Final FS provided in PDF format and where required in iXBRL format for HMRC purposes. (7) FS filed at Companies House. (8) List of journals provided for input into your financial system.
Timetable for work:	Step (1) – Typically two weeks before the year end date. Step (2 - 3) – Typically within a month of information being provided. Step (4) – Typically within a week of final meeting date. Step (5) – Typically within a week of step 3 above. Step (6 - 8) – Typically within a week of FS being signed. Note: (i) estimated timeframes run from when we receive your instructions to proceed (ii) these timeframes are our best estimates only as there are many aspects of this matter over which we have little or no control.
Pricing:	Our charges are as previously agreed.

<p>Assumptions:</p>	<p>It is important for you to appreciate that the information provided above is based on a number of assumptions, including:</p> <ol style="list-style-type: none"> (1) You will provide us with a fully reconciled trial balance not less than seven days before step 2 above. (2) You will provide all information as set out in the deliverables list not less than seven days before step 2 above. (3) Any additional information requested during the preparation process is provided within an agreed timescale. (4) Your relevant people will be available on reasonable request during the onsite visits to assist us. <p>If any of these key assumptions are incorrect or change over time or if you require any additional services, we will need to provide you with a revised scope of work, revised timetable and revised fee estimate.</p> <p>This scope includes the availability for you to raise general queries in telephone calls with us, with calls lasting up to half an hour. Where we can answer your queries in that time there will be no further charge; should the calls last longer or further investigation is required, a additional fee will be payable.</p> <p>You agree for us to include your financial and other information in our benchmarking database on an anonymised basis.</p>
<p>Exclusions:</p>	<p>Despite our efforts to ensure that our role is clear, clients sometimes make incorrect assumptions about what we are and are not going to do for them. To help avoid any such misunderstanding we bring to your attention the fact that unless agreed in a further Scope of Work document, that we are not providing you with any advice on any of the following:</p> <ul style="list-style-type: none"> • Legal advice • Tax advice • Profit extraction planning • Any further adjustments to the financial statements after Step 4 of the summary of work required. • Accounts preparation or amendments to the financial statements • Bookkeeping entries • Anything else not specifically identified in the 'Summary of Work Required' <p>When necessary, we will, in consultation with you obtain such additional advice as is required from appropriately qualified members of our own specialist team or where relevant third parties.</p> <p>Where the above services are not considered necessary for the business and therefore a separate Scope of Work is not agreed, then we accept no duty of care in respect of these areas. This includes but is not limited to: higher tax payments due to lack of planning; tax payments due to risk areas not being fully considered which could include penalties and interest; time costs incurred in responding to queries from regulators; time costs in respect of adjustments considered unnecessary after final figures have been agreed.</p> <p>We accept no duty of care if legal advice on a matter is not considered necessary; we are able to facilitate introductions to independent third party law firms or work with your existing legal advisors.</p>
<p>Questions:</p>	<p>Your involvement in this process is critical and we encourage you to take an active part in it. If any of the information set out above is not clear or you think it is incorrect, please be sure to raise this or any other questions or concerns you have with us immediately.</p>

The Association of Perioperative Practice

The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to act as auditors and to clarify our respective responsibilities in respect of the audit.

Auditing Standards require us to appoint an engagement partner who shall take overall responsibility for the planning and conduct of the audit, and for the report that is issued on behalf of the firm. We have assessed the professional requirements of this assignment and have nominated the person listed in **Key Facts** as the Senior Statutory Auditor.

Under the *Companies Act 2006* (CA 2006) the audit report in the signed copy of the financial statements provided to you must be signed by the Senior Statutory Auditor in their own name on behalf of the firm. The audit report in all other copies of the financial statements must state the name of the Senior Statutory Auditor, but may be signed in the name of the firm. The audit report in the financial statements filed at Companies House must state the name of the Senior Statutory Auditor and the name of the firm but does not need to be signed.

1 Your responsibilities as directors/trustees

1.1 Our audit will be conducted on the basis that you acknowledge and understand that you have responsibility:

- (a) to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. As directors/trustees you must not approve the financial statements unless you are satisfied that they give a true and fair view of the assets, liabilities, financial position and surplus or deficit of the charitable company;
- (b) in preparing those financial statements, to:
 - (i) select suitable accounting policies and then apply them consistently;
 - (ii) make judgments and accounting estimates that are reasonable and prudent; and
 - (iii) prepare the financial statements on the going concern basis, considering in particular the charitable company's ability to continue in operation for at least twelve months from the date when the financial statements are expected to be approved, unless it is inappropriate to presume that the charitable company will continue in operation;
- (c) for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the relevant Statement of Recommended Practice, *Accounting and Reporting by Charities* (the SORP), the *Companies Act 2006* (CA 2006) and applicable accounting standards. You are also responsible for such internal control as you determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error; and
- (d) for safeguarding the assets of the charitable company and hence for taking reasonable steps to ensure the charitable company's activities are conducted honestly and for the prevention and detection of fraud and other irregularities.

1.2 As trustees of the charitable company, you have a duty under CA 2006 to prepare a directors' report for each financial year and also an annual report complying in its form and content with regulations made under the Charities and Trustee Investment (Scotland) Act 2005 (2005 Act). You should also have regard to the relevant SORP and any subsequent amendments or variations to this statement. The Charities SORP-making body comprises the Charity Commission for England and Wales, the Office of the Scottish Charity Regulator and the Charity Commission for Northern Ireland. You should follow that statement insofar as compliance with it does not contradict any requirement of CA 2006 by supplementing the requirements of that Act.

1.3 In addition to the general duties of directors specified in CA 2006, s. 170–177 you are responsible for ensuring that the charitable company complies with laws and regulations applicable to its activities, and for establishing arrangements designed to prevent any non-compliance with laws and regulations and to detect any that occur.

1.4 CA 2006, s. 417 requires the directors/trustees to include in their report a business review containing a fair review of the charitable company's business, and a description of the principal risks and uncertainties facing the charitable company.

1.5 You have agreed to provide us with:

- (a) access to all information of which you are aware that is relevant to the preparation of the financial statements such as the charitable company's books of account and all other relevant records and documentation, including minutes of all board/committee of management/trustees'/governors' meetings and other matters;
- (b) additional information that we may request from you for the purpose of the audit, including access to information relevant to disclosures;
- (c) unrestricted access to persons within the charitable company from whom we determine it necessary to obtain audit evidence; and
- (d) additional information that may include when applicable, matters related to other information in accordance with ISA (UK) 720. If such information is not expected until after the date of the auditor's report, you should note that we still have a responsibility to take appropriate action if we consider a material misstatement exists in this other information.

1.6 You are required to confirm in the directors'/trustees' responsibility statement that:

- (a) an appropriate accounting basis was used to prepare the financial statements; and
- (b) in so far as you are aware, there is no relevant audit information of which we, the company's auditors, are unaware and that you have taken all the steps that you ought to take as directors/trustees in order to make yourselves aware of any relevant audit information and to establish that we are aware of that information.

1.7 Where audited information is published on the charitable company's website or by other electronic means, it is your responsibility to advise us of any intended electronic publication before it occurs and to ensure that any such publication properly presents the financial information and auditor's report. We reserve the right to withhold consent to the electronic publication of our report if it or the financial statements are to be published in an inappropriate manner.

1.8 It is your responsibility to ensure there are controls in place to prevent or detect quickly any changes to that information. We are neither required to review such controls nor to carry out ongoing reviews of the information after it is first published. The maintenance

and integrity of the charitable company's website is your responsibility and we accept no responsibility for changes made to audited information after it is first posted.

Scope of the audit

1.9 In connection with representations and the supply of information to us generally, we draw your attention to CA 2006, s. 501 under which it is an offence for an officer or employee of the charitable company to knowingly or recklessly make misleading, false or deceptive statements to the auditors.

1.10 We expect that you will inform us of any material event occurring between the date of our report and that of the annual general meeting, which may affect the financial statements. We are entitled to receive details of all written resolutions that are to be circulated to members, to attend all general meetings of the charitable company, and to receive notice of all such meetings.

2 Our responsibilities as auditors

2.1 Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (ISAs) (UK) as to whether:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at the year end and of its incoming resources and application of resources for the year then ended;
- the financial statements have been properly prepared in accordance with applicable accounting standards;
- the financial statements have been prepared properly in accordance with CA 2006;
- the financial statements have been appropriately prepared on the going concern basis;
- the financial statements have disclosed any identified material uncertainties that may cast significant doubt on the charitable company's ability to continue to adopt the going concern basis for at least the next twelve months from the date they are approved;
- the directors'/trustees' report and, if relevant, the strategic report or any other information included in the annual report:
 - have been prepared in accordance with applicable legal requirements;
 - include information that is consistent with the financial statements; and
- in the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified any material misstatements in the directors'/trustees' report and, if relevant, the strategic report or any other information included in the annual report, and to give an indication of the nature of such misstatements.

In respect of the following matters specified in the CA 2006 we will also report to you on whether or not in our opinion:

- adequate accounting records have been kept by the charitable company and proper returns adequate for our audit have been received from branches not visited by us; or
- the charitable company's balance sheet and profit and loss account are in agreement with the accounting records and returns; or
- certain disclosures of directors'/trustees' remuneration specified by law are not made; or
- we have obtained all the information and explanations which we think necessary for the purpose of our audit; or
- where the charitable company has prepared financial statements in accordance with the small company regime, whether it is entitled to do so; or

- where the charitable company has taken advantage of the small companies' exemption in preparing the directors'/trustees' report and, if relevant, taken advantage of the small companies exemption from the requirement to prepare a strategic report, whether it is entitled to do so.

In arriving at that opinion those standards require us to comply with ethical requirements.

2.2 It is not sufficient for us as auditors to conclude that the financial statements give a true and fair view solely on the basis that the financial statements were prepared in accordance with accounting standards and any other applicable legal requirements. We are therefore required to consider whether additional disclosure will be necessary in the financial statements when compliance with an accounting standard is insufficient to give a true and fair view. If you are unwilling to make such additional disclosures, we will have to consider the effect on our report.

2.3 Our report will be made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of CA 2006. Our audit work will be undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we will not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for the audit report, or for the opinions we form. The audit of the financial statements does not relieve you of your responsibilities.

2.4 There are certain other matters, which according to the circumstances may need to be dealt with in our report. For example, where the financial statements do not give details of directors'/trustees' remuneration or of their transactions with the charitable company, the CA 2006 requires us to disclose such matters in our report. Also, although only auditors of listed companies are required to include key audit matters in their report, there may be rare occasions when we believe it necessary to communicate key audit matters in our report.

2.5 Under the 2005 Act, s. 46(2), we have a statutory duty to make a written report to the Office of the Scottish Charity Regulator (OSCR) on such matters (which relates to the activities or affairs of the charity or of any connected institution or body corporate) of which we become aware during the course of our audit and which we have reasonable cause to believe is likely to be of material significance for the purposes of the exercise by OSCR of its functions under ss. 28, 30 or 31 of the 2005 Act. In addition under s. 46(3) if we become aware of any matter which does not require to be reported under s. 46(2) but which we have reasonable cause to believe is likely to be relevant for the purposes of the exercise by OSCR of any of its functions then we may make a report on the matter to OSCR. We may have to make this report without your knowledge and consent and we cannot undertake to you to fetter this discretion in any manner.

2.6 Under ChA 2011, s. 156(2) we have a statutory duty to make a written report to the Charity Commission on such matters (which relates to the activities or affairs of the charity or of any connected institution or body) of which we become aware during the course of our audit and which we have reasonable cause to believe is likely to be of material significance for the purposes of the exercise by the Commission of its functions under ChA 2011, s. 156(3). In addition under s. 156(4) if we become aware of any matter which does not require to be reported under s. 156(2) but which we have reasonable cause to believe is likely to be relevant for the purposes of the exercise by the Charity Commission of any of its functions then we may make a report on the matter to the Commission. We may have to make this report without your knowledge and consent and we cannot undertake to you to fetter this discretion in any manner.

2.7 In addition, we have a professional duty to report if the financial statements do not comply in any material respect with the SORP or applicable accounting standards, unless in our opinion non-compliance is justified in the circumstances. In determining whether or not any departure is justified we will consider:

- (a) whether the departure is required in order for the financial statements to give a true and fair view; and
- (b) whether adequate disclosure has been made concerning the departure.

2.8 Our professional duties also include:

- (a) incorporating in our report a description of the trustees' responsibilities for the financial statements, where the financial statements or accompanying information do not include such description; and
- (b) considering whether other information in documentation containing the financial statements is consistent with the audited financial statements and our knowledge acquired during the course of the audit.

2.9 Where the charitable company is a subsidiary of a group, the audited financial statements of this company are included in the group financial statements of the parent. We are required by auditing standards to cooperate with the auditors of the parent company and to provide them with representations and confirmations concerning the conduct of the audit of this company. You agree that we may correspond with the auditors of the parent and respond to their reasonable requests for information (which may include granting them access to our working papers) concerning the preparation and audit of the group financial statements without further authority from you.

2.10 Where the charitable company is the parent of a group and all components are audited by the same firm, the audited accounts of this company are the group financial statements. As the group engagement auditors, we are required by auditing standards to coordinate the audit work on all subsidiary companies. Therefore, whilst as auditors of each subsidiary company the firm already has access to the management of those companies concerning their individual audited financial statements, you agree that we may also correspond with the management of the subsidiary companies and request reasonable information concerning the preparation and audit of the group financial statements without further authority from you.

2.11 Where the charitable company is the parent of a group and not all component auditors are from the same firm, the audited financial statements of this company are the group financial statements. As the group engagement auditors, we are required by auditing standards to coordinate the work of the auditors of the subsidiary companies and to provide them with guidance concerning the conduct of the audit of the group. You agree that we may correspond with the management of the subsidiary companies, and their auditors, and request reasonable information (which may include access to the subsidiary auditor's working papers) concerning the preparation and audit of the group financial statements without further authority from you.

2.12 We will inform you of all significant facts that may bear upon our integrity, objectivity and independence.

2.13 Where we cease to act as statutory auditors, we are required by SI 2016/649 *Statutory Auditors and Third Country Auditors Regulations 2016* to make available, if requested, all relevant information concerning the most recent audit of the charitable company to our successors as auditors. You agree to cover any reasonable costs that we may incur in fulfilling our statutory duty in making such information available.

Scope of audit

2.14 Our audit will be conducted in accordance with the ISAs (UK) issued by the Financial Reporting Council (FRC). 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. We will evaluate whether the information presented in the financial statements is relevant, reliable, comparable and understandable as well as providing adequate disclosures and appropriate terminology. This includes an assessment of:

- whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors/trustees;
- whether there is adequate disclosure of the applicable financial reporting framework; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report and, if relevant, the Strategic Report, and state whether in our opinion the information given in the strategic report (if any) and the annual report is consistent with the financial statements; whether the report(s) have been prepared in accordance with applicable legal requirements and whether, in the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have identified any material misstatements in the report(s). If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

2.15 Because of the test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that even some material misstatements may remain undiscovered even though the audit is properly planned and performed in accordance with ISAs (UK).

2.16 We will obtain an understanding of the accounting and internal control systems in order to assess their adequacy as a basis for the preparation of the financial statements and to establish whether the charitable company has maintained adequate accounting records. We will need to obtain relevant and reliable evidence sufficient to enable us to draw reasonable conclusions therefrom.

2.17 The nature and extent of our tests will vary according to our assessment of the charitable company's accounting and internal control systems, and may cover any aspects of the business's operations. We shall report to the management any significant deficiencies in, or observations on, the charitable company's systems that come to our attention of which we believe the trustees should be made aware. Any such report may not be provided to any third party without our prior written consent. Such consent will only be granted on the basis that such reports are not prepared with the interests of any party other than the members in mind and that we therefore neither have nor accept any duty or responsibility to any other party as concerns the reports.

2.18 In performing our audit procedures, we may make use of analytical tools. To facilitate this, we may request that you extract data, provide back-ups or provide alternative access to your accounting systems. How we will use analytical tools and any data provided will be set out in the communication of our planned approach.

2.19 As noted in section 1, the responsibility for safeguarding the assets of the charitable company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the directors/trustees. However, we will plan our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations, but our examination should not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist.

2.20 As part of our normal audit procedures, we will request you to provide formal representations concerning certain information and explanations we receive from you during the course of our audit. In particular, where we bring to your attention misstatements in the financial statements which are not adjusted, we shall require written representation of your reasons.

2.21 To enable us to conduct a review of your financial statements, which constitutes part of our audit, we will request sight of any documents or statements which will be issued with the financial statements.

2.22 Once we have issued our report we will have no further direct responsibility in relation to the financial statements for that financial year. However, as noted in section 1, we expect that you will inform us of any material event occurring between the date of our report and that of the annual general meeting, which may affect the financial statements.

2.23 HMRC does not require the auditor to provide assurance on the XBRL tagging of the financial statements submitted to it with the Company Tax Return. In addition, the ISAs (UK) do not require the auditor to confirm the accuracy of the tagging as part of the audit. Accordingly, our audit does not cover the accuracy of the XBRL tagging in the financial statements, and we accept no responsibility for any inaccuracies identified by HMRC.

2.24 A fuller description of the scope of an audit of financial statements arising from the requirements of ISAs (UK), together with other legal and regulatory requirements, is provided on the Financial Reporting Council's website at:
www.frc.org.uk/auditorsresponsibilities.

Communication

2.25 In order to ensure that there is effective two-way communication between us we set out below the expected form and timing of such communications.

- We shall contact your primary contact by telephone prior to each year-end for preliminary discussions concerning the audit. We will confirm in writing the matters discussed and any agreed action.
- We will arrange a meeting to discuss the forthcoming audit prior to the expected start date. Again we will confirm in writing the matters discussed and any agreed action.
- We will arrange a meeting to discuss any matters arising from the audit after completion of the detailed work. Again we will confirm in writing the matters discussed and any agreed action.

2.26 The formal communications set out above are the minimum required to comply with auditing standards. We shall of course contact you on a more frequent and regular basis regarding both audit and other matters.

2.27 We shall not be treated as having notice, for the purposes of our audit responsibilities, of information provided to members of our firm (principals and staff) other than those engaged on the audit, for example information provided in connection with accounting, taxation and other services.









AfPP (The Association for Perioperative Practice) - signing pack

Final Audit Report

2024-09-10

Created:	2024-09-10
By:	Molly Whiteley (Molly.Whiteley@armstrongwatson.co.uk)
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