

Company no. 2239250
Charity no. 299123
OSCR no. SCO39683

Action against Medical Accidents
Report and Financial Statements
31 March 2011

sayer vincent

consultants and auditors

Action against Medical Accidents

Reference and administrative details

For the year ended 31 March 2011

Company number	2239250	
Charity number	299123	
OSCR number	SCO39683	
Registered office and operational address	44 High Street Croydon Surrey CR0 1YB	
President	Peter Ransley	
Honorary officers	Rita Lewis Malcolm Alexander Barbara Ross	Chair Vice Chair Treasurer
Principal staff	Peter Walsh	Chief Executive
Bankers	Barclays Bank plc Croydon Branch 1 North End Croydon CR9 1RN	
	COIF Charities Deposit Fund 80 Cheapside London EC2V 6DZ	
Auditors	Sayer Vincent Chartered accountants and statutory auditors 8 Angel Gate City Road London EC1V 2SJ	

Action against Medical Accidents

Report of the council of management

For the year ended 31 March 2011

The council of management presents its report and the audited financial statements for the year ended 31 March 2011.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in March 2005).

Structure, governance & management

The organisation is a charitable company limited by guarantee, incorporated on 4 April 1988 and registered as a charity on 4 April 1988.

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 council of management met four times during the year. An 'Executive Committee' comprising the Chair, Vice Chair, Treasurer, Chief Executive and Deputy Chief Executive meets between council meetings to deal with urgent business and reports to the council.

AvMA has a trading company, AVMA Services Ltd, which has been used when there has been non-charitable trading beyond the amount permissible by the Charity Commission.

Objects / Mission

The chief objects of the charity described in the memorandum of association are:

"The relief of sickness and conditions of need hardship and distress arising as a result of medical accidents" and;

"To advance public education in the care of victims of medical accidents and in the law relating to such accidents".

In simple terms, our mission can best be described as promoting patient safety and justice for people who have been affected by medical accidents.

Public Benefit

The council of management has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the council considers how planned activities will contribute to the aims and objectives that have been set.

Action against Medical Accidents

Report of the council of management

For the year ended 31 March 2011

Activities

Headline points for 2010-2011:

The year was a veritable roller coaster in terms of AvMA's policy and campaigning work, as the implications of the General Election result and of dealing with the economic crisis became real.

- The new Government called a public inquiry into how the regulatory system allowed the events at the notorious Mid Staffordshire NHS Foundation Trust to happen. This was something AvMA had campaigned long and hard for. AvMA was also awarded core participant status in the inquiry – a huge responsibility.
- We were delighted to see a commitment to a Duty of Candour in, firstly, the Liberal Democrat manifesto and then the Coalition agreement and ultimately the NHS White Paper. However, it soon became apparent that some within Government and medical defence lobbyists outside it, were fiercely resistant to change and were seeking to water this down. It became a constant campaigning issue through the whole year and beyond.
- We continued to raise awareness of the need to improve rates of implementation of patient safety alerts. We followed up our first report of February 2010 with others in August 2010 and February 2011. By focussing attention on this issue, particularly through the media, we sparked significant improvement but remained disappointed by the lack of priority given to this life and death issue by regulators.
- Our Inquest Support Project was formally launched and proved its worth. Without any outside funding, but with the help of 'pro bono' voluntary help from friendly lawyers, the project provided vital help to empower families at inquests and ensure patient safety issues came to the fore.
- AvMA benefitted significantly from very generous legacies left to the charity by grateful clients/supporters. Whilst still struggling to attract funding and operating on a deficit budget, these legacies, particularly that of the late Judith Freedman, mean that the charity can actually invest in its future.

Advice, Information and Support

AvMA is the only charity with a specialist advice and support service geared to the needs of people affected by medical accidents. We think of the direct help we provide to people affected by medical accidents as the heart and soul of the charity. Our staff and volunteers provided advice and support to a total of 4,174 people during the year. Of this, 3,063 were on our helpline; there were 607 new written casework cases and 504 ongoing casework cases. Many people also make use of the resources freely available on our website. As mentioned above, our inquest support project was a noteworthy success. We are seeking financial support to develop and sustain this vitally important work.

Action against Medical Accidents

Report of the council of management

For the year ended 31 March 2011

Influencing Policy & Practice

Like any charity, AvMA can probably help more people by influencing external policies and practice (in our case in the field of patient safety and justice), than we would ever be able to through our direct services. What makes AvMA unique is that we can draw on nearly 30 years of supporting people affected by medical accidents to provide a truly specialist view on these issues informed by the experience of the people we serve.

As mentioned in the headline points above, our policy and campaigning was dominated by our work on:

- seeking to obtain a statutory, enforceable Duty of Candour when things go wrong in healthcare
- seeking to limit the damage of proposed cuts to access to justice for clinical negligence victims seeking legal redress
- keeping the NHS and Department of Health focussed on patient safety during a time of change and, in particular, raising awareness of the need to implement patient safety alerts.

AvMA also continued to ensure that the patient perspective was heard in deliberations over patient safety and access to justice. AvMA is an active player in key fora such as the National Patient Safety Forum, the Clinical Disputes Forum and Civil Justice Council, and achieved considerable media coverage.

AvMA also liaises with the Department of Health in all UK countries and with the Ministry of Justice, as well as other key organisations in these areas of interest. In Wales, AvMA was particularly active in contributing to work on the Putting Things Right initiative and in Scotland working on a potential no-fault compensation scheme.

In addition, AvMA made submissions to no less than 16 formal consultations during the year. To access our responses to these consultations, please see our website.

Legal Services

AvMA's services to clinical negligence specialist solicitors continued to be highly valued, and subscriptions to the Lawyers Support Service actually increased.

The reaccreditation process of specialist clinical negligence solicitors was successfully completed. The process proved labour intensive but very successful in ensuring the maintenance of acceptable standards and keeping AvMA abreast of changes in patterns of practice. We continue to receive a healthy number of applications to join the panel.

The Legal Director, Catherine Hopkins, worked increasingly closely with colleagues in Advice & Information to develop the inquests project. AvMA were also lucky to have time seconded for Caron Heyes to assist AvMA, from her employer Blake Laphorn. Caron has been particularly helpful in thinking through our approach to the legal reforms and in supporting our work on the Mid Staffordshire public inquiry.

During the year we were glad to welcome Elizabeth O'Mahony and Sanober Fasihi to the team in lawyers' services bringing yet more legal experience and knowledge.

Action against Medical Accidents

Report of the council of management

For the year ended 31 March 2011

Conferences

AvMA continued to hold an impressive portfolio of conferences and events on medico-legal issues, but also to develop its portfolio in other areas of interest such as ethics, complaints, risk management and patient safety. The staff team has been expanded to allow further development of the portfolio and to develop fundraising activity.

The annual clinical negligence conference, our showpiece event, returned to our familiar Brighton in 2010 and saw an encouraging increase in numbers and income from the previous year. One day conferences continued to struggle however, as the recession took its inevitable toll.

AvMA's work in Scotland

AvMA is registered as a charity in Scotland as well as England and Wales and so needs to specifically report on its activities there. The Helpline and Casework service continued to be available to people in Scotland, but as it is not funded it is not promoted heavily. Good links were maintained with the Independent Advocacy and Support Services in Scotland.

Plans for the future

Whilst the charity continued to struggle to generate enough income to balance its operational budget, it was helped enormously by the aforementioned legacies. This means that the charity can invest for its future. Work on an investment strategy was commenced. Top of the list is the acquisition of more suitable office accommodation, which we hope we will see materialise in 2011-2012. There are also plans to recruit a fundraiser to help address the operational deficit and allow the charity's work to expand.

Risk Management

Major risks faced by the charity are assessed by managers and by trustees in the council of management, and as part of the annual and longer term strategy planning process. A 'Risk Register' is monitored and updated by the Chief Executive and reviewed at each council meeting. The council of management confirms that the major risks to which the charity is exposed have been reviewed and systems established to mitigate those risks. During the year, work was commenced on a more sophisticated process for managing risk.

Financial Review

The charity received two legacies during the year totalling £2,924,546 which have left the organisation in a strong financial position at the end of the financial year. Without the legacies the charity would have incurred a deficit of £62,167 which is an improvement on the previous year and has been achieved by reducing expenditure on staffing and maintaining overall income at 2010 levels albeit through variances between the charity's standard income streams. The charity's operational management are seeking ways to constrain costs and develop new income streams and to this end a fundraising manager will be appointed during 2011.

Action against Medical Accidents

Report of the council of management

For the year ended 31 March 2011

The charity has a policy of retaining three months' operating costs as free reserves. These are unrestricted reserves less the net book value of fixed assets and at 31 March 2011 amounted to £3,070,367, thirty three months' operating costs. The increase is due to receipt of the two legacies. Although all the reserves are available for general use the council of management have decided that the charity will aim to break even from its operational income and that the income from existing and future legacies will be held for specific purposes as and when required and should not be used for operating expenditure except in exceptional circumstances. Note 14 provides an explanation of how the reserves have been designated at the year end. After designating these funds the charity has general funds of £278,325.

The charity has substantial reserves and the council of management has agreed to adopt an investment policy to better manage the reserves and ensure the best possible return in line with the charity's aims, objectives and values. It is anticipated that an investment policy will be adopted by the end of 2011.

Statement of the council of management's responsibilities

The council of management (whose members are also directors of Action against Medical Accidents for the purposes of company law) is responsible for preparing the report of the council of management and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the council of management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the council of management are required to:

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

The council of management is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable it to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). It is also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the council of management is aware:

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

Action against Medical Accidents

Report of the council of management

For the year ended 31 March 2011

The council of management is responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the council of management

Ann Alexander
Malcolm Alexander
Celia Davies
Philip Dolan MBE
Graham Girvan
Vincent Kika
Rita Lewis
John Lyon-Taylor (resigned 26 January 2011)
Dr Umesh Prabhu (resigned 21 October 2010)
Jean Robinson
Barbara Ross
Hilary Scott (appointed 21 October 2010)

Appointment of council members

Members of the council are elected individually at the Annual General Meeting by the members. Not less than 6 nor more than 20 council members may be appointed. The council may co-opt persons to fill casual vacancies provided the maximum of 20 is not exceeded. Approximately one third of the council must retire each year, those being the longest serving since their previous election. Retiring members are eligible for re-election.

All new council of management members receive an induction into the work of the charity and their roles and responsibilities as council members. Council members are asked to declare any conflicts of interest or matters which may disqualify them as a council of management member. They are also encouraged to attend further training where appropriate.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2011 was 10 (2010 -12). Members of the council of management have no beneficial interest in the charitable company.

Auditors

Sayer Vincent were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the council of management on 25 October 2011 and signed on its behalf by

Peter Walsh – Company Secretary

Independent auditors' report

To the council of management and members of

Action against Medical Accidents

We have audited the financial statements of Action against Medical Accidents for the year ended 31 March 2011 which comprise the group and parent charitable company statement of financial activities, the group and parent charitable company balance sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of the council of management and auditors

As explained more fully in the statement of the council of management's responsibilities set out in the report of the council of management, the council of management (whose members are also the directors of the charitable company for the purposes of company law) is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors 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 regulations made under those Acts.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and the parent charitable company's affairs as at 31 March 2011 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

Independent auditors' report

To the council of management and members of

Action against Medical Accidents

- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the report of the council of management for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the 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 proper and adequate 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 the council of management's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Helen Elliott (Senior statutory auditor)
25 October 2011
for and on behalf of Sayer Vincent, Statutory Auditors
8 Angel Gate, City Road, LONDON EC1V 2SJ

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

Action against Medical Accidents

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2011

	Note	Unrestricted £	2011 Total £	2010 Total £
Incoming resources				
<i>Incoming resources from generated funds</i>				
Voluntary income		113,421	113,421	94,561
Legacies		2,924,546	2,924,546	-
Activities for generating funds				
Risk assessment	10	285	285	3,439
Investment income		2,782	2,782	2,312
<i>Incoming resources from charitable activities</i>				
Legal services	2	457,845	457,845	451,379
Conferences, training and publications	3	470,811	470,811	415,261
Advice, information and support	4	5,987	5,987	86,171
Total incoming resources		<u>3,975,677</u>	<u>3,975,677</u>	<u>1,053,123</u>
Resources expended				
<i>Costs of generating funds:</i>				
Costs of generating voluntary income		3,459	3,459	9,488
Risk assessment	10	129	129	134
<i>Charitable activities</i>				
Legal services		174,016	174,016	239,332
Conferences, training and publications		582,375	582,375	500,658
Advice, information and support		323,650	323,650	422,902
<i>Governance costs</i>		<u>29,669</u>	<u>29,669</u>	<u>21,456</u>
Total resources expended	5	<u>1,113,298</u>	<u>1,113,298</u>	<u>1,193,970</u>
Net incoming/(outgoing) resources	6	2,862,379	2,862,379	(140,847)
Reconciliation of funds				
Total funds at the start of the year		<u>227,408</u>	<u>227,408</u>	<u>368,255</u>
Total funds at the end of the year		<u><u>3,089,787</u></u>	<u><u>3,089,787</u></u>	<u><u>227,408</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

Action against Medical Accidents

Balance sheets

31 March 2011

	Note	The Group 2011 £	2010 £	The Charity 2011 £	2010 £
Fixed assets					
Tangible assets	9	19,420	30,525	19,420	30,525
Investments	10	<u>-</u>	<u>-</u>	<u>99</u>	<u>99</u>
		19,420	30,525	19,519	30,624
Current assets					
Property held for resale	11	2,130,225	-	2,130,225	-
Debtors	12	67,076	76,212	67,408	76,964
Cash at bank and in hand		<u>1,092,974</u>	<u>567,605</u>	<u>1,092,543</u>	<u>566,754</u>
		3,290,275	643,817	3,290,176	643,718
Liabilities					
Creditors: Amounts falling due within one year					
	13	<u>(219,908)</u>	<u>(446,934)</u>	<u>(219,908)</u>	<u>(446,934)</u>
Net current assets		<u>3,070,367</u>	<u>196,883</u>	<u>3,070,268</u>	<u>196,784</u>
Net assets	17	<u><u>3,089,787</u></u>	<u><u>227,408</u></u>	<u><u>3,089,787</u></u>	<u><u>227,408</u></u>
Funds					
Designated funds	15	2,811,463	-	2,811,463	-
Unrestricted funds		<u>278,325</u>	<u>227,408</u>	<u>278,325</u>	<u>227,408</u>
Total funds		<u><u>3,089,787</u></u>	<u><u>227,408</u></u>	<u><u>3,089,787</u></u>	<u><u>227,408</u></u>

Approved by the council of management on 25 October 2011 and signed on its behalf by

Rita Lewis - Chair

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2011

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (revised in March 2005).

Consolidated financial statements ("group accounts") have been prepared in respect of the charitable company ("charity") and its wholly owned subsidiary, AVMA Services Limited. The results of AVMA Services Limited have been consolidated into the statement of financial activities on a line by line basis. In accordance with Section 408 of the Companies Act 2006, a separate statement of financial activities for Action against Medical Accidents has not been presented.

- b) Income is recognised in the period in which the group is entitled to receipt and the amount can be measured with reasonable certainty. Deferred income represents annual subscriptions paid in advance and prepayments for conferences and other events. Income is included net of VAT where applicable. Gifts in kind are valued at an estimate of their gross value to the charity.
- c) Grants from government and other agencies have been included as income for activities to further the charity's objects where these amount to a contract for services, but as voluntary income where they are for general use or to cover core costs. Grants are recognised in full in the year that they are receivable.
- d) Income from legacies is accounted for on a receivable basis so long as entitlement, certainty of receipt and measurability conditions have been satisfied.
- e) All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on the following basis, which is an estimate of staff time spent on those activities:

	2011	2010
Advice and information services	30%	33%
Legal work	15%	15%
Conferences, courses and publications	18%	19%
Governance	2%	0%
Support costs	35%	33%

Allocation of support costs - management staff costs are apportioned on the basis of time spent on activities. Finance and administration costs are apportioned on the basis of staff numbers per activity.

- f) Unrestricted funds are donations and other incoming resources received or generated for the objects of the charity.
- g) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of governance and support costs.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2011

1. Accounting policies (continued)

- h) Tangible fixed assets costing more than £200 are capitalised in the balance sheet at purchase cost plus the cost of bringing the asset into working condition for its intended use. Depreciation is provided on tangible fixed assets at rates calculated to write off the cost of each asset over its estimated useful life on a straight line basis as follows:

Computer equipment	3 years
Office equipment & furniture	5 years
Database	10 years

Assets are reviewed for impairment if circumstances indicate that their carrying amount may not be recoverable. Impaired assets are written down to their recoverable value being the higher of their net realisable value and value in use.

- i) Printing costs of publications are charged in full to the statement of financial activities in the year of printing with the effect that the value of publications in stock at the end of the year is not included in the balance sheet. This is considered appropriate:
- to reflect the primarily educational and promotional, rather than commercial nature of the group's activity;
 - to match the costs to grant funding provided for this purpose.
- j) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the life of the lease.
- k) The cost of generating funds represents costs incurred in seeking voluntary contributions and the costs of non-primary purpose activities provided to generate funds for the charity.
- l) Support costs of charitable activities comprise costs incurred directly in support of expenditure on the objects of the charity.
- m) Governance costs of the charity relate to the costs of running the charity such as the costs of meetings, audit and statutory compliance, and include any costs which cannot be specifically identified to another expenditure classification.
- n) The charitable company offers all staff the option of a stakeholder pension scheme. The charitable company pays an agreed contribution to employees who have a stakeholder pension under the stakeholder scheme offered. The assets of the pension funds are independent from the company and the pension cost charge represents contributions payable. The charitable company has no additional liability other than for the payment of those contributions.
- o) The charity received a property as part of a legacy during the year. The intention was to sell this property in the immediate future and it has been classified as an asset held for sale at the year end. The value of the asset in the accounts is based on the income received after the year end less costs to sell. More detail is provided in Note 11.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2011

2. Legal services

	Unrestricted £	2011 Total £	2010 Total £
Subscription fees	382,003	382,003	372,234
Support groups	3,997	3,997	5,492
Re-accreditation fees	6,750	6,750	3,150
Website	60,427	60,427	59,852
Referral panel fees	2,900	2,900	3,600
Pagination service	1,518	1,518	7,051
Newsletter	250	250	-
	<u>457,845</u>	<u>457,845</u>	<u>451,379</u>

3. Conferences, training and publications

	Unrestricted £	2011 Total £	2010 Total £
Conference fees	454,067	454,067	396,570
Publications	16,744	16,744	18,691
	<u>470,811</u>	<u>470,811</u>	<u>415,261</u>

4. Advice, information and support

	Unrestricted £	2011 Total £	2010 Total £
Stafford case reviews	-	-	3,450
N.I.H.R - Bradford	3,404	3,404	1,721
N.P.S.A. (PFPS)	2,583	2,583	81,000
	<u>5,987</u>	<u>5,987</u>	<u>86,171</u>

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Notes to the financial statements

For the year ended 31 March 2011

5. Total resources expended

	Cost of generating voluntary income	Risk assess- ment	Legal services	Conferences, training and publications	Advice, information and support	Governance	Support costs	2011 Total	2010 Total
	£	£	£	£	£	£	£	£	£
Cost of fundraising	2,559	-	-	-	-	-	-	2,559	2,062
Staff costs (note 7)	-	-	103,319	120,303	209,925	13,369	243,691	690,607	770,748
Office costs	-	-	12,107	9,395	15,482	662	12,571	50,217	57,220
Premises	-	-	9,920	7,698	12,685	542	10,300	41,145	42,903
Equipment	-	-	-	-	-	-	-	-	26,206
Travel and subsistence	-	-	3,361	-	-	1,208	3,490	8,059	10,224
Training development	-	-	-	120	35	-	259	414	1,789
Professional fees	-	-	-	-	-	6,169	5,564	11,733	(6,157)
Depreciation	-	-	-	-	-	-	11,105	11,105	11,388
Sundry	-	129	-	-	-	-	1,406	1,535	5,213
Publications	-	-	-	-	-	-	-	-	99
Conference & events costs	-	-	-	293,360	-	-	-	293,360	272,027
Inquest project	-	-	-	-	1,312	-	-	1,312	-
Advertising	-	-	-	-	-	-	1,252	1,252	248
Total resources expended	2,559	129	128,707	430,876	239,439	21,950	289,638	1,113,298	1,193,970
Support Costs	<u>900</u>	<u>-</u>	<u>45,309</u>	<u>151,499</u>	<u>84,211</u>	<u>7,719</u>	<u>(289,638)</u>	<u>-</u>	<u>-</u>
Total resources expended	<u>3,459</u>	<u>129</u>	<u>174,016</u>	<u>582,375</u>	<u>323,650</u>	<u>29,669</u>	<u>-</u>	<u>1,113,298</u>	<u>1,193,970</u>

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2011

6. Net incoming/(outgoing) resources for the year

This is stated after charging:

	2011 £	2010 £
Operating lease rentals:		
▪ Equipment	-	1,675
▪ Property	18,963	19,180
Depreciation	11,105	11,388
Council of management remuneration	-	-
Council of management expenses	1,208	1,351
Trustees' indemnity insurance	5,346	5,762
Auditors' remuneration:		
▪ Audit	6,850	6,650
▪ Other services	1,750	250
	<u>11,105</u>	<u>11,388</u>

The council expenses related to the travel costs of 6 members of the council of management (2010: 6).

The trustees' indemnity insurance is part of an insurance package which would have the same cost even if this insurance was not required.

7. Staff costs and numbers

Staff costs were as follows:

	2011 £	2010 £
Salaries and wages	612,280	687,017
Social security costs	62,348	69,620
Pension contributions	13,055	12,807
Other costs	2,924	1,304
	<u>690,607</u>	<u>770,748</u>

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2011 No.	2010 No.
Advice, information and support	5	7
Legal services	3	3
Conferences, training and publications	4	4
Support	6	7
	<u>18</u>	<u>21</u>

No employee's emoluments were over £60,000 in the year (2010: nil).

Action against Medical Accidents

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For the year ended 31 March 2011

8. Taxation

All of the charity's income is applied for charitable purposes and therefore the charity is exempt from corporation tax. The charity's trading subsidiary has no corporation tax liability as it paid over all its taxable profits under gift aid (2010 Tax Liability: £Nil).

9. Tangible fixed assets

	Computer and office equipment and furniture
	£
COST	
At 1 April 2010	130,154
Additions in year	-
Written off in year	(44,792)
At 31 March 2011	<u>85,362</u>
DEPRECIATION	
At 1 April 2010	99,629
Written off in year	(44,792)
Charge for the year	<u>11,105</u>
At 31 March 2011	<u>65,942</u>
NET BOOK VALUE	
At 31 March 2011	<u><u>19,420</u></u>
At 31 March 2010	<u><u>30,525</u></u>

All tangible fixed assets are used to fulfil the charity's objects.

10. Investments

	The charity	
	2011	2010
	£	£
Investment in Subsidiary Undertaking	<u><u>99</u></u>	<u><u>99</u></u>

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2011

10. Investments (continued)

AVMA Services Limited, a wholly owned subsidiary of Action against Medical Accidents, is a company limited by share capital registered in the UK. The subsidiary carries out the risk assessment work as it is non-primary purpose trading for AvMA. Relevant financial information regarding AVMA Services Limited is as follows:

	2011 £	2010 £
Turnover	285	3,439
Administration expenses	<u>(129)</u>	<u>(134)</u>
Operating profit	156	3,305
Gift aid to parent	<u>(156)</u>	<u>(3,305)</u>
Profit on ordinary activities	<u><u>-</u></u>	<u><u>-</u></u>
The aggregate of the assets, liabilities and funds was:		
Assets	431	6,131
Liabilities	<u>(332)</u>	<u>(6,032)</u>
Funds	<u><u>99</u></u>	<u><u>99</u></u>

11. Property held for resale

On 19 January 2011 the charity was left a property, 187 Gloucester Place, London NW1 6BU, as part of a larger legacy. The probate value of the property was £2,250,000 and the property was subsequently sold after the year end (5 April 2011) for the amount in the balance sheet after costs incurred and classified as 'Property held for resale'. The proceeds are currently invested in a three month notice deposit account awaiting formal introduction of an investment policy.

12. Debtors

	The Group		The Charity	
	2011	2010	2011	2010
	£	£	£	£
Amount due from subsidiary	-	-	332	6,032
Other debtors	48,828	42,772	48,828	37,492
Prepayments	<u>18,248</u>	<u>33,440</u>	<u>18,248</u>	<u>33,440</u>
	<u>67,076</u>	<u>76,212</u>	<u>67,408</u>	<u>76,964</u>

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2011

13. Creditors : Amounts falling due within one year

	The Group		The Charity	
	2011	2010	2011	2010
	£	£	£	£
Trade creditors	7,777	15,148	7,777	15,148
Social security and other taxes	35,993	55,221	35,993	55,221
Accruals and deferred income	173,032	368,519	173,032	368,519
Other creditors	3,106	8,046	3,106	8,046
	<u>219,908</u>	<u>446,934</u>	<u>219,908</u>	<u>446,934</u>

14. Movements in deferred income

	As at 1 April 2010 £	Released £	Received and deferred £	As at 31 March 2011 £
Subscriptions received in advance	184,034	(184,034)	33,303	33,303
Conference fees received in advance	<u>167,288</u>	<u>(167,288)</u>	<u>125,299</u>	<u>125,299</u>
	<u>351,322</u>	<u>(351,322)</u>	<u>158,602</u>	<u>158,602</u>

15. Designated Funds

The council of management has decided to designate proceeds from legacies received plus interest earned, after an amount has been retained in general reserves to maintain free reserves at 25% of our annual expenditure. An analysis of designated funds provided in the year is:

	£
Purchase of an office building	1,000,000
Fundraising	40,000
Other specific projects as approved	1,771,463
	<hr/>
Total designated funds	<u>2,811,463</u>

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2011

16. Operating lease commitments

The group has the following annual commitments in respect of operating leases expiring as follows:

	Equipment		Land & Buildings	
	2011	2010	2011	2010
	£	£	£	£
Within 1 year	-	-	-	19,180
1 - 2 years	996	-	-	-
2 - 5 years	-	996	-	-
	<u>-</u>	<u>996</u>	<u>-</u>	<u>-</u>

17. Analysis of net assets between funds

	Designated funds	General funds	Total funds
	£	£	£
Tangible fixed assets	-	19,420	19,420
Current assets	2,811,463	478,812	3,290,275
Current liabilities	-	(219,908)	(219,908)
Net assets at 31 March 2011	<u>2,811,463</u>	<u>278,324</u>	<u>3,089,786</u>