

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

Action against Medical Accidents
Report and Financial Statements
31 March 2013

sayer vincent

auditors and advisors

Action against Medical Accidents

Reference and administrative details

For the year ended 31 March 2013

Company number	2239250
Charity number	299123
OSCR number	SCO39683
Registered office and operational address	Freedman House Christopher Wren Yard 117 High Street Croydon CR0 1QG
President	Peter Ransley
Honorary officers	Rita Lewis Chair Malcolm Alexander Vice Chair Barbara Ross Treasurer
Principal staff	Peter Walsh Chief Executive
Bankers	Co-operative Bank plc P.O.Box 250 Delf House Southway Skelmersdale WN8 6WT jonathanfry plc Gallowfields House Fairfield Way Richmond DL10 4TB
Independent Financial Adviser	Barchester Green Investment 32-36 Loman Street London SE1 0EH
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 2013

The council of management presents its report and the audited financial statements for the year ended 31 March 2013.

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 organisation changed its name to Action against Medical Accidents on 3 December 2003.

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 not traded during the year.

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.

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

Report on Activities 2012-2013:

Advice, Information and Support

The advice and support we provide to people affected by medical accidents is at the very heart of what AvMA does, and the experience of our clients informs everything we do. In 2012-2013 we directly helped over 3,000 people.

Action against Medical Accidents

Report of the council of management

For the year ended 31 March 2013

Our Helpline provides specialist, sympathetic support to people when they are still coping with the trauma of a medical accident. It reassures them that an organisation exists which understands their plight and is here to help them. Our helpline staff and volunteers help explain people's rights, how different medico-legal processes and procedures work, and puts people in touch with other specialist support where needed. We are grateful to our team of 25 trained volunteers who help us make this service available Monday-Friday 10am-5pm. In 2012-2013 we handled 2253 calls, often involving extremely serious and complex cases. Ours is the only specialist medico-legal helpline in the UK. During the year, with help from a grant by Awards for All England, we began to develop our capacity to deliver our helpline service by volunteers and staff working remotely from our office (under strict guidelines and monitored by our staff). This is part of our strategy of improving ease of access to the Helpline.A75

Our own caseworkers are able to give more in-depth advice on some cases where we are the only or most suitable agency to help. Examples of other cases our caseworkers help with are cases which may require the referral of a healthcare professional to their regulator, or cases which clearly have broader lessons for patient safety, or are connected with one of AvMA's campaign priorities. In 2012-2013 we opened 663 new casework files in addition to dealing with a further 478 on-going cases.

An increasingly important part of our casework is the support we provide to families involved in healthcare related inquests. This helps ensure that families are empowered in the process, and maximises the opportunity for the right questions to be asked and learning to come from the inquest. Often this involves AvMA instructing counsel to represent the family, which is made possible by the generous donation of pro bono time by barristers. A number of important verdicts have been arrived at and several section 43 letters from the coroners involved, recommending safety improvements. Some of the cases we were involved in generated considerable media coverage, including the case of Kane Gorny who died at St George's hospital having been deprived of food, and Emma Stones, a 12 year old girl who died following neglect at Tameside NHS Trust. Such was the lack of monitoring Emma received that when she was found dead, rigor mortis had set in.

Action against Medical Accidents

Report of the council of management

For the year ended 31 March 2013

Influencing Policy & Practice

AvMA uses all of its experience gained over 30 years of working with patients and relatives affected by medical accidents, to inform our policy and campaigning priorities. Having devoted enormous amounts of time and effort in helping secure the **Mid Staffordshire NHS Foundation Trust Public Inquiry** and then contributing as a core participant in the inquiry, we finally got to see the inquiry report in February 2013. AvMA's influence on the chairman's report and recommendations was clear to see, with the vast majority of AvMA's own recommendations reflected in the report. AvMA was also quoted or referred to extensively in the report. One of the most notable areas where AvMA's evidence and influence on the inquiry was over the proposed statutory **Duty of Candour** – (a statutory duty to fully inform patients or their families when harm has or is suspected to have been caused). This is something AvMA had long campaigned for, and about which there had been staunch resistance from medical defence organisations and government Ministers. Robert Francis QC, chairman to the inquiry, unequivocally recommended a statutory Duty of Candour. However, as with other recommendations of his which the Government were uncomfortable with, there was no guarantee that Ministers would agree to a policy u-turn and accept the recommendation. This is where AvMA's campaigning, awareness raising and development of relationships with key politicians over the years paid off. Such was the pressure generated by the strength of the chairman's recommendation coupled with the widespread support of our campaign, the intense media interest we helped generate, and the fact that we had previously persuaded one of the health ministers of the need for a Duty of Candour in the run up to the general election, that the Government's initial response to the inquiry accepted that a statutory Duty of Candour would be implemented. We believe that if done properly, this may represent the biggest advance in patients' rights and patient safety in the history of the NHS.

The Duty of Candour was one of many welcome recommendations in the Francis report, which AvMA had itself recommended, such as regulation of healthcare assistants; national guidance on minimum staffing levels; and improvements to patient & public involvement. Whether these are accepted or not is a matter for Ministers, but AvMA's work does not stop with getting the recommendations. Immediately the report was published we set about seeking to raise awareness of the need to implement these recommendations. For the first time, AvMA employed specialists in media and publicity to help maximise our messages being heard in the huge media coverage surrounding the Francis report. This paid dividends, with AvMA enjoying unprecedented coverage in broadcast and written media, firmly establishing it as the most authoritative voice on behalf of patients on patient safety issues.

Much of AvMA's work representing the patient interest in issues of safety and justice is far less high profile, but just as important. We work in partnership with government departments, the NHS and both the health and legal professions to make healthcare safer and fairer. Our well respected conferences and training events help spread good practice, and we make formal responses to all important consultations.

Spreading Awareness and Good Practice

AvMA rolled out an impressive portfolio of conferences, training and events during the year. The centre piece was our annual Clinical Negligence and Medical Law conference which was held in Brighton and brought together over 400 of the leading medical experts, lawyers and policy makers in this field. A range of one day events were also held, reaching out not only to lawyers but to health service professionals and managers on subjects such as complaints handling and Serious Untoward Incident investigations.

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Report of the council of management

For the year ended 31 March 2013

AvMA continued to assess and accredit clinical negligence solicitors for its specialist clinical negligence panel. AvMA's quality mark is the best indicator available that the solicitors have the necessary expertise, experience and integrity to do a good job for victims of clinical negligence. We see the importance of being able to recognise a genuine specialist as all the more important as a result of current upheaval of the legal system.

Although the majority of people AvMA helps do not take legal action, some of the most vulnerable people AvMA serves rely on the services of solicitors. In addition to awarding our quality mark where appropriate, AvMA continued to run a Lawyers Service which helps law firms provide the best possible services in this specialist area. We recommend medical experts from our comprehensive database, keep lawyers up to date on case law, policy, and help with interpreting medical issues. The need for this service continues and also provides an income stream for the charity.

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, which has now been replaced with the Patient Advice and Support Service (PASS) – once again provided by Citizens Advice Scotland.. AvMA is still waiting to hear if Scottish Government are to go ahead with the "no fault compensation" scheme recommended by an expert group, on which AvMA were represented. AvMA continued to comment on issues around patient safety and justice in Scotland.

Risk Management

Major risks faced by the charity are assessed by managers and presented to trustees at 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 confirm that the major risks to which the charity is exposed have been reviewed and systems established to mitigate those risks.

Reserves Policy

AvMA has a policy of keeping 3 months expenditure in cash reserves which can be accessed in case of emergency or shortfall in operational income over expenditure. It is AvMA policy to maintain a strategic cash reserve to finance projects and initiatives that will come to fruition over following 3 to 5 years in line with its strategic aims and objectives. This cash is invested in a number of bank or building society accounts in order to maximise interest generated and reduce the risk of loss through bank or building society failures. AvMA's policy is to also place £1,000,000 in medium to long term investments. This level may be reviewed in subsequent years. AvMA will use some of its reserves to purchase a property costing up to £1,350,000 in the year ending 31 March 2014. The income generated from long term investments is intended to help fund the work of the charity. The investment in office property reduces the charity's overheads by negating the need to pay rent and also brings in income in the form of rent for parts of the building not occupied by the charity. At 31 March 2013 the charity's total reserves stood at £3,066,929 (2012 - £3,090,772)

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Report of the council of management

For the year ended 31 March 2013

Of this:

- £706,000 has been designated for to be invested in 2013-14.
- £1,350,000 has been designated to be spent on office property and associated costs in 2013-14.
- £702,412 has been designated to specific projects for future years
- £308,517 has been set aside to meet three month's expenditure

Investment Policy

The overall objectives of the policy are to generate income and capital growth that will contribute towards the charity carrying out its purposes year on year with due and proper consideration for future needs and the maintenance of, where possible, the value of the invested funds held.

In order not to conflict with the charity's objects in the widest sense, to be consistent with its strategic objectives, and protect the charity from reputational risks, funds will only be deposited or invested with institutions that trustees (in so far as is practicable) are satisfied meet particular ethical criteria concerning human rights, international development and health.

The charity already has £294,000 invested in ethical investments at 31 March 2013 and intends increasing this to £1,000,000 by 31 December 2013. The target investment return is 3% over inflation as measured by the consumer price index and how the investments have performed against this target will be reported for the year ended 31 March 2014 when the £1,000,000 is fully invested.

The charity has appointed Barchester Green Investment, specialists in ethical investment, as it's Independent Financial Adviser, to advise on where to invest to achieve it's overall objectives.

Financial Review

Whilst the charity continues to struggle to generate enough income to balance its operational budget, the receipt of the Judith Freedman legacy in 2011 means that the charity is in a healthy financial position in the short term and can invest for its future. As part of our investment strategy was we looked for and identified more suitable office accommodation, which we will purchase and move into in 2013-2014. As well as no longer paying rent, we hope to let out some of the office space to provide us with regular income. With the help of an Independent Financial Adviser AvMA started to place a proportion of its reserves into longer term investments. The income achieved will help fund our activities. One of the first things AvMA did using the funds from the Freedman legacy was to employ a Fundraising Manager. This has already started to increase income raised through various forms of fundraising significantly.

Plans for the future

AvMA's plans for 2013-2014 include:

- Purchasing and moving into new office accommodation in Croydon
- Restructuring to create one Medico-Legal Services department from the existing 'Advice & Information' and 'Lawyers' Service' departments
- Developing the Inquest service and capacity of the Helpline by introducing more remote working

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Report of the council of management

For the year ended 31 March 2013

- Seeking to ensure that the most important recommendations from the Mid Staffordshire inquiry are properly implemented, including ensuring that the Duty of Candour is designed appropriately
- Promoting the AvMA clinical negligence panel and exploring other ways to best preserve access to justice for people affected by medical negligence in the wake of the Legal Aid Sentencing and Punishment of Offenders Act
- Launching a new website and a communications strategy
- Developing relationships with organisations that are part of the reformed structure of the NHS to embed patient safety and the patient perspective in their work

Statement of responsibilities of the council of management

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 judgements 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them 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.

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.

Action against Medical Accidents

Report of the council of management

For the year ended 31 March 2013

Members of the council of management

Michael Bishop (appointed April 2012)
Ann Alexander
Malcolm Alexander
Angela Brown (appointed October 2012)
Celia Davies
Philip Dolan MBE
Mona Kermani (appointed October 2012)
Ray Greenwood
Vincent Kika
Rita Lewis
Jean Robinson (resigned October 2012)
Aideen O'Neill (appointed October 2012)
Barbara Ross
Hilary Scott
Rachael Vasmer (appointed July 2012)

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 trustees receive an induction into the work of the charity and their roles and responsibilities as trustees. Trustees are asked to declare any conflicts of interest or matters which may disqualify them as a trustee. Trustees 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 2013 was 14 (2012 - 10). 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 22 October 2013 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 2013 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 2013 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
- 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.

Independent auditors' report

To the council of management and members of

Action against Medical Accidents

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.

Judith Miller (Senior statutory auditor)
14 November 2013
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 2013

	Note	Restricted £	Unrestricted £	2013 Total £	2012 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	-	104,102	104,102	64,310
Legacies		-	1,000	1,000	15,909
Investment income			41,620	41,620	35,381
<i>Incoming resources from charitable activities</i>					
Legal services	3	-	483,111	483,111	446,699
Conferences, training and publications	4	-	515,474	515,474	462,235
Advice, information and support	5	46,648	5,039	51,687	4,165
Total incoming resources		<u>46,648</u>	<u>1,150,346</u>	<u>1,196,994</u>	<u>1,028,699</u>
Resources expended					
<i>Costs of generating funds:</i>					
Costs of generating voluntary income		-	64,547	64,547	23,455
<i>Charitable activities</i>					
Legal services		-	194,865	194,865	170,575
Conferences, training and publications		-	575,071	575,071	476,262
Advice, information and support		38,851	321,284	360,135	320,186
<i>Governance costs</i>		-	41,420	41,420	37,311
Total resources expended	6	<u>38,851</u>	<u>1,197,187</u>	<u>1,236,038</u>	<u>1,027,789</u>
Net incoming/(outgoing) resources before other recognised gains and	7	7,797	(46,841)	(39,044)	910
Unrealised gains on investment assets		-	15,276	15,276	-
Net movement in funds		7,797	(31,565)	(23,768)	910
Total funds at the start of the year		-	3,090,697	3,090,697	3,089,787
Total funds at the end of the year		<u>7,797</u>	<u>3,059,132</u>	<u>3,066,929</u>	<u>3,090,697</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movement in funds are disclosed in note 15 to the financial statements.

Action against Medical Accidents

Company no. 2239250

Balance sheets

As at 31 March 2013

	Note	The Group 2013 £	2012 £	The Charity 2013 £	2012 £
Fixed assets					
Tangible assets	10	52,260	10,922	52,260	10,922
Investments	11	312,444	-	312,543	99
		<u>364,704</u>	<u>10,922</u>	<u>364,803</u>	<u>11,021</u>
Current assets					
Debtors	12	94,629	90,473	94,834	90,819
Short term deposits		1,494,994	2,015,084	1,494,994	2,015,084
Cash at bank and in hand		1,541,452	1,432,886	1,541,148	1,432,516
		<u>3,131,075</u>	<u>3,538,443</u>	<u>3,130,976</u>	<u>3,538,419</u>
Liabilities					
Creditors: Amounts falling due within one year	13	(428,850)	(458,668)	(428,850)	(458,668)
		<u>2,702,225</u>	<u>3,079,775</u>	<u>2,702,126</u>	<u>3,079,751</u>
Net current assets					
	17	<u>3,066,929</u>	<u>3,090,697</u>	<u>3,066,929</u>	<u>3,090,772</u>
Funds					
Designated funds	15	2,750,615	2,833,750	2,750,615	2,833,750
Unrestricted funds		308,517	256,947	308,517	257,022
Restricted funds		7,797	-	7,797	-
		<u>3,066,929</u>	<u>3,090,697</u>	<u>3,066,929</u>	<u>3,090,772</u>
Total funds					

Approved by the council of management on 22 October 2013 and signed on its behalf by

Rita Lewis - Chair

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2013

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 a total expenditure basis as follows:

	2013	2012
Cost of generating voluntary income	4%	2%
Advice and information services	20%	23%
Legal work	12%	12%
Conferences, courses and publications	36%	34%
Governance	3%	3%
Support costs	25%	26%

- 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 2013

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
Leasehold property	50 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 if appropriate.
- 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 voluntary income represents costs incurred in seeking voluntary contribution.
- l) Support costs comprise costs incurred 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.
- 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.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2013

2. Voluntary Income

	Restricted £	Unrestricted £	2013 Total £	2012 Total £
General donations	-	9,567	9,567	3,257
Fundraising	-	46,250	46,250	5,426
Friends of AvMA	-	2,414	2,414	1,785
Expert Donations	-	44,436	44,436	50,619
Fees and sundry income	-	1,435	1,435	3,223
	<u>-</u>	<u>104,102</u>	<u>104,102</u>	<u>64,310</u>

3. Legal services

	Restricted £	Unrestricted £	2013 Total £	2012 Total £
Subscription fees	-	397,496	397,496	378,842
Website	-	66,274	66,274	61,057
Referral panel fees	-	19,341	19,341	6,300
Newsletter	-	-	-	500
	<u>-</u>	<u>483,111</u>	<u>483,111</u>	<u>446,699</u>

4. Conferences, training and publications

	Restricted £	Unrestricted £	2013 Total £	2012 Total £
Conference fees	-	497,490	497,490	446,303
Publications	-	17,984	17,984	15,932
	<u>-</u>	<u>515,474</u>	<u>515,474</u>	<u>462,235</u>

5. Advice, information and support

	Restricted £	Unrestricted £	2013 Total £	2012 Total £
Big Give	31,648	-	31,648	-
Awards for all England	10,000	-	10,000	-
Awards for all Wales	5,000	-	5,000	-
National Institute for Health & research - Bradford	-	3,316	3,316	3,387
University of York	-	1,723	1,723	778
	<u>46,648</u>	<u>5,039</u>	<u>51,687</u>	<u>4,165</u>

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2013

6. Total resources expended

	Cost of generating voluntary income £	Legal services £	Conferences, training and publications £	Advice, information and support £	Governance £	Support costs £	2013 Total £	2012 Total £
Staff costs (note 8)	40,284	122,892	137,691	228,142	15,656	212,505	757,170	683,920
Office costs	2,500	12,514	10,470	16,377	614	12,063	54,538	46,866
Premises	2,002	10,024	8,387	13,119	491	9,663	43,686	47,486
Volunteers	-	-	54	605	-	-	659	2,265
Travel and subsistence	-	871	2,603	984	1,483	-	5,941	6,986
Training and development	142	265	-	2,299	1,845	-	4,551	1,530
Professional fees	-	-	-	4,506	9,300	38,653	52,459	7,550
Depreciation	-	-	-	-	-	13,644	13,644	10,737
Sundry	3,702	246	-	16,109	1,818	7,459	29,334	6,459
Conference & events costs	-	-	274,056	-	-	-	274,056	213,990
Total resources expended	48,630	146,812	433,261	282,141	31,207	293,987	1,236,038	1,027,789
Support Costs	15,917	48,053	141,810	77,994	10,213	(293,987)	-	-
Total resources expended	64,547	194,865	575,071	360,135	41,420		1,236,038	1,027,789

Action against Medical Accidents

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For the year ended 31 March 2013

7. Net outgoing resources for the year

This is stated after charging:

	2013	2012
	£	£
Operating lease rentals:		
▪ Property	20,466	20,502
Depreciation	13,644	10,737
Council of management remuneration	-	-
Council of management expenses	2,428	1,718
Trustees' indemnity insurance	4,535	5,367
Auditors' remuneration:		
▪ Audit	7,250	7,050
▪ Other services	250	500
	<u>75,578</u>	<u>85,874</u>

The council expenses related to the travel costs of 5 members of the council of management (2012: 3).

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

8. Staff costs and numbers

Staff costs were as follows:	2013	2012
	£	£
Salaries and wages	666,415	607,760
Social security costs	65,450	61,830
Pension contributions	25,305	13,364
Other costs	-	966
	<u>757,170</u>	<u>683,920</u>

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

	2013	2012
	No.	No.
Costs of generating voluntary income	0.9	0.3
Advice, information and support	6.0	5.8
Legal services	3.8	3.7
Conferences, training and publications	4.0	3.1
Governance	0.2	0.2
Support	4.2	4.5
	<u>19.2</u>	<u>17.6</u>

1 employee's emoluments were over £60,000 in the year (2012: nil). Employer pension contributions totalled £1,302 for this employee.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2013

9. 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 there was no profit in the year (2012 Tax Liability: £Nil).

10. Tangible fixed assets

	Leasehold Premises £	Computer, furniture and office equipment £	Total Tangible Fixed Assets £
COST			
At 1 April 2012	-	87,602	87,602
Additions in year	26,116	28,866	54,982
At 31 March 2013	26,116	116,468	142,584
DEPRECIATION			
At 1 April 2012	-	76,680	76,680
Charge for the year	-	13,644	13,644
At 31 March 2013	-	90,324	90,324
NET BOOK VALUE			
At 31 March 2013	26,116	26,144	52,260
At 31 March 2012	-	10,922	10,922

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

No depreciation was charged on leasehold premises as the property had not been purchased at the end of the financial year. The only costs incurred to 31 March 2013 were professional fees.

11a) Investments in subsidiary

	The charity 2013 £	2012 £
Investment in Subsidiary Undertaking	99	99

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 was set up to carry out risk assessment work as it is non-primary purpose trading for AvMA. Relevant financial information regarding AVMA Services Limited is as follows:

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2013

11a) Investments (continued)

	2013 £	2012 £
Turnover	-	-
Administration expenses	<u>(66)</u>	<u>(75)</u>
Operating (loss)/profit	(66)	(75)
Gift aid to parent	<u>-</u>	<u>-</u>
Profit on ordinary activities	<u>(66)</u>	<u>(75)</u>
The aggregate of the assets, liabilities and funds was:		
Assets	304	370
Liabilities	<u>(346)</u>	<u>(346)</u>
Funds	<u>(42)</u>	<u>24</u>

11b) Other Investments

			2013 £
Additions			294,000
Net gain on investments			<u>15,276</u>
Market value of investments at the end of the year			309,276
Cash held as part of investment portfolio			<u>3,168</u>
Total market value at the end of the year			<u>312,444</u>
Historic cost of investments at the end of the year			<u>294,000</u>
Investments comprise:			
	UK	Non UK	2013 £
Pooled funds	<u>309,276</u>	<u>-</u>	<u>309,276</u>
Total (excluding cash)	309,276	-	309,276
Cash held as part of investment portfolio	<u>3,168</u>	<u>-</u>	<u>3,168</u>
Total (including cash)	<u>312,444</u>	<u>-</u>	<u>312,444</u>

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2013

12. Debtors

	The Group		The Charity	
	2013	2012	2013	2012
	£	£	£	£
Amount due from subsidiary	-	-	205	346
Other debtors	77,215	38,116	77,215	38,116
Prepayments	17,414	52,357	17,414	52,357
	<u>94,629</u>	<u>90,473</u>	<u>94,834</u>	<u>90,819</u>

13. Creditors : Amounts falling due within one year

	The Group		The Charity	
	2013	2012	2013	2012
	£	£	£	£
Trade creditors	-	101	-	101
Social security and other taxes	72,377	76,861	72,377	76,861
Deferred income	302,867	359,728	302,867	359,728
Accruals	44,453	18,223	44,453	18,223
Other creditors	9,153	3,755	9,153	3,755
	<u>428,850</u>	<u>458,668</u>	<u>428,850</u>	<u>458,668</u>

14. Movements in deferred income

	As at 1	Released	Received and deferred	As at 31
	April 2012			March 2013
	£	£	£	£
Subscriptions received in advance	195,825	(195,825)	187,898	187,898
Conference fees received in advance	163,903	(163,903)	114,969	114,969
	<u>359,728</u>	<u>(359,728)</u>	<u>302,867</u>	<u>302,867</u>

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Notes to the financial statements

For the year ended 31 March 2013

15. Movements in funds

	At the start of the year £	Incoming resources and gains £	Outgoing resources £	Transfers £	At the end of the year £
Restricted funds:					
Awards for all England	-	10,000	(7,029)	-	2,971
Awards for all Wales	-	5,000	(3,811)	-	1,189
Big Give	-	31,648	(28,011)	-	3,637
Total restricted funds	-	46,648	(38,851)	-	7,797
Unrestricted funds:					
<i>Designated funds:</i>					
Purchase of Office Building	1,500,000	-	-	(150,000)	1,350,000
Fundraising	66,502	-	(48,630)	-	17,872
Panel promotion	-	-	(33,950)	33,950	-
Inquest Service	-	-	(5,000)	5,000	-
Interest	-	-	-	33,495	33,495
Other specific projects as approved	1,267,248	-	-	82,000	1,349,248
<i>Total designated funds</i>	2,833,750	-	(87,580)	4,445	2,750,615
General funds	256,947	1,165,622	(1,109,607)	(4,445)	308,517
Total unrestricted funds	3,090,697	1,165,622	(1,197,187)	-	3,059,132
Total funds	3,090,697	1,212,270	(1,236,038)	-	3,066,929

Purposes of restricted funds

Awards for all England provided funds to recruit and train new volunteers to staff the patient helpline.

Awards for all Wales provided funds to create a series of Welsh language pages for the AvMA website.

AvMA raised funds in conjunction with an anonymous donor through Big Give for the Inquest Service.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2013

Purposes of designated funds

Purchase of Office Building

The charity purchased a new office building on 2 May 2013 for approximately £1.35 million. This amount is shown in designated funds and an amount of £26,116 capitalised at 31 March 2013.

Fundraising

The Board agreed to set aside £80,000 to recruit and employ a fundraiser. After 2 years the post will be assessed for its effectiveness and mainstreamed or discontinued. The balance of £17,872 is what remains for the remaining period of the 2 years.

Panel Promotion

The Board agreed to finance the feasibility of developing and promoting the solicitors' panel.

Inquest service

The Board agreed to fund the inquest service for 2 financial years with an additional £5,000 in year 1 and £10,000 in year 2.

Other specific projects

Included in other specific projects is an amount of £706,000 that will be spent purchasing investments.

16. Operating lease commitments

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

	Equipment	
	2013	2012
	£	£
Within 1 year	-	996

17. Analysis of net assets between funds

	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	312,444	52,260	364,704
Current assets	7,797	2,438,171	685,107	3,131,075
Current liabilities	-	-	(428,850)	(428,850)
Net assets at 31 March 2013	7,797	2,750,615	308,517	3,066,929

18. Post balance sheet events

On 2 May 2013 the charity purchased 117 High Street, Croydon, CR0 1QG on a 999 year lease. The final cost of the property is expected to be in the region of £1.35 million after moving and refurbishment costs are included.