



Report and Financial Statements

For the Year Ended
31 March 2016

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Reference and Administrative Details

Action against Medical Accidents

(also known as "AvMA")

Company Number

2239250

Charity Number

299123

OSCR Number

SCO39683

Registered & Principal Office
Address

**Freedman House
Christopher Wren Yard
117 High Street
CROYDON CR0 1QG**

Patrons

Peter Ransley

Honorary President

James Titcombe OBE

Baroness Masham of Ilton

Umesh Prabhu

James Badenoch QC

Dame Professor Donna Kinnair

Honorary Officers

Suzanne Shale *Chair*

Malcolm Alexander *Vice Chair*

Angela Brown *Treasurer*

Trustees

Malcolm Alexander

Michael Bishop

(resigned September 2015)

Angela Brown

Philip Dolan MBE

Ceri Edwards

(appointed March 2016)

Ray Greenwood

Nigel Holland

(appointed June 2016)

Vincent Kika

Rita Lewis

Aideen O'Neill

James Petter

Barbara Ross

Hilary Scott

Suzanne Shale

Rachael Vasmer

Principal Staff

Peter Walsh

Chief Executive

Hugh Williams

Deputy Chief Executive

Bankers

**Co-operative Bank plc
Delf House, Southway
SKELMERSDALE
WN8 6NY**

**Gale and Phillipson Ltd
Gallowfields House
Fairfield Way
RICHMOND
DL10 4TB**

Independent Financial Advisors

**Castlefield Advisory Partners Ltd
4-6 Staple Inn
High Holborn
LONDON
WC1V 7QH**

Auditors

**Sayer Vincent LLP
Chartered Accountants &
Statutory Auditors
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL**

Solicitors

**Russell-Cooke LLP
2 Putney Hill
LONDON
SW15 6AB**

Report of the Council of Management

The Council of Management presents its report and the audited financial statements for the year ended 31 March 2016.

Reference and administrative information set out on the previous page 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 : SORP applicable to charities preparing their accounts in accordance with FRS 102, effective 1 January 2015.

Objectives and Activities

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 ordinary language trustees believe our mission can best be described as promoting patient safety and justice for people who have been affected by medical accidents.

OUR BENEFICIARIES

AvMA's beneficiaries are people who have been affected by medical accidents (lapses in patient safety) and who are directly helped by our services; and others affected by medical accidents who benefit from the changes in policy and practice we bring about through our public education and influencing work. Below we describe how we help our beneficiaries through our main activities.

Our key activities, including achievements and performance in the year, are as follows.

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 2015-16 we directly helped over 3,300 people.

Our Helpline provides specialist, sympathetic support to people when they are 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- 3.30pm.

In 2015-16 we handled 2,696 calls, often involving extremely serious and complex cases. Ours is the only specialist medico-legal helpline in the UK. Many people also make use of the online self-help information on our website.

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 2015-16 we opened 615 new casework files in addition to dealing with a further 480 ongoing cases.

IMPACT: Callers to our helpline and recipients of our written casework service have felt understood and supported at a time of extreme stress and anxiety. They have been enabled to make better informed decisions about what to do next through our specialist advice and are better equipped to make use of the procedures available to them.

Often, this enables them to have their complaints or concerns properly addressed and resolved; and/or to access a specialist solicitor and eventually obtain compensation; and/or to achieve measures to protect other patients/improve patient safety.

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 in intensive work instructing counsel to represent the family. This service is made possible by the generous donation of time by barristers.

We helped 19 families in this way over the year and started preparatory work for representing a further 10 families. A number of important verdicts were arrived at which may not have been had we not been involved and one prevention of future deaths report was issued by a coroner recommending safety improvements. In addition we gave advice to a further 45 families who were facing a forthcoming inquest to help them prepare and/or to get legal representation at the inquest.

IMPACT: Families who have lost a loved one as a result of a medical accident have been empowered to have the right issues and questions addressed at inquests. They have felt supported at a time of loss and anxiety. Often, the coroner has been helped to recognise issues that need to be addressed to protect future patients / improve patient safety. Where appropriate this has resulted in the issue of a 'prevention of future deaths' letter.

We continued to deliver a contract with the Care Quality Commission (CQC), which regulates health and social care providers in England. From July 2014 we started offering Helpline callers and other clients the opportunity to have their concerns about particular health providers passed on to the CQC to inform their inspection and regulation work. By the end of the financial year we had provided CQC with 650 individual reports of concern. We will be monitoring what happens with these concerns when they are passed to CQC.

POLICY AND EXTERNAL RELATIONS (Influencing Policy & Practice)

Whilst the direct support we provide to our beneficiaries – all people whose lives have been affected by lapses in patient safety – is vitally important in its own right, it also informs our policy priorities and fuels our passion to bring about change.

Last year we reported on the fact that after years of AvMA arguing for it, in November 2014 a statutory Duty of Candour was brought into being for NHS bodies in England. This marked one of the biggest ever achievements in AvMA's history, of which the charity is rightly proud. However, whilst anecdotal feedback suggests that the duty has begun to change culture and behaviour, we have continued to have to expend considerable resources on promoting good practice in delivering the Duty of Candour, and exhorting the appropriate statutory bodies to raise awareness, provide training, and monitor and regulate the duty effectively.

We continued to raise concern about the Department of Health's decision to introduce two different versions of the Duty of Candour, one of which applies to private health and social care and NHS primary care services and one of which applies to NHS bodies in England. Having met with no meaningful response we felt obliged to issue a 'letter before action' indicating that we would pursue the matter through judicial review.

As a result of this, the Department promised to bring forward its planned consultation on the regulations and include reconsideration of this anomaly. Whilst we were consulted on the content of the planned consultation, that consultation has not yet taken place.

We are glad to say that the Scottish Government successfully passed legislation during the year to provide for a statutory Duty of Candour there. AvMA gave evidence to a committee of the Scottish Parliament during the legislative process and continues to work with the Scottish Government to plan for the implementation of the duty in Scotland. AvMA continue also to work with the Welsh Assembly Government and The Northern Ireland Assembly with a view to the Duty of Candour becoming a reality there.

Sometimes our policy work has had to be reactive, and our work programme needed to adjust to unforeseen priorities. We reported last year on our work to raise awareness of the likely adverse consequences of proposals in the Medical Innovation Bill, which did not pass. During the current year the Access to Medical Treatments (Innovation) Bill was introduced in Parliament. It contained some of the very same clauses we perceived as dangerous in the previous Bill. We campaigned hard to raise awareness of these dangers and together with others succeeded in persuading the sponsor of the Bill to remove offending clauses.

During the year we also learnt of Department of Health plans to enforce a system of 'fixed recoverable costs' for clinical negligence cases in England and Wales. We believe the proposals as they were outlined would have a disastrous effect on some people's access to justice when they have been harmed by negligent treatment, and would also mitigate against patient safety by incentivising a 'deny and defend' culture in the NHS.

Without having had the luxury of being able to plan for this, we had to deploy huge amounts of senior staff time to analysing the implications, and making others aware of our concerns including fellow patients' organisations, the media and politicians. We believe that our efforts have helped raise awareness of the problems and dangers of the original proposals and may result in a more considered approach when the final proposals are published for consultation. At the time of writing it was expected this would be in October 2016.

AvMA also took part in Expert Advisory Group meetings advising the Secretary of State for Health in England about the establishment of the Healthcare Safety Investigation Branch (HSIB). This is an initiative which AvMA welcomed in principle, but AvMA had strong concerns about the implications of a so-called "safe space" approach for health professionals taking place in investigations.

AvMA's chief executive argued that any such measure should ensure that any information relevant to patients' treatment must be shared with the patient or their family and that there should be no restrictions placed on its use. This principle was included in the Expert Advisory Group's recommendations but it is a matter of concern that when the Department of Health issued statutory directions for HSIB they were inconsistent with this recommendation. The charity continues to argue the case for guaranteed full openness with patients about what happens in their treatment.

As well as work that grabs the headlines, AvMA continued to bring an expert patient perspective on issues pertaining to patient safety and justice through ongoing relationships with public bodies, policy makers and fellow patients' groups and participation in a raft of meetings and working groups. This included numerous responses to formal consultations.

IMPACT: Our policy and external relations work has helped shape policy and practice in dealing with the aftermath of a medical accident and supporting the people affected. Our work on the duty of candour should mean that more people get to hear the truth about what happened and are told in a compassionate way. Our work on 'fixed recoverable costs' should mean that more people retain the ability to access justice and ensure health providers recognise they have made a mistake.

CONFERENCES AND TRAINING (Spreading Awareness and Good Practice)

AvMA rolled out an extensive portfolio of conferences, training and events during the year. The centrepiece was our annual Clinical Negligence and Medical Law conference which was held in Leeds and brought together over 400 of the leading medical experts, lawyers and policy makers in this field. A range of one day events was 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. Feedback from delegates' evaluation forms suggests high levels of satisfaction and quality of our events, with the majority rating them 'very good' or 'excellent'

IMPACT: Enhancing the skills and knowledge of legal and health professionals results in our beneficiaries receiving more empathetic and more professional services from them.

MEDICO-LEGAL SERVICES

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 and policy, and help with interpreting medical issues. The need for this service continues and also provides an income stream for the charity.

IMPACT: Our support services for solicitors practising in clinical negligence has assisted our beneficiaries' legal teams with resources and information, enabling them to provide a good service and increase the likelihood of a successful result.

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.

IMPACT: Our panel, and the quality mark denoting membership of it, has made it easier for our beneficiaries who need to take legal action to find a genuinely specialist solicitor with the appropriate qualities, knowledge and skills. We believe this results in our beneficiaries receiving higher quality of services

We were pleased that, in spite of legal reforms creating a very difficult environment for clinical negligence solicitors, membership of our Lawyers' Service and applications to our specialist panel both held up very well in 2015-16.

AvMA's Work in Scotland

As a charity registered in Scotland as well as England and Wales, we are pleased to report on our activities there. The Helpline and Casework Service continued to be made available to people in Scotland. We believe that our influence had a large part to play in persuading the Scottish Government to agree to legislate for a statutory duty of candour. We provided strong arguments for this and gave evidence to a parliamentary committee considering it. We continued to liaise with Scottish Government, NHS bodies and patient groups in Scotland and contribute to discussions pertaining to patient safety and justice including the proposed duty of candour and a potential redress scheme for Scotland.

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.

Other Developments During the Year

During the year we commissioned consultancy from Connect Assist to review the way we invite and manage calls to our Helpline and how we collect and manage data. This greatly improved our understanding of the issues involved and we are committed to implementing most of the recommendations from the resulting report. In particular, this will help us manage data about our beneficiaries and their cases much better; help us develop and maintain our relationship with them; and equip us to collect information about the impact of our work with them. It will also help us help more people by enabling self-help where appropriate and make the handling of demand for our helpline more efficient.

Plans for the Future

AvMA's plans for 2016-17 include:

- Intensive policy and influencing work around the Government's 'fixed recoverable costs' proposals to minimise negative impact on our beneficiaries' access to justice and potential for the NHS to learn from mistakes.
 - Continuing to see through and supporting the introduction of the Duty of Candour in England with appropriate awareness raising and training.
 - Continuing to work with the governments in Scotland, Wales and Northern Ireland to seek the introduction of a Duty of Candour.
 - Promoting the AvMA specialist panel of clinical negligence solicitors better to the public.
 - Maintaining existing scale of service provision and reviewing current approaches to meeting demand for the Helpline, and building upon quality assurance systems.
 - Seeking to diversify income streams and generate new income to address the forecast operational deficit, and enable maintenance of services and meeting charitable objectives long term.
 - Planning activities to mark AvMA's 35th anniversary in 2017 to make the most of fundraising opportunities this provides and also raising awareness of the charity's work and achievements.
- Implementing improved systems for collecting and reporting on data from our work with beneficiaries, and building relationships with beneficiaries and other potential supporters.
 - Development of the charity's "theory of change" and systems for measuring the impact of our work.

Structure, Governance & Management

The organisation is a charitable company limited by guarantee, incorporated on 4 April 1988 and registered as a charity on 19 April 1988. The organisation changed its name to Action against Medical Accidents (AvMA) 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.

Trustees collectively form the Council of Management.

Council of Management and Appointment of Council Members

Individual trustees (members of the council) are appointed by the Council of Management. 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, which takes place at the annual general meeting.

Recruitment of new trustees takes place as and when the council believes this is necessary to add to or complement the experience, knowledge and skills available to the council. Usually "vacancies" for new trustees are advertised. Potential new trustees are interviewed by at least two trustees usually including the chair, and the chief executive. Based on objective criteria, the recommendations to appoint a new trustee are put to the full council together with the candidate's background details for a decision.

The council were pleased to be able to recruit a new trustee, Ceri Edwards who was appointed in March 2016. Ceri brings particular knowledge and experience of fundraising and communications, which were qualities the council were keen to develop in its membership.

During the financial year the council were sorry to lose an excellent trustee with finance and investment experience in the form of Michael Bishop. It was agreed to seek to recruit a new trustee with similar expertise, and we were pleased to welcome Nigel Holland in June 2016.

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 2016 was 14 (2015 – 15). Members of the Council of Management have no beneficial interest in the charitable company.

The Council of Management met four times during the year. AvMA has adopted a rolling three year strategic plan which is reviewed and updated at each council meeting. 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. A 'Finance and Investment Committee' meets two weeks before each council meeting.

AvMA has a trading company, AvMA Services Ltd, which is used when there has been non-charitable trading beyond the amount permissible by the Charity Commission. AvMA Services Ltd has been inactive in 2015-16.

Honorary Officers

The charity has adopted the practice of electing a Chair, Vice-Chair and Treasurer for a one year term at the charity's AGM. December 2015 saw the election of Suzanne Shale as a new Chair, replacing Rita Lewis who had served in this capacity for 12 years. The

trustees and staff are most grateful to Rita for the leadership she has provided during this time. Angela Brown was elected as Treasurer replacing Barbara Ross, and Malcolm Alexander was re-elected as Vice-Chair.

Delegation of Day to Day Running of the Charity

Trustees delegate the day to day running of the charity to the chief executive, Peter Walsh, and in his absence the deputy chief executive, Hugh Williams.

Patrons

AvMA was delighted to have recruited several excellent patrons in 2015 who were appointed by agreement of the Council of Management. A further patron, Professor Dame Donna Kinnear, was appointed in September 2016. The role of patron does not involve any legal or governance responsibilities. Patrons act as ambassadors for the charity and help by providing advice, taking part in events, making introductions and generally spreading the word about AvMA and its work.

Remuneration of Key Management Personnel

The Council of Management has a remuneration policy covering all employees. All personnel are paid within a defined salary band with annual increments until the top of the band is reached. Salary bands are set and reviewed through trustees' review of pay scales available in comparable organisations (for example by reviewing job advertisements and/or speaking to recruitment agencies) and by reference to the NJC and NHS Pay Scales.

Annual cost of living increments are awarded at the discretion of the Council of Management, based on the Consumer Price Index and bearing in mind the charity's finances and the financial climate generally. AvMA's full remuneration policy is published on the charity's website.

Financial Review

Our Medico-Legal department made a contribution of £326,485 in the year, and Conferences and Training made a contribution of £94,033. This covered the net cost of our public-facing Advice and Information Service of £208,687 and most of our support costs, giving an overall net expenditure of £134,581 for the year. In addition, gains on investments (both realised and unrealised) were £3,575.

The receipt of the Judith Freedman legacy in 2011 means that the charity is in a strong financial position, and has been able to invest for its future. The single most significant use of the legacy was the purchase of "Freedman House" on a 999 year lease. As well as no longer paying rent, we are letting out some of the office space to provide us with regular income. We currently have long-term investments of £1,633,769 as set out below.

Reserves and Investment Policy

The trustees have agreed to retaining a minimum of 3 months' running costs as a contingency reserve (£318,000 based on 2015-16 costs). As a result of the legacy, AvMA currently has higher reserves (see below).

The charity's current strategy is to use these reserves as a transitional fund which will allow the charity to continue to meet its charitable objectives at as near as possible the level of activity and impact as the year 2015-2016, whilst new sources of income are explored and expenditure and the operating deficit is reduced in stages to more modest levels, and eventually to a sustainable balanced budget.

Trustees have agreed to invest these reserves in an ethical investment portfolio to generate long-term capital growth, where possible, whilst allowing sufficient funds to be drawn upon to fund work towards our charitable objectives and/or initiatives which will generate income. On advice from our specialist financial advisers Castlefield, we use a

balanced medium-risk capital growth portfolio. Our target capital growth is RPI + 3%; since inception our portfolio has outperformed this target by over 100%. The trustees will be reviewing the charity's approach to reserves and its investment policy in 2016-2017.

Total reserves at the year end are £1,871,350, not including the value of our office building and other fixed assets. Of this £280,000 is designated for major repairs and maintenance, ICT replacement and the Connect Assist data development project. The transitional fund referred to above has been ring-fenced as a designated fund of £1,000,000 at the year end. The fair value reserve (excess of value over cost of our investments) is £234,015. This gives free reserves of £357,335, which is in line with our existing reserves policy of 3 months' running costs.

Principal Risks and Uncertainties

The main risk facing the charity is the uncertainty facing the future of clinical negligence litigation. Most of the charity's income is generated through the provision of services to clinical negligence lawyers, both through the Lawyers' Support Service and the provision of conferences and training.

Recent legal reforms including the removal of legal aid for the vast majority of clinical negligence cases has already created difficulties for law firms wishing to practice in clinical negligence, which is beginning to see mergers or firms dropping out of clinical negligence work. This is resulting in a decline in income from lawyers' service subscriptions.

Government proposals for the introduction of a 'fixed recoverable costs' regime could have a much larger impact (as well as threatening access to justice for AvMA's beneficiaries and the likelihood of the NHS learning from errors). The charity is addressing this risk by attempting to diversify and develop new sources of income and also planning for managing an anticipated fall in income by reducing expenditure in a carefully planned and staged way. The situation is kept under constant review.

Another principal risk is the uncertainty in financial markets which may affect the charity's investments. The trustees are reviewing the charity's investment strategy in the light of this in consultation with the charity's independent financial adviser.

Trustees consider known significant risks and strategies for mitigating them at each Council meeting at which a risk register is reviewed and updated.

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 adequate 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.

Auditors

Sayer Vincent LLP 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 6 December 2016 and signed on its behalf by

Peter Walsh
Company Secretary

Independent Auditors' Report

We have audited the financial statements of Action against Medical Accidents for the year ended 31 March 2016 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 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 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 responsibilities of the Council of Management set out in the report of the Council of Management, the Council of Management (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.

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 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 group's and the parent 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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's and the parent charitable company's affairs as at 31 March 2016 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 regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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's financial statements are not in agreement with the accounting records or returns; or
- Certain disclosures of council of management' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The Council of Management were not entitled to take advantage of the small companies' exemption in preparing the report of the Council of Management and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Judith Miller (Senior statutory auditor)
6 December 2016

for and on behalf of
Sayer Vincent LLP, Statutory Auditors
Invicta House, 108-114 Golden Lane,
LONDON EC1Y 0TL

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

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the Year Ended 31 March 2016

	Note	Unrestricted £	2016 Total £	Unrestricted £	2015 Total £
Income from:					
Donations and legacies	2	71,373	71,373	109,055	109,055
Charitable activities					
Conferences and training	3	469,388	469,388	498,553	498,553
Medico-legal services	3	515,438	515,438	520,194	520,194
Advice, information and support	3	30,040	30,040	22,925	22,925
Policy and external relations	3	5,911	5,911	2,305	2,305
Other trading activities	4	4,607	4,607	6,571	6,571
Investments	5	48,880	48,880	59,315	59,315
Other		1,379	1,379	2,442	2,442
Total income		1,147,016	1,147,016	1,221,360	1,221,360
Expenditure on:					
Raising funds	6	65,594	65,594	69,521	69,521
Charitable activities					
Conferences and training	6	457,458	457,458	468,770	468,770
Medico-legal services	6	305,333	305,333	268,123	268,123
Advice, information and support	6	377,698	377,698	311,389	311,389
Policy and external relations	6	75,514	75,514	78,944	78,944
Total expenditure		1,281,597	1,281,597	1,196,747	1,196,747
Net income / (expenditure) before net gains on investments		(134,581)	(134,581)	24,613	24,613
Net gains on investments		3,575	3,575	138,249	138,249
Net income / (expenditure) for the year	7	(131,006)	(131,006)	162,862	162,862
Transfers between funds	19	-	-	-	-
Net income / (expenditure) before other recognised gains and losses		(131,006)	(131,006)	162,862	162,862
Net movement in funds		(131,006)	(131,006)	162,862	162,862
Reconciliation of funds:					
Total funds brought forward		3,239,809	3,239,809	3,076,947	3,076,947
Total funds carried forward		3,108,803	3,108,803	3,239,809	3,239,809

All of the above results are derived from continuing activities and all funds are unrestricted. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.

Consolidated Balance Sheet

Company Number 2239250

For the Year Ended 31 March 2016

	Note	£	2016 £	£	2015 £
Fixed assets:					
Tangible assets	12		1,237,453		1,247,231
Investments	13		1,633,769		1,333,609
			2,871,222		2,580,840
Current assets:					
Debtors	14	151,922		182,781	
Cash at bank and in hand	21	528,518		844,976	
		680,440		1,027,757	
Liabilities:					
Creditors: amounts falling due within one year	15	442,859		368,788	
Net current assets			237,581		658,969
Total assets less current liabilities			3,108,803		3,239,809
Net assets excluding pension asset / (liability)			3,108,803		3,239,809
Total net assets			3,108,803		3,239,809
The funds of the charity:					
19					
Unrestricted income funds:					
Designated funds		2,517,453		2,695,616	
Fair value reserve		234,015		239,048	
General funds		357,335		305,145	
Total unrestricted funds			3,108,803		3,239,809
Total charity funds			3,108,803		3,239,809

Approved by the trustees on 6 December 2016 and signed on their behalf by

Dr. Suzanne Shale
Chair

Dr. Angela Brown
Treasurer

Consolidated Statement of Cash Flows

For the Year Ended 31 March 2016

	Note	£	2016 £	£	2015 £
Cash flows from operating activities	20				
Net cash used in operating activities			(59,720)		(67,471)
Cash flows from investing activities:					
Dividends, interest and rents from investments		48,880		59,315	
Purchase of fixed assets		(9,033)		(11,438)	
Proceeds from sale of investments		41,201		-	
Purchase of investments and cash invested into portfolio		(337,786)		(97,165)	
Net cash used in investing activities			(256,738)		(49,288)
Change in cash and cash equivalents in the year			(316,458)		(116,759)
Cash and cash equivalents at the beginning of the year			844,976		961,735
Cash and cash equivalents at the end of the year	21		528,518		844,976

Notes to the Financial Statements

For the Year Ended 31 March 2016

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the position of the charitable company and its wholly-owned subsidiary AVMA Services Limited on a line by line basis. AVMA Services Limited was dormant in this and the prior financial years. The difference between the group and parent charitable company balance sheet are not material and therefore a separate parent only balance sheet and related notes are not presented. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

b) The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Notes to the Financial Statements

For the Year Ended 31 March 2016

1 Accounting policies (continued)

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Interest receivable

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

g) Fund accounting

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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

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:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, events and other educational activities undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Notes to the Financial Statements

For the Year Ended 31 March 2016

1 Accounting policies (continued)

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

• Conferences and training	22%
• Medico-legal services	31%
• Advice, information and support	37%
• Policy and external relations	5%
• Raising funds	5%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £200. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Computer equipment and website development	3 years
• Office equipment and furniture	5 years
• Database	10 years

No depreciation is charged on the leasehold property on the grounds of immateriality, due to a long expected life and high residual value.

l) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Notes to the Financial Statements

For the Year Ended 31 March 2016

1 Accounting policies (continued)

Investments in subsidiaries

Investments in subsidiaries are at cost.

m) Debtors

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

n) Cash at bank and in hand

Cash at bank and cash 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. Cash balances exclude any funds held on behalf of service users.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity 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.

p) Pensions

The charitable company offers all staff the option of a stakeholder pension scheme. The charitable company pays an agreed contribution to this scheme, or to another scheme of the employee's choice, on their behalf. 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.

Notes to the Financial Statements

For the Year Ended 31 March 2016

2 Income from donations and legacies

	Unrestricted £	2016 Total £	2016 Total £
Experts' donations	40,070	40,070	42,128
Firms' events	13,339	13,339	11,783
Unclaimed clients' money	2,605	2,605	7,646
Legacies	-	-	22,587
Other donations	10,784	10,784	17,223
Runners and riders	1,775	1,775	4,554
Other fundraising	2,800	2,800	3,134
	<u>71,373</u>	<u>71,373</u>	<u>109,055</u>

3 Income from charitable activities

	Unrestricted £	2016 Total £	2015 Total £
Delegate, sponsor and webinar income	469,388	469,388	498,553
Sub-total for conferences and training	469,388	469,388	498,553
Subscription fees	417,810	417,810	410,156
Website subscriptions	73,664	73,664	74,522
Referral panel fees	8,550	8,550	14,400
Publications	15,414	15,414	21,116
Sub-total for medico-legal services	515,438	515,438	520,194
Care Quality Commisison	30,000	30,000	22,500
Other	40	40	425
Sub-total for advice, information and support	30,040	30,040	22,925
Fees earned and expenses reimbursed	5,911	5,911	2,305
Sub-total for policy and external relations	5,911	5,911	2,305
Total income from charitable activities	<u>1,020,777</u>	<u>1,020,777</u>	<u>1,043,977</u>

Notes to the Financial Statements

For the Year Ended 31 March 2016

4 Income from other trading activities

	Unrestricted £	2016 Total £	2015 Total £
AvMA events	4,607	4,607	6,571
	<u>4,607</u>	<u>4,607</u>	<u>6,571</u>

5 Income from investments

	Unrestricted £	2016 Total £	2015 Total £
Dividends and interest	16,298	16,298	20,849
Rent	32,582	32,582	38,466
	<u>48,880</u>	<u>48,880</u>	<u>59,315</u>

6 Analysis of expenditure

	Cost of raising funds	Charitable activities										2015 Total	2016 Total
		Conferences and training	Medico-legal services	Advice, information and support	Policy and external relations	Governance costs	Support costs	Conferences and training	Medico-legal services	Advice, information and support	Policy and external relations		
Staff costs (Note 8)	35,819	132,633	182,334	227,188	54,094	27,850	221,109	881,027	775,127				
Direct cost of events	-	215,515	519	-	-	-	-	216,033	230,080				
Travel, subsistence and accommodation	138	3,305	1,964	1,259	3,164	2,437	607	12,874	14,697				
Call handling	-	-	-	2,824	-	-	-	2,824	1,153				
Investment management fees	10,205	-	-	-	-	-	-	10,205	9,754				
Other professional fees	-	-	978	4,943	-	6,500	31	12,452	16,627				
Office costs	1	17,197	751	901	-	227	31,277	50,354	63,001				
Premises costs	-	-	-	-	-	-	59,426	59,426	41,549				
Depreciation	-	-	-	-	-	-	18,811	18,811	27,673				
Training and development	-	34	134	55	229	341	1,420	2,213	1,594				
Sundry	203	6,671	2,275	1,557	-	87	4,584	15,378	15,492				
	46,366	375,354	188,955	238,727	57,487	37,442	337,266	1,281,597	1,196,747				
Support costs	17,307	73,900	104,749	125,085	16,225	-	(337,266)	-	-				
Governance costs	1,921	8,204	11,629	13,886	1,802	(37,442)	-	-	-				
Total expenditure 2016	65,595	457,458	305,333	377,698	75,514	-	-	1,281,597	1,196,747				
Total expenditure 2015	69,521	468,770	268,123	311,389	78,944	-	-	-	1,196,747				

All expenditure was unrestricted (2015: all).

Notes to the Financial Statements

For the Year Ended 31 March 2016

Notes to the Financial Statements

For the Year Ended 31 March 2016

7 Net incoming resources for the year

This is stated after charging / (crediting):

	2016 £	2015 £
Depreciation	18,811	27,673
Auditors' remuneration (excluding VAT):		
Audit - current year	6,500	6,500
Audit - previous year	-	100
Other services	-	3,200
Foreign exchange gains	(26)	(425)
	<u>18,811</u>	<u>37,048</u>

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2016 £	2015 £
Salaries and wages	776,355	692,302
Social security costs	76,748	70,488
Employer's contribution to defined contribution pension schemes	15,579	12,337
Temporary staff costs	12,345	-
	<u>881,027</u>	<u>775,127</u>

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2016 No.	2015 No.
£70,000 - £79,999	<u>1</u>	<u>1</u>

The total employee benefits including pension contributions of the key management personnel were £130,301 (2015: £129,011).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2015: £nil). No charity trustee received payment for professional or other services supplied to the charity (2015: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £2,570 (2015: £5,445) incurred by 6 (2015: 8) members relating to attendance at meetings of the trustees.

Notes to the Financial Statements

For the Year Ended 31 March 2016

9 Staff numbers

The average number of employees (head count based on total number of staff employed) during the year was as follows:

	2016	2015
	No.	No.
Raising funds	1.0	1.1
Conferences and training	4.3	4.2
Medico-legal services	6.1	5.2
Advice, information and support	7.2	5.8
Policy and external relations	0.9	1.1
Support	6.1	3.9
Governance	0.4	0.5
	<hr/> 26.0 <hr/>	<hr/> 21.8 <hr/>

The average number of employees (based on equivalent number of full-time staff employed) during the year was as follows:

	2016	2015
	No.	No.
Raising funds	0.8	0.9
Conferences and training	3.5	3.6
Medico-legal services	4.7	4.1
Advice, information and support	6.6	5.5
Policy and external relations	0.9	1.0
Support	5.1	3.0
Governance	0.4	0.5
	<hr/> 22.0 <hr/>	<hr/> 18.5 <hr/>

10 Related party transactions

There are no related party transactions to disclose for 2016 (2015: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Notes to the Financial Statements

For the Year Ended 31 March 2016

12 Tangible fixed assets

	Leasehold property £	Computer equipment and website £	Office equipment and furniture £	EMIS database £	Total £
Cost or valuation					
At the start of the year	1,206,659	80,749	83,799	20,000	1,391,207
Additions in year	-	5,912	3,121	-	9,033
At the end of the year	<u>1,206,659</u>	<u>86,661</u>	<u>86,920</u>	<u>20,000</u>	1,400,240
Depreciation					
At the start of the year	-	72,579	51,397	20,000	143,976
Charge for the year	-	7,486	11,325	-	18,811
At the end of the year	<u>-</u>	<u>80,065</u>	<u>62,722</u>	<u>20,000</u>	162,787
Net book value					
At the end of the year	<u>1,206,659</u>	<u>6,596</u>	<u>24,198</u>	<u>-</u>	1,237,453
At the start of the year	<u>1,206,659</u>	<u>8,170</u>	<u>32,402</u>	<u>-</u>	<u>1,247,231</u>

All of the above assets are used for charitable purposes.

Notes to the Financial Statements

For the Year Ended 31 March 2016

13 Investments

	2016 £	2015 £
Fair value at the start of the year	1,331,046	1,092,797
Additions at cost	39,304	100,000
Disposal proceeds	(41,201)	-
Net gain on change in fair value	3,575	138,249
	<u>1,332,724</u>	<u>1,331,046</u>
Cash held by investment broker pending reinvestment	301,045	2,563
Fair value at the end of the year	<u>1,633,769</u>	<u>1,333,609</u>
Historic cost at the end of the year	<u>1,399,754</u>	<u>1,094,561</u>
Investments comprise:		
	2016 £	2015 £
UK Common investment funds	1,332,724	1,331,046
Cash	301,045	2,563
	<u>1,633,769</u>	<u>1,333,609</u>

Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of AVMA Services Limited, a company registered in England. The company did not trade in this or the prior financial year. The subsidiary's net assets are £99 (2015: £99).

Notes to the Financial Statements

For the Year Ended 31 March 2016

14 Debtors

	2016 £	2015 £
Trade debtors	61,273	65,809
Other debtors	51,240	33,963
Prepayments	16,689	40,157
Accrued income	22,720	42,852
	<u>151,922</u>	<u>182,781</u>

15 Creditors: amounts falling due within one year

	2016 £	2015 £
Taxation and social security	71,990	62,146
Other creditors	5,584	3,499
Accruals	18,658	18,068
Deferred income	346,627	285,075
	<u>442,859</u>	<u>368,788</u>

16 Deferred income

Deferred income comprises subscriptions, conference fees and other income received in advance

	2016 £	2015 £
Balance at the beginning of the year	285,075	284,892
Amount released to income in the year	(285,075)	(284,892)
Amount deferred in the year	346,627	285,075
	<u>346,627</u>	<u>285,075</u>
Balance at the end of the year	<u>346,627</u>	<u>285,075</u>

17 Pension scheme

The charity contributes to a defined contribution stakeholder pension scheme for its employees. Contributions are set out in note 8 above. There were no amounts owed at 31 March 2016 (2015: £nil).

Notes to the Financial Statements

For the Year Ended 31 March 2016

18 Analysis of net assets between funds

	General unrestricted £	Designated £	Total funds £
Tangible fixed assets	-	1,237,453	1,237,453
Investments	353,769	1,280,000	1,633,769
Net current assets	237,581	-	237,581
Net assets at the end of the year	591,350	2,517,453	3,108,803

Notes to the Financial Statements

For the Year Ended 31 March 2016

19 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Unrestricted funds:					
Designated funds:					
Property cost	1,206,659	-	-	-	1,206,659
Other fixed assets	40,572	-	(18,811)	9,033	30,794
Investment capital	1,094,561	-	-	(1,094,561)	-
Strategic reserve	329,690	-	(42,631)	(287,059)	-
Major repairs and maintenance	24,134	-	-	175,866	200,000
Transitional fund	-	-	-	1,000,000	1,000,000
ICT replacement	-	-	-	50,000	50,000
Connect Assist project	-	-	-	30,000	30,000
Total designated funds	2,695,616	-	(61,442)	(116,721)	2,517,453
Fair value reserve	239,048	-	-	(5,033)	234,015
General funds	305,145	1,147,016	(1,216,580)	121,754	357,335
Total unrestricted funds	3,239,809	1,147,016	(1,278,022)	-	3,108,803
Total funds	3,239,809	1,147,016	(1,278,022)	-	3,108,803

Purposes of designated funds

Property cost: the charity purchased an office building on 2 May 2013 for £1.2 million.

Other fixed assets: reflects the reducing net book value of the ICT, furniture and office equipment.

Strategic reserve: was used to facilitate projects as set out in our Strategic Plan, including targeted marketing and communications, development of client services, ICT expenditure and building maintenance contingency. The balance has been transferred to the four funds below.

Major repairs and maintenance: for major works to maintain the value of the property in the future.

Transitional fund: to allow the charity to continue to meet its charitable objects at as near as possible the level of activity and impact as the year 2015-2016 whilst new sources of income are explored and where necessary expenditure reduced, moving toward a sustainable balanced budget.

ICT replacement: to cover programme of ICT replacement.

Connect Assist project: to implement recommendations of Connect Assist report on data, website and helpline, including employment of temporary IT worker and software/website development costs.

Notes to the Financial Statements

For the Year Ended 31 March 2016

20 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2016 £	2015 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(131,006)	162,862
Depreciation charges	18,811	27,673
Gains on investments	(3,575)	(138,249)
Dividends, interest and rent from investments	(48,880)	(59,315)
(Increase)/decrease in debtors	30,859	(44,132)
Increase/(decrease) in creditors	74,071	(16,310)
	<u>(59,720)</u>	<u>(67,471)</u>

21 Analysis of cash and cash equivalents

	At 1 April 2015 £	Cash flows £	At 31 March 2016 £
Cash at bank and in hand	216,097	(50,831)	165,266
Notice deposits (less than three months)	628,879	(265,627)	363,252
Total cash and cash equivalents	<u>844,976</u>	<u>(316,458)</u>	<u>528,518</u>

22 Capital commitments

At the balance sheet date, the charity had no capital commitments (2015: £nil).

23 Contingent assets or liabilities

At the balance sheet date the charity had no contingent assets or liabilities.

24 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Action against Medical Accidents

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www.avma.org.uk

 www.facebook.com/AvMAuk

 [@AvMAuk](https://twitter.com/AvMAuk)

Action against Medical Accidents (AvMA) is a registered charity in England and Wales (number 299123) and in Scotland (number SCO39683)

avma
action *against* medical accidents