

# **ACTION ON SMOKING AND HEALTH**

(A company limited by guarantee and not having a share capital)

Company No. 00998971

Charity No. 262067

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2022**

## **CONTENT**

Trustees' Report and Charity Information	Pages 1 - 13
Independent Auditor's Report	Pages 14 - 17
Statement of financial activities	Page 18
Balance sheet	Page 19
Cash flow statement	Page 20
Notes to the accounts	Pages 21 - 29

# **Action on Smoking and Health**

## **Report of the Trustees**

### **31<sup>st</sup> March 2022**

The Trustees are pleased to present their report and the financial statements of the charity for the year ended 31<sup>st</sup> March 2022.

## **Legal & Administrative Details**

### **Legal Status**

Action on Smoking and Health ("ASH") is registered in England as company number 00998971 and as charity number 262067.

### **Registered Office**

Unit 2.9, The Foundry, 17 Oval Way, London SE11 5RR.

### **Website**

[www.ash.org.uk](http://www.ash.org.uk)

### **Directors & Trustees**

The Directors of the charitable company are its Trustees for the purposes of charity law and throughout this report are referred to as the Trustees. The following Trustees (Honorary Officers as indicated) were in office at the 31<sup>st</sup> March 2022 and had served throughout the year, except where shown:

Dr Sanjay Agrawal	-	
Dr Somen Banerjee	-	
Professor John Britton	-	<i>resigned 14/12/2021</i>
Professor Paul Burstow	-	
Alison Cox	-	Vice-Chair
Linda Cuthbertson	-	appointed 14/12/2021
Kate Harrison	-	Treasurer
Dr Anthony Lavery	-	appointed 14/12/2021
Professor Nick Hopkinson	-	Chair
Jonathan McShane	-	
Professor Rachael Murray	-	appointed 14/12/2021
Dr Debbie Robson	-	
Emlyn Samuel	-	<i>appointed 29/06/2021, resigned 14/12/2021</i>
Dr Helen Walters	-	

### **Senior Staff**

The senior member of staff to whom day to day management of the charity is delegated by the Trustees is the Chief Executive, Deborah Arnott. The Company Secretary is the Business Manager, Philip Rimmer.

### **Auditor**

Neil Finlayson, Moore Kingston Smith LLP, 6<sup>th</sup> Floor, 9 Appold Street, London, ECA 2AP

### **Principal Bankers**

Barclays Bank plc, Leicester, LE87 2BB.

# **Action on Smoking and Health**

## **Report of the Trustees**

### **31<sup>st</sup> March 2022**

## **Structure, Governance & Management**

ASH was founded in 1971 by the Royal College of Physicians and is a company limited by guarantee without share capital. Its governing document is its Articles of Association.

The Trustees form the Board of Management of the charity. For the purposes of the Companies Act 2006 as the Directors of ASH they are also Members of the Advisory Council. The Trustees are elected by the other Members of the Advisory Council, who are also the members of the Company, at the Annual General Meeting. Not more than one third of the Trustees are required to retire at each Annual General Meeting. Retiring Trustees are eligible for re-election.

The Chief Executive of ASH, a paid member of staff, is responsible for the day to day running of the organisation and is responsible to the Board of Management which usually meets four times a year and is responsible for setting the strategic objectives.

So as to maintain a pool of skilled potential Trustees, new Advisory Council Members are regularly sought by the Board of Management, particularly from within the health, public health, public relations and political spheres. As new Trustees are recruited from the membership of the Advisory Council they tend to be grounded in the policies, working practices and procedures of the Board.

All new Trustees are advised of their responsibilities by the Chair and the Business Manager. In addition they receive an induction pack containing Board policies and advice booklets from the Charity Commission. The training needs of the Trustees are examined and acted upon as part of the regular review of risks.

## **Remuneration Policy**

The governing principles of the Charity's remuneration policy are as follows:

1. to ensure delivery of the Charity's objectives;
2. to attract and retain a motivated workforce with the skills and expertise necessary for organisational effectiveness;
3. that remuneration should be equitable and coherent across the organisation;
4. to take account of the purposes, aims and values of the Charity;
5. to ensure that pay levels and pay increases are appropriate in the context of the interests of our beneficiaries.

## **Senior Executive Remuneration**

In relation to deciding remuneration for the Charity's Chief Executive, the Charity considers the potential impact of remuneration levels and structures of senior executives on the wider Charity workforce and will take account of the following additional principles:

1. to ensure that the Charity can access the types of skills, experiences and competencies that it needs in its senior staff, the specific scope of these roles in the Charity and the link to pay;
2. the nature of the wider employment offer made to senior employees, where pay is one part of a package that includes personal development, personal fulfilment and association with the public benefit delivered. The Charity recognises that it is, on occasion, possible to attract senior executives at a discount to public sector or private sector market rates.

In line with the recommendations of the NCVO Inquiry into Executive Remuneration published in April 2014, the Charity has decided to disclose the remuneration of the Chief Executive (see note 4 on page 25).

# Action on Smoking and Health

## Report of the Trustees

### 31<sup>st</sup> March 2022

## Related Parties and Partner Organisations

None.

## Statement of Risk

The Trustees have examined the major risks to which the Charity is exposed and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks. Detailed consideration of risks is delegated to the Business Manager, who acts as Risk Manager and reports to the Board. Risks are identified, assessed and controls established throughout the year with a comprehensive review taking place at a minimum every year, most recently in March 2022. The following risks have been assessed as being significant:

Risk	Mitigation
<p>Disruption through fire, flood, theft, terrorism or a major public health issue. As with any small organisation based on a single site, any of these would cause severe disruption to our work.</p> <p>Unfortunately, we are now experiencing this on an extended and continuing basis as a result of COVID-19.</p>	<p>Adequate levels of insurance, reviewed annually by our broker and whenever major additions are made to assets. Maintenance of adequate office security and control of access to keys to only ASH staff, cleaning contractor and building supervisor. Storage, off-site, of a weekly back-up of key data held on computers. Website hosted off-site with contractors holding a back-up at a third site. Ability and willingness of key staff to do some work from home.</p> <p>The Business Manager maintains a plan for what happens in the weeks after serious disruption, the information which needs to be stored off-site with staff for instant access and other arrangements.</p> <p>All staff are now set up for working from home. All staff are in contact with each other on a daily basis. Some physical meetings have now begun to take place, on the strict understanding that staff are comfortable doing this.</p> <p>Since March 2020, all meetings of the Board of Trustees have been held remotely, with December 2021 AGM being our first physical meeting since December 2019.</p> <p>This has all proved highly effective since March 2020 and the work of the charity has not been impacted in a negative way.</p>
<p>Failure by one of our key funders to agree annual funding, or agreeing to much lower funding, from March 2022 onwards.</p>	<p>The Charity's reserves policy, which is reviewed on an annual basis; maintaining our low level of overheads, employing a small core</p>

## Action on Smoking and Health Report of the Trustees 31<sup>st</sup> March 2022

	<p>staff whilst using specialist consultants when appropriate.</p> <p>The Chief Executive and other key staff will continue to devote considerable effort to maintaining good relations with key decision makers. We will continue to demonstrate, through ongoing evaluation of our work, monitoring, regular updates and contact, that ASH activities are both dynamic and effective at delivering the support that our funders require.</p>
<p>The serious undermining of ASH's work or Government actions which impact on the work we need to do:</p> <ul style="list-style-type: none"> <li>- The possibility of radical shifts in Government policy after a General Election or change of Ministers. In recent years, tobacco control policy has ceased to be an issue of serious contention between parties though it remains so for individual MPs and Peers.</li> <li>- Funding cuts to Government work on tobacco control policies.</li> <li>- The ongoing situation in regard to Government funding of its response to COVID-19.</li> </ul>	<p>ASH has worked well in the past with Conservative, Labour and Coalition administrations. Key ASH staff with work to maintain good and friendly relations with key political and civil service decision makers and with relevant individuals in all political parties. Networking to ensure members of the Smokefree Action Coalition (SFAC) co-ordinated by ASH continue to support tobacco control policies.</p>

The next comprehensive review of risk is due to take place during the fourth quarter of 2022-23.

## Objectives

As stated in its Articles of Association, the objectives of the Charity are:

1. to preserve and protect the health of the public against the harmful effects of cigarette or other tobacco products; and
2. to advance the education of the public about the effects of cigarette and other tobacco and nicotine products.

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

## Activity and impact report

ASH seeks to bring about change through advocacy, networking coalition building and information provision. During 2020-21, the organisation developed a new comprehensive Strategic Plan for 2021-24 and is now putting this into practice. Our strategic aims and objectives are focused on the creation and delivery of policies across government and the public sector that will deliver our vision of a world free from the harm caused by tobacco.

# **Action on Smoking and Health**

## **Report of the Trustees**

### **31<sup>st</sup> March 2022**

## **Strategy**

A new Strategic Plan for 2021-24 was developed between December 2020 and March 2021, informed by interviews with key stakeholders and ASH Trustees, an online questionnaire and a series of strategic planning meetings held in the first quarter of 2021.

ASH seeks to bring about change through policy advocacy, coalition building and information provision. Our strategic aims and objectives are focused on the creation and delivery of policies across government and the public sector that will deliver our vision of a world free from the harm caused by tobacco.

There are three primary strategic aims, each of which has a number of specific policy objectives. These aims are:

1. Secure resources for national, regional and local tobacco control to deliver Smokefree 2030 for all.
2. Advance UK position as a global leader in tobacco policy to deliver Smokefree 2030 for all.
3. Minimise smoking-related health inequalities to deliver Smokefree 2030 for all.

These aims, and their associated objectives, amount to a policy blueprint for government and the public health community. They describe the policies that ASH believes are essential to the delivery of a Smokefree 2030 for all, policies that ASH:

- will make the case for, using the best available evidence;
- will build support for, drawing on its extensive professional partnerships and networks; and
- will campaign for, with the help of its supporters in parliament and the wider public arena.

Each of these aims is explicitly linked to our goal of delivering Smokefree 2030 for all. The three aims are all equally important to achieving this goal. Appropriate resourcing is needed to deliver ambitious policy, and the achievement of the 2030 goal *for all* requires a clear focus on tackling inequalities. The aims are underpinned by a fourth aim that supports the delivery of, the other three: securing organisational sustainability for ASH.

There is no explicit prioritisation or sequencing as this will be a matter for more detailed discussion at an operational level and will change over time as the environment we work in changes. The following general points are, however, relevant:

- ASH does not make the political weather but we do our best to influence it.
- We take a long view and are proactive in building public support for policies as a foundation for achieving political support.
- We respond quickly, and opportunistically when necessary, to political timetables and events. The government commitment to publish a new Tobacco Control Plan is likely to dominate our immediate work programme.
- ASH has nurtured many successful partnerships and relationships and these will remain at the heart of the work of the organisation. Existing mechanisms and agents of change are always our first port of call.

The full ASH strategic plan for 2021-24 can be found on our website [www.ash.org.uk](http://www.ash.org.uk) .

## **Action on Smoking and Health Report of the Trustees 31<sup>st</sup> March 2022**

### **Strategic Aim 1: To secure resources for national, regional and local tobacco control**

#### **Policy objectives 2021-24**

- Smokefree 2030 Fund legislation to be adopted and rolled out to pay for a comprehensive tobacco control strategy.
- In the absence of a Smokefree 2030 Fund, Government to pay for a comprehensive tobacco control strategy as a core element of public health funding.

ASH's biggest priority for the year has been to transform political interest in a levy on tobacco transnationals to fund tobacco control into a decision to proceed, or alternatively for Government to commit to finding funding from existing resources.

#### **Smokefree 2030 Fund legislation to be adopted and rolled out to pay for a comprehensive tobacco control strategy**

Significant gains have been made in terms of demonstrating the support of Parliament, civil society, academia and the public for a levy. However, no concrete policy commitments have been made as decision making has been deferred until the new Tobacco Control Plan is finalised.

ASH, supported by the SPECTRUM public health research consortium, was commissioned by the All Party Parliamentary Group (APPG) on Smoking and Health to write a report setting out the evidence base for the APPG's recommendations for the Tobacco Control Plan. There was a very successful launch on 9th June 2021, attended by the Public Health Minister and her Labour shadow. The report was backed up a more detailed paper on a 'polluter pays' funding mechanism, based on the model of the Pharmaceutical Pricing Regulation scheme, supported by the APPG, written by Dr Henry Featherstone, consultant to ASH.

The passage of the Health and Care Bill provided a vehicle for tobacco related amendments including a levy on tobacco transnationals. A set of amendments in line with the APPG's recommendations were supported in both houses of parliament by all the political parties except the Government (although backbench Conservatives in both houses and including former health ministers, supported the amendments). The priority amendments which required the Government to consult on a 'polluter pays' levy were pushed to a vote in the Lords. Although later removed by the Commons, the Government defeat in the Lords by 59 votes (213 to 154) was the largest of any it suffered on the Bill.

Parliamentary pressure on the issue of tobacco control has been sustained through a series of back bench debates led by the APPG on Smoking and Health members (ASH has provided the Secretariat to the APPG since it was first established in 1976).

#### **In the absence of a Smokefree 2030 Fund, Government to pay for a comprehensive tobacco control strategy as a core element of public health funding**

In collaboration with academics from the University of Nottingham, ASH has published a report on future structures and funding needs for regional models of tobacco control. This work was developed through close engagement with senior stakeholders across public health, local government, NHS England (NHSE), Office for Health Improvement and Disparities (OHID) and the Department for Health and Social Care (DHSC). The development and publication of the report has been an important tool to engage stakeholders in thinking about the opportunities to work differently following the reorganisation of Public Health England (PHE) and the establishment of Integrated Care Boards.

# Action on Smoking and Health

## Report of the Trustees

### 31<sup>st</sup> March 2022

## Strategic Aim 2: To advance the UK's position as a global leader in tobacco policy

### Policy objectives 2021-24

- Tobacco Control Plan to set out a clear path to Smokefree 2030 including staged targets and mid-term review.
- HM Treasury to strengthen and renew its tobacco tax policy.
- HMRC to strengthen anti-illicit strategy.
- Sustain global leadership on tobacco control.

### Tobacco Control Plan to set out a clear path to Smokefree 2030 including staged targets and mid-term review

The APPG report and recommendations for the Tobacco Control Plan, produced for the APPG by ASH in collaboration with SPECTRUM, was endorsed by a number of leading health organisations. The day after the launch a backbench debate was held on the recommendations. This enabled parliamentarians to drive home the key recommendations to the Public Health Minister.

Pressure was also brought to bear through a set of backbench amendments to the Health & Care Bill in line with the APPG's recommendations. These were supported in both houses of parliament by all the main political parties except the Government (although backbench Conservatives in both houses, including former health ministers, supported the amendments).

Parliamentarians took the opportunity to make a strong case for Government action on tobacco. Bob Blackman, Chairman of the APPG on Smoking and Health, saying, *"if we look back over the years, the measures on smoking in public places, on smoking in vehicles, on smoking when children are present and on standardised packaging of tobacco products were all led from the Back Benches. Governments of all persuasions resisted them, for various reasons. I suspect that my hon. Friend the Minister, whom I know well, may resist these measures tonight, but we on the Back Benches who are determined to improve the health of this country will continue to press on with them, and we will win eventually. It may not be tonight, but those measures will come soon."*

Led by ASH Chair Nick Hopkinson, a letter was secured in the British Medical Journal (BMJ) calling for Government to support the tobacco amendments to the Health and Care Bill. The letter was signed by 656 senior people working in health-related fields.

However, at the end of 2021 the Government announced that the timetable for publication of the Tobacco Control Plan had slipped to 2022. Then on 4<sup>th</sup> February 2022 the Government announced an Independent Review into smoking chaired by Javed Khan OBE. To quote from the announcement, *"The independent review into smoking will provide independent, evidence-based advice that will inform the government's approach to tackling the stark health disparities associated with tobacco use. It will also help the government decide on the most impactful interventions to reduce the uptake of smoking and to support smoking cessation. It will assess the options to be taken forward in the new Tobacco Control Plan, which will be published later this year."*

ASH was one of the first organisations invited to meet Javed Khan, and we facilitated and supported input from the APPG and many other organisations and individuals. The independent review was published in June 2022, and the Government committed that it would be followed by the end of 2022 by a new Tobacco Control Plan for England to deliver a smokefree 2030.

### HM Treasury to strengthen and renew its tobacco tax policy

ASH together with academics from the University of Bath met with tax officials in advance of the Budget in October 2021. In the Budget the annual excise duty escalator was sustained at 2% above inflation rather than increasing to 5% as we had advocated. However, an enhanced

## **Action on Smoking and Health Report of the Trustees 31<sup>st</sup> March 2022**

additional 4% above inflation was applied to hand rolling tobacco so that the differential with manufactured cigarettes was reduced, which was one of our key recommendations.

### **Strategic Aim 3: To minimise smoking-related health inequalities**

#### **Policy objectives 2021-24**

- Tobacco Control Plan to prioritise support for populations and areas with highest smoking rates.
- National Institute for Health and Care Excellence (NICE) guidance and NHS Long-term Plan tobacco dependence treatment commitments to be fully implemented.
- Apply principles of NICE guidance to non-NHS settings.
- Expand support for pregnant women and extend to include pre-conception and post-natal interventions.
- Test all tobacco control policies for impact on inequalities and mitigate where necessary.

#### **2021 Tobacco Control Plan to prioritise support for populations and areas with highest smoking rates**

ASH led the development of a report making recommendations on smoking and mental health for the next Tobacco Control Plan on behalf of the Mental Health and Smoking Partnership. Following a meeting of the Partnership involving leading academics and officials from the DHSC and PHE, the final report was endorsed by all 19 members of the Partnership.

The report makes 23 recommendations calling for further action to improve support to people with Severe Mental Illness, an increased focus on smoking among people with depression and anxiety, improvements to data collection and new targets and an integration of tobacco control approaches into public mental health agenda.

A further report on social housing was developed during this year along with housing experts Housing LIN, with significant input from housing organisations and local public health teams. The report presents the case for action in social housing where nearly a third of smokers live.

#### **NICE guidance and NHS Long-term Plan to be fully implemented**

ASH's work with NHSE has expanded through this year and we now work closely with three NHSE directorates: Prevention, Health Inequalities and Cancer. We have met with a number of senior staff in NHSE across the year including: Director of Prevention, Director of Inequalities, Medical Director and Medical Director for Prevention – providing us with opportunities to advance our agenda at the most senior level.

The new NHS 'Tobacco Dependency Treatment Services' are being rolled out across the country. This is an investment by the NHS in services to support all inpatient smokers, pregnant smokers and smokers with long term mental health conditions. It is due to be fully implemented by 2023/24 and will represent at least £40 million investment in treatment for smokers within the NHS.

ASH sits on the Tobacco Dependence Stakeholder Engagement group as part of the governance for the programme. ASH was funded by NHSE to support engagement and roll-out through a series of webinars starting in Autumn and concluding in Spring 2022. This programme has been highly valued with over 1500 people attending one or more webinar and positive feedback: *"I really really appreciate these webinars. There's so much going on that it's impossible without your help to keep on top of it all."*

## **Action on Smoking and Health Report of the Trustees 31<sup>st</sup> March 2022**

The expansion of the Lung Cancer Screening programme from an initial 20 sites has created an additional opportunity to improve support to smokers. ASH inputted into the development of the new specification for the services and spoke at the Lung Cancer Health Check conference in December 2021.

### **Strengthen tobacco dependence treatment in local government and NHS**

Local government continues to be one of the most important stakeholders for ASH. Following the May 2021 elections ASH supported the engagement of new councillors through a written 'how to' guide, including a film featuring a long-standing tobacco control lead from the North East talking through her top tips for briefing newly elected councillors. ASH secured the endorsement of the Local Government Association (LGA) for a revised Local Government Declaration on Tobacco Control for local authorities which was launched later in the year alongside an updated NHS Smokefree Pledge for NHS organisations. Both commitment tools were endorsed by leading national figures including Chief Medical Officer (for the Local Government Declaration) and the Chief Executive of NHS England (for the NHS Smokefree Pledge).

ASH held a webinar specifically for local services in collaboration with the National Centre for Smoking Cessation and Training (NCSCT) to support implementation of updated NICE guidance on tobacco dependence treatment. The event, covering NICE guidance and community stop smoking support, was held in February and attended by 267 people.

In January 2022 the eighth annual ASH/ Cancer Research UK survey of tobacco control leads was published. The press release including quotes from both the President of the Association of Directors of Public Health and the Chair of the LGA Community Wellbeing Board.

Around 84% of all local authorities in England with responsibility for public health responded to the survey, which found improvements compared to before the pandemic. In 2021, 76% of local authorities were providing some form of dedicated specialist service for smokers, compared to 69% in 2019.

However, the survey also showed that long term underfunding combined with growth in demand for services due to new NHS programmes, is already placing pressure on services and this will only increase as NHS rollout is completed. There is an urgent and growing need to improve local authority public health funding to meet these demands and tackle inequalities in the wake of the pandemic.

To support local authorities to re-engage their tobacco control strategies post pandemic ASH have produced, in collaboration with regional partners, a guide to local strategies focusing on the 10 high impact actions local authorities can take to reduce smoking.

The cost calculator for local authorities, known as the ASH ready reckoner, was also revised and updated in 2022, providing a breakdown of the £17bn smoking costs society annually to regional and local level. This has been an important tool over the years for local government to understand the impact of smoking, and this update included for the first time quantification of the impact of smoking on demand for care in care homes. Overall more than a million people each year need help with everyday tasks because of disabilities caused by smoking.

### **Expand support for pregnant women and extend to include pre-conception and post-natal interventions**

Maintaining ASH networks of engaged professionals is an important part of our programme of work. We have over thousand professionals in our Smokefree Pregnancy Network and continue to meet quarterly with leading national partners in the Smoking and Pregnancy Challenge Group

## **Action on Smoking and Health Report of the Trustees 31<sup>st</sup> March 2022**

alongside officials from NHSE and OHID (formally PHE). These forums are important routes for engagement and dissemination.

Activity for the year was focused on securing recommendations set out in our February 2021 report “Getting Back on Track”, for tackling smoking in pregnancy in light of pandemic and Government commitments. This started with an event for our Smokefree Pregnancy Champions, though this was open to all interested professionals, with presentations from the two national Smokefree Pregnancy Champions, Viv Bennet, Director of Nursing at PHE and Jacqueline Dunkley-Bent, Chief Midwife at NHSE. 267 people attended with over 300 views of the recording post event.

The new NICE guidance published in November 2021 included a significant step forward with the recommendation that pregnant women who are referred to a stop-smoking service should be offered vouchers to encourage them to stop smoking.

To support the engagement of women and their families without English as a first language we have translated some of our resources for support pregnant smokers into Polish, Romanian, Bulgarian, Urdu and Punjabi.

### **Improve access to alternative nicotine products**

At the beginning of 2019 the Medicines and Healthcare products Regulatory Agency (MHRA) set up an ad hoc expert working group, including from ASH, to review its guidance on the licensing procedure for electronic cigarettes. The remit of the group was to deliver on the Government commitment to review whether systems for approving stop smoking therapies could be streamlined; to be able to respond appropriately should manufacturers put forward a product for licensing. Following this work new guidance was published in October 2021 with supportive quotes from June Raine, Chief Executive of the MHRA and the Secretary of State.

The revised NICE guidance also boosted support for e-cigarettes as a quitting aid with clear advice to health professionals that they should recommend products as a smoking cessation aid.

ASH continues to monitor the use of e-cigarettes in adults and children through our annual population surveys.

## **Strategic Aim 4: Secure organisational sustainability for ASH**

### **Objectives**

- Optimise capacity, effectiveness and cost-effectiveness by leveraging collaborative working.
- Optimise organisational capacity.

### **Sustain and develop our networks**

ASH's networks are the life-blood of its work and key to securing positive and powerful impact on the public health agenda. Despite the pandemic we have been able to sustain our networks by moving to entirely online communications. Key networks are:

- Smokefree Action Coalition – local and national organisations with a commitment to end the harm from smoking.
- Local Smokefree Action Coalition network – professionals working in tobacco control and related fields.
- Smoking in Pregnancy Challenge Group – public health, baby and maternity organisations with a shared mission to end smoking in pregnancy.
- Smokefree Pregnancy Information Network – professionals working in the field.

## **Action on Smoking and Health Report of the Trustees 31<sup>st</sup> March 2022**

- Mental Health and Smoking Partnership – 19 public health and mental health organisations committed to ending the disparities in smoking rates among people with mental health conditions.
- Mental Health and Smoking Information Network – professionals working in the field.
- Smokefree Councillors Network – councillors, most in senior leadership roles.

These networks are maintained through regular briefings and meetings throughout the year.

### **Collaborate with alliances working on other modifiable risk factors, especially the Obesity Health Alliance and Alcohol Health Alliance**

ASH has started work in this area by establishing funded projects with SPECTRUM and Cancer Research UK to scope out the areas of joint work across these risk factors. This work will report in the next financial year.

### **Play a constructive role in delivering the broader public health agenda and reducing inequalities**

ASH has played an important role throughout this year by scoping out how best to mitigate potential negative impacts and take advantage of opportunities provided by the reorganisation of public health and the NHS. Following the August 2020 announcement of the abolition of PHE we collaborated with partners across the sector and led in pulling together and disseminating two joint statements about the principles which needed to be fulfilled and the tests that needed to be met if the reorganisation of public health was to be successful. ASH also provided DHSC with a more detailed outline of the structure which we felt would deliver on the principles and meet the tests, and we were pleased to see that our recommendations were largely reflected in the structure delivered by the reforms.

### **Optimise communications and digital strategy**

Proactive and reactive engagement of the media is a key strand of work which enhances our policy impact. For example, the media strategy alongside the launch of the APPG report on a new tobacco control plan secured significant reach. There were 230 pieces of coverage at national, regional and local level. Most significantly for political impact, this included the Today programme. As well as other broadcast media it was widely covered by the national newspapers, including a detailed and positive piece in the Sun online – which has one of the largest newspaper readerships in the country. ASH published 36 press releases during the year (38 during 2020-21).

Engaging with the policy process and ensuring tobacco related issues are considered in relevant policy discussions helps to advance the ASH policy agenda. As part of that ASH regularly responds to Government consultation on a wide range of issues. This year ASH has published 12 (21 in 2020-21) consultation responses.

ASH's information resources are highly rated by partners and keeping them up to date and high quality supports the tobacco control community to remain informed and engagement. This year ASH has published 20 fact sheets, briefings, and other information products (19 in 2020-21).

In addition to written materials ASH has established a programme of webinars to support and inform colleagues working in the sector. These are highly regarded with all webinars during this period rated at more than 4 out of 5 for usefulness by attendees. During the year, ASH ran 15 webinars (9 in 2020-21).

### **Optimise Organisational Capacity**

At all times, ASH endeavours to maximise efficiency and minimise organisational costs. This year we completed a move into smaller offices that were better suited to our emerging needs as a result

# **Action on Smoking and Health**

## **Report of the Trustees**

### **31<sup>st</sup> March 2022**

of the impact of the COVID-19 pandemic and allowed us to re-direct additional funds into activities. We are also in the process of moving to hybrid working.

## **Finance**

### **Investments Policy**

When not required, the free reserves held by the charity are held on deposit and may be placed on short-term Treasury Deposits at the discretion of the Business Manager.

### **Principal Funding Sources**

Project funding for the Charity during the year was:

- Department of Health and Social Care – Project 1: Delivering the Tobacco Plan for England.
- Cancer Research UK - Project 3: Local Authority Tobacco Control Report.

Core funding for the entire programme of work of the Charity was provided by:

- Cancer Research UK;
- British Heart Foundation.

### **Financial Review**

The year saw a £174,934 increase in funds. Total income of £1,011,616 was 9% higher than the previous year.

Charitable expenditure, at £836,682 decreased by 2% on the previous year. ASH finished the year with cash balances of £736,298 (up £10,546 from last year) and net assets of £986,033.

Having made transfers of £89,828 from general funds to meet deficiencies on the various projects for which restricted funds were available, the balance of general funds at the end of the year increased by £176,766 to £968,587.

### **Reserves Policy**

Reserves are maintained at a level that enables the Charity to manage financial risk, such as the loss of funding sources, allowing the Charity to sustain current activities in the short-term and ensuring that financial commitments can be met as they fall due.

The reserves measure is on a 'managed cash' basis. 'Managed cash' includes all amounts available to finance the general activities of the Charity, and normally include the cash held in the Charity's bank accounts. The targeted level of reserves is a minimum of six months (£401,000) and a maximum of 12 months (£802,000), annualised forecast cash outflow. Six months is considered a reasonable time period considering the Charities two major funding sources are received quarterly in arrears.

If the Charity were to suffer a loss of a funding source, the reserves would allow only a short-term maintenance of current activity levels. Steps would still need to be taken to either replace the funding source or to change activities in the longer-term. The level of managed cash at 31st March 2022 (£736,298) was within the desired range.

# **Action on Smoking and Health**

## **Report of the Trustees**

### **31<sup>st</sup> March 2022**

## **Thanks**

The Trustees would like to thank the British Heart Foundation, Cancer Research UK and our partners in the Smokefree Action Coalition for supporting our work during the year. In addition, they would like to thank all of the ASH staff for their work during the year.

## **Trustees' Responsibilities**

The Trustees (who are also the Directors of Action on Smoking & Health for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles 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 a going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Trustees



.....  
**Professor Nick Hopkinson**  
Chair

Date: 21st September 2022

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTION ON SMOKING AND HEALTH**

## **Opinion**

We have audited the financial statements of Action on Smoking and Health ('the company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

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

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

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

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's Responsibilities for the audit of the financial statements**

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

**Neil Finlayson**

(FCA, ICAEW)

**For and on behalf of Moore Kingston Smith LLP**

Chartered Accountants

6th Floor  
9 Appold Street  
London EC2A 2AP

Date: 22 September 2022

**ACTION ON SMOKING AND HEALTH  
STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted Funds General £	Designated £	Restricted Funds £	Total 2022 £	Unrestricted Funds General £	Designated £	Restricted Funds £	Total 2021 £
<b>Income and Endowments From:</b>									
Donations and legacies									
Grants received	2a	631,004	-	-	631,004	602,598	-		602,598
Donations and legacies received	2b	92,873	-	-	92,873	3,896		-	3,896
Interest		328	-	-	328	490	-	-	490
<b>Charitable activities</b>									
Grants received	2a	-	-	216,644	216,644	-	-	237,317	237,317
Contract income		69,767	-	-	69,767	71,300	-	-	71,300
Other income		1,000	-	-	1,000	13,847	-	-	13,847
<b>Total Income</b>		794,972	-	216,644	1,011,616	692,131	-	237,317	929,448
<b>Expenditure On:</b>									
Charitable activities									
Policy Research and Information	3	510,592	3,691	322,399	836,682	528,995	4,373	322,399	855,767
<b>Total Expenditure</b>		510,592	3,691	322,399	836,682	528,995	4,373	322,399	855,767
<b>Net income/(expenditure) for the year before transfers</b>		284,380	(3,691)	(105,755)	174,934	163,136	(4,373)	(85,082)	73,681
Transfers	8, 9, 10	(107,614)	1,859	105,755	-	(89,828)	4,746	85,082	-
<b>Net Movement in Funds</b>		176,766	(1,832)	-	174,934	73,308	373	-	73,681
Funds brought forward		791,821	9,278	10,000	811,099	718,513	8,905	10,000	737,418
<b>Funds carried forward</b>		968,587	7,446	10,000	986,033	791,821	9,278	10,000	811,099
		<b>Note 10</b>	<b>Note 9</b>	<b>Note 8</b>		<b>Note 10</b>	<b>Note 9</b>	<b>Note 8</b>	

All results are from continuing activities.

No gains or losses arose in the year other than those shown above.

The notes on pages 21 to 29 form a part of these financial statements.


**ACTION ON SMOKING AND HEALTH**  
**(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)**  
**BALANCE SHEET AT 31 MARCH 2022**

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed Assets</b>					
Tangible assets	5		7,446		9,278
Investments	1		24		24
			<u>7,470</u>		<u>9,302</u>
<b>Current Assets</b>					
Debtors	6	306,157		137,937	
Cash at bank and in hand		<u>736,298</u>		<u>725,752</u>	
		1,042,455		863,689	
<b>Creditors: Amounts falling due within one year</b>	7	<u>(63,892)</u>		<u>(61,892)</u>	
<b>Net Current Assets</b>			<u>978,563</u>		<u>801,797</u>
<b>Net Assets</b>	11		<u><b>986,033</b></u>		<u><b>811,099</b></u>
<b>Funds</b>					
Restricted	8		10,000		10,000
Unrestricted					
Designated funds	9		7,446		9,278
General Funds	10		<u>968,587</u>		<u>791,821</u>
			<u><b>986,033</b></u>		<u><b>811,099</b></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the companies Act 2006 and with the Financial Reporting Standard 102 (effective January 2015).

The notes on pages 21 to 29 form a part of these financial statements.

These accounts were approved, and authorised for distribution, by the Board of Directors on **21st September 2022** and signed on its behalf by:

  
 .....  
 Professor Nick Hopkinson  
 Chair of the Board of Trustees

  
 .....  
 Kate Harrison  
 Treasurer

**Company number: 00998971**  
**Charity number: 262067**

**ACTION ON SMOKING AND HEALTH  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net income for the year	174,934	73,681
Adjustments for:		
Depreciation of tangible fixed assets	3,691	4,373
(Increase) / decrease in debtors	(168,220)	60,318
Increase in creditors	2,000	17,831
Interest received	(328)	(490)
<b>Net cash generated by operating activities</b>	<u>12,077</u>	<u>155,713</u>
<b>Cash flows from investing activities</b>		
Interest received	328	490
Purchase of tangible fixed assets	<u>(1,859)</u>	<u>(4,746)</u>
<b>Net cash from investing activities</b>	<u>(1,531)</u>	<u>(4,256)</u>
<b>Change in cash and cash equivalents in the year</b>	10,546	151,457
Cash and cash equivalents at beginning of year	725,752	574,295
<b>Cash and cash equivalents at end of year</b>	<u><u>736,298</u></u>	<u><u>725,752</u></u>
<b>Analysis of cash and cash equivalents</b>		
Cash at bank and in hand	736,298	725,752
	<u><u>736,298</u></u>	<u><u>725,752</u></u>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Accounting Policies

### Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charitable company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and Charities Act 2011.

The financial statements have been prepared under the historical cost convention. They are prepared in sterling, which is the functional currency of the charity. Amounts presented are rounded to the nearest pound.

### Going concern

During this financial year the trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. This year, this requires consideration of the impact of COVID-19 on the operations of ASH, its principal funders and the wider economy. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on income. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

### Company status

The charity is a company limited by guarantee, registered in England & Wales. In the event of the charity being wound up, the liability of each member in respect of the guarantee is limited to £1.

### Income

All income including government grant income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably. Where income is received in advance of meeting any performance-related conditions, there is not unconditional entitlement to the income. The recognition of this income therefore is deferred and included in creditors as deferred income until the performance-related conditions are met. Legacies are included in the accounts at the point where the amount receivable can be measured with sufficient reliability; this is normally the point of receipt by the charity.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

### **Resources**

Expenditure is included in the Statement of Financial Activities on a accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure has been classified under headings that aggregate all costs related to the category.

- Charitable activities include expenditure associated with the development of policy, research, information and related activities and include both the direct costs and support costs relating to those activities.
- Support costs are the costs of central functions which relate to the whole organisation. These have been allocated to cost categories on the basis of staff time occupied in each area.

### **Pension contributions**

The charitable company makes contributions to a defined contribution scheme for eligible members of staff the amount being determined in relation to the individual's current salary.

### **Operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

### **Tangible fixed assets and depreciation**

Items are capitalised as fixed assets if their cost exceeds £500.

Depreciation is provided on expenditure at rates calculated to write off each asset over its estimated remaining useful life. The estimated remaining useful lives of the classes of assets are as follows:

Fixtures, fittings and office equipment	3-5 years
---	-----------

### **Investments**

Investments are held in tobacco related companies to give ASH the right to attend annual general meetings and receive relevant documents. The holdings are minimal and it is therefore considered appropriate to disclose them at historical cost rather than market value as required by SORP. There is no material difference between the cost and the market value.

### **Fund Accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the objectives of the charity. Designated funds are also unrestricted funds but have been designated by the trustees for a particular purpose and includes the net book value of tangible fixed assets used by the charitable company in its operational activities. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised for particular purposes. The aim and use of each restricted and designated fund is given in the notes.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

### Gifts in kind

Donated assets are capitalised at a value estimated to be their market value at the time of donation. Where services are provided to the Charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as an estimate based on the value of the contribution to the Charity.

### Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

### Other financial instruments

#### i. Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and short term deposits with a maturity date of three months or less.

#### ii. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their at transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

2a Grants	2022	2021
	£	£
<b><i>Unrestricted grants received</i></b>		
Supporting charities	631,004	602,598
	<hr/>	<hr/>
<b><i>Restricted grants arising from charitable activities</i></b>		
Department of Health	192,000	210,000
Supporting charities	24,644	27,317
	<hr/>	<hr/>
	216,644	237,317
	<hr/>	<hr/>
<b>2b Donations and legacies</b>	<b>2022</b>	<b>2021</b>
<b>(All unrestricted)</b>	<b>£</b>	<b>£</b>
Donations	5,809	3,896
Legacies	87,064	-
	<hr/>	<hr/>
	92,873	3,896
	<hr/>	<hr/>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

### 3 Charitable activities

The detailed charitable activities are more fully described in the trustees' report and relate to interlinked areas of policy, research and information.

	Direct project costs £	Direct staff costs (see Note 4) £	Support costs (see below) £	2022 £
Policy research and Information	<u>360,996</u>	<u>342,401</u>	<u>133,285</u>	<u>836,682</u>

	Direct project costs £	Direct staff costs (see Note 4) £	Support costs (see below) £	2021 £
Policy research and Information	<u>280,272</u>	<u>347,949</u>	<u>227,546</u>	<u>855,767</u>

Support costs are those shared costs which relate to the operation of the organisation and include:

	Total 2022 £	Total 2021 £
Staff costs (See Note 4)	59,004	60,427
Depreciation	3,691	4,373
Legal & Consultancy	8,718	9,744
Office running costs	41,526	124,343
Telephone and postage	1,885	6,815
Printing, stationery and design	621	863
Board expenses	-	5,674
Audit fee	11,740	7,974
Accountancy and payroll	2,913	4,612
Other costs	<u>3,187</u>	<u>2,721</u>
	<u>133,285</u>	<u>227,546</u>

The basis of allocation of total overhead costs between direct and support costs is staff time.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

4 Staff Costs	2022 £	2021 £
Gross pay	347,108	347,744
Social security	37,018	37,408
Pension contributions	16,632	20,910
	<u>400,758</u>	<u>406,062</u>
Other staff costs	647	2,314
	<u>401,405</u>	<u>408,376</u>

The remuneration of 1 member of staff (2021: 1 member of staff) fell into the range £90,000 - £100,000 (2021: £90,000 - £100,000). This figure includes salary but excludes social security costs and employer pension contributions.

No trustees (2021: none) were reimbursed for expenses incurred (2021: none) for travel to board meetings. No trustee received any remuneration in the year (2021: none).

Key management personnel comprise the trustees, Chief Executive, Business Manager, and the Deputy Chief Executive. Total employee benefits for these individuals in 2021-22 were £231,081 (2021: £231,067). This figure includes salaries, employer pension contributions and social security costs. There are no other pecuniary benefits for senior or other staff at the Charity.

Total employee benefits for the Chief Executive in 2021-22 were £105,979 (2021: £110,171), comprising salary £92,974 (2021: £92,974), employer pension contributions £1,395 (2021: £5,578) and social security costs £11,610 (2021: £11,618).

The average number of staff employed, including part time staff, allocated according to function was:

	2022 Number	2021 Number
Central charitable activities	<u>9</u>	<u>9</u>

### 5 Tangible Fixed Assets

Cost	Office fixtures, fittings and £
At 1 April 2021	74,847
Additions	1,859
Disposals	-
At 31 March 2022	<u>76,706</u>
<b>Depreciation</b>	
At 1 April 2021	65,569
Charge for the year	3,691
Eliminated on disposal	-
At 31 March 2022	<u>69,260</u>
<b>Net Book Value</b>	
At 31 March 2022	<u>7,446</u>
At 31 March 2021	<u>9,278</u>

All fixed assets are held for use by the charitable company.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

<b>6 Debtors</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other debtors	293,228	131,592
Prepayments	12,929	6,345
	<u>306,157</u>	<u>137,937</u>

All debtors are financial instruments measured at present value.

<b>7 Creditors: Amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	10,941	28,014
VAT liability	6,571	8,630
Accruals	18,172	25,248
Other creditors	28,208	-
	<u>63,892</u>	<u>61,892</u>

Included within the figure for accruals is £1,667 (2021: £2,206) owing to the NEST pension scheme.

All creditors, except accruals, are financial instruments measured at present value.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

<b>8 Restricted Funds</b>		<b>Funds brought forward April 2021 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers from General funds £</b>	<b>Funds carried forward March 2022 £</b>
Secondhand Smoking	(a)	10,000	-	-	-	10,000
Towards a Smokefree Generation: a project to support deliver of the Tobacco Control Plan for England 2018-21	(b)	-	192,000	(293,861)	101,861	-
Local Authority Tobacco Control	(c)	-	24,644	(28,538)	3,894	-
		<b>10,000</b>	<b>216,644</b>	<b>(322,399)</b>	<b>105,755</b>	<b>10,000</b>
		<b>Funds brought forward April 2020 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers from General funds £</b>	<b>Funds carried forward March 2021 £</b>
Secondhand Smoking	(a)	10,000	-	-	-	10,000
Towards a Smokefree Generation: a project to support deliver of the Tobacco Control Plan for England 2018-21	(b)	-	210,000	(293,861)	83,861	-
Local Authority Tobacco Control	(c)	-	27,317	(28,538)	1,221	-
		<b>10,000</b>	<b>237,317</b>	<b>(322,399)</b>	<b>85,082</b>	<b>10,000</b>

- (a) This amount represents the legacy of Jean Matthews. The money was specified for use in campaigns against involuntary smoking.
- (b) This project funds work in support of the Tobacco Control Plan for 2018-21 and consists of a grant of £192,000 (2021: £210,000) from the Department of Health and Social Care Grant Funding Scheme.
- (c) This project provides an annual tobacco control report tracking Local Authority activity in tobacco control and consists of a grant from Cancer Research UK.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

<b>9 Designated Funds</b>	<b>Funds brought forward April 2021 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers from General funds £</b>	<b>Funds carried forward March 2022 £</b>
Capital equipment	9,278	-	(3,691)	1,859	7,446
	<b>9,278</b>	<b>-</b>	<b>(3,691)</b>	<b>1,859</b>	<b>7,446</b>
	<b>Funds brought forward April 2020 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers from General funds £</b>	<b>Funds carried forward March 2021 £</b>
Capital equipment	8,905	-	(4,373)	4,746	9,278
	<b>8,905</b>	<b>-</b>	<b>(4,373)</b>	<b>4,746</b>	<b>9,278</b>

The capital equipment fund equates to the value of tangible fixed assets. These are not liquid assets or easily realisable.

<b>10 General Funds</b>	<b>Funds brought forward April 2021 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers to other funds £</b>	<b>Funds carried forward March 2022 £</b>
Central funds	791,821	794,972	(510,592)	(107,614)	968,587
	<b>791,821</b>	<b>794,972</b>	<b>(510,592)</b>	<b>(107,614)</b>	<b>968,587</b>
	<b>Funds brought forward April 2020 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers to other funds £</b>	<b>Funds carried forward March 2021 £</b>
Central funds	718,513	692,131	(528,995)	(89,828)	791,821
	<b>718,513</b>	<b>692,131</b>	<b>(528,995)</b>	<b>(89,828)</b>	<b>791,821</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

<b>11 Analysis of Net Assets between Funds</b>	<b>Fixed assets £</b>	<b>Net current assets £</b>	<b>Total 2022 £</b>
Restricted funds:	-	10,000	10,000
Unrestricted funds:			
Designated funds	7,466	-	7,466
General funds	24	968,543	968,567
	<b>7,490</b>	<b>978,543</b>	<b>986,033</b>
	<b>Fixed assets £</b>	<b>Net current assets £</b>	<b>Total 2021 £</b>
Restricted funds:	-	10,000	10,000
Unrestricted funds:			
Designated funds	9,278	-	9,278
General funds	24	791,797	791,821
	<b>9,302</b>	<b>801,797</b>	<b>811,099</b>

## **12 Operating Lease Commitments**

The company had annual commitments under operating leases as follows:

	<b>2022 Land and Buildings £</b>	<b>2021 Land and Buildings £</b>
Expiring:		
- within 1 year	24,478	24,478
- in between two and five years	65,274	89,752

During the year £28,029 (2021: £44,234) has been recognised as an expense in the SOFA.

## **13 Related Party Transactions**

There have been no related party transactions during the year that require disclosure.