

# amrc

ASSOCIATION OF MEDICAL RESEARCH CHARITIES



**VIRUS PANDEMIC** CHIEF EXECUTIVE, ASSOC OF MEDICAL RESEARCH CHARITIES  
AISLING BURNAND



I'm Trishna Bharadia, and I live with several long-term conditions including multiple sclerosis.

Annual Report & Accounts 2020-21

31 March 2021

## Contents page

|  |    |
|--|----|
| Chair's foreword   | 2  |
| Objectives and activities  | 3  |
| Our impact at a glance   | 5  |
| Achievements and performance   | 6  |
| Future plans   | 15 |
| Financial review   | 16 |
| Structure, governance, and management  | 17 |
| Statement of trustees' responsibilities  | 20 |
| Independent auditor's report to the members of the Association of Medical Research Charities | 21 |
| Statement of financial activities  | 24 |
| Balance sheet  | 25 |
| Statement of cash flows  | 26 |
| Notes to the financial statements  | 27 |
| Reference and administration   | 39 |

## Chair's foreword

The year began with the UK experiencing a pandemic and multiple uncertainties, including in our own sector and membership, and with the AMRC having to rise to many and varied challenges.

The AMRC continues to punch above its weight, supporting over 150 member charities in their mission to fund research that saves and improves lives. Unsurprisingly, COVID-19 became a huge focus for the organisation as we began to witness its devastating impact on medical research charities. The pandemic put an end to our members' mass fundraising events, closed charity shops and forced charities to make the heart-breaking decision to cut £270 million in funding for research.

AMRC has worked tirelessly to respond to this crisis and secure short term financial support for the sector to protect the future of member funded research. Over and above providing its usual services, the AMRC has been laser focused in its efforts to amplify the sector voice with its #ResearchAtRisk campaign. The team collected, analysed, and shared evidence of the immediate and longer-term impact, calling for Government to provide financial support. We are incredibly grateful to the stakeholders, Parliamentarians, charities, and members of the public who have supported this call to action.

Our member charities did everything they could to honour their existing commitments to research projects and researchers but still nearly a third had to cancel or delay research projects. Many have had to sacrifice future commitments, with one in two AMRC charities planning to cut their research spend and cancel or delay funding for early career researchers and skilled research roles.

AMRC has been very careful financially and have finished the year in a reasonable position. We will continue to look closely at what we must do to keep the organisation sustainable.

The excellent service provided by the team continues apace as they pivoted to deliver day-to-day membership benefits: running informative events in new virtual formats, developing infographics and reports, and voicing the sector's stance in consultation submissions and meetings with Government officials. The year also coincided with the 5-yearly audit of our members to ensure quality standards and our principles of peer review are met.

As we move into yet another year of uncertainty, member charities can be sure of the team's resilience and expertise. AMRC will remain unrelenting in its support, helping its charities to navigate a rapidly changing world and ensuring they are best equipped to serve their communities and deliver positive change through research and innovation.

In the closing months of the 2020/21 financial year, we faced a change in leadership when our CEO, Aisling Burnand, went on leave of absence to focus on her own health and we welcomed a former Trustee Hilary Reynolds as our interim CEO. More recently Aisling has made the decision to leave AMRC after 7 years as CEO and we wish her well and thank her for her outstanding service.

We have started the process to recruit our next CEO. Hilary has agreed to stay with us as CEO until we make our new appointment, ensuring that we move through this leadership transition in a planned and orderly way.

I have been very proud to chair the Association of Medical Research Charities during this reporting period, and I am confident that the whole AMRC team will continue to be much more than the sum of its parts, giving value to its members and playing a key role as leader in the wider research eco-system.

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Lord Sharkey,

Chair

## Objectives and activities

The Association of Medical Research Charities (AMRC) is the national membership organisation of leading health and medical research charities.

### Objects

The principal activity of the Association is the charitable advancement of medical and health research in the United Kingdom generally and, in particular, the advancement and promotion of the collective effectiveness of those charities of which a principal activity is medical and health research.

The company is limited by guarantee and is governed by its Articles of Association.

### Our vision

We are working to achieve a future in which...

- Medical research and innovation deliver greater potential impact.
- Our members can predict and prevent disease and bring treatments and cures faster to patients in collaboration with others.
- The UK medical research environment remains world class.
- Patients and 'experts by experience' are equal partners in shaping medical research and innovation priorities.
- Medical research charities are better prepared for future challenges, are more resilient and have more collaborative opportunities.

### Our mission

To help health and medical research charities save and improve lives through research and innovation AMRC will:

- Lead on cross-cutting issues by providing a strong collective voice.
- Convene stakeholders to address challenges.
- Collaborate widely to foster new and enhance existing relationships that advance our vision.
- Support members to be future focused by sharing and delivering knowledge and best practice.
- Champion the impact and 'voice' of the sector and its beneficiaries.
- Influence policy and research.
- Promote quality research and impact.

### Our strategy has five main objectives

1. To champion the unique voice of the medical research charity sector by informing and educating internal and external stakeholders across the changing life sciences and digital health landscape.
2. To influence the research and health funding landscape to ensure that medical research charities' investment is leveraged efficiently for patient impact.
3. To foster and enable better collaboration to address the needs of patients by working with industry, academia, NHS, regulators, our members and other stakeholders.
4. To maximise the potential for research and innovation in the NHS to ensure the investment from medical research charities has the greatest impact for patients.
5. To drive forward the quality future focused member offering which addresses changing needs and enhances AMRC's delivery capability.

Further information on the activities underpinning each of the five objectives is given in the “Achievements and performance” section of this report.

## Public benefit statement

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

We are a membership-driven organisation with 87% of our income coming from membership and supporter subscriptions this financial year. Through supporting those in the charity sector with responsibility for allocating funds to medical and health research, we can help all charities maximise the use of their resources and make a greater impact for all their beneficiaries.

## Our impact at a glance

### INFLUENCE

105



MPs and Peers supported our call for Government to provide financial support for our charities.

140



news pieces were generated, raising awareness of the impact of COVID on AMRC charities.

8



consultation responses were submitted, giving our charities a collective voice that is heard and acted on.

### CONNECT

15



events were held, connecting our charities, and enabling them to share learning.

5



working groups convened, helping our charities to network and foster collaborations.

### SUPPORT

43



charities received free access to the AMRC Open Research platform.

7



reports and infographics were published, championing our charities impact.

138



charities' peer review processes were audited, ensuring they fund the best research.

39



charities received discounted access to the Researchfish platform.



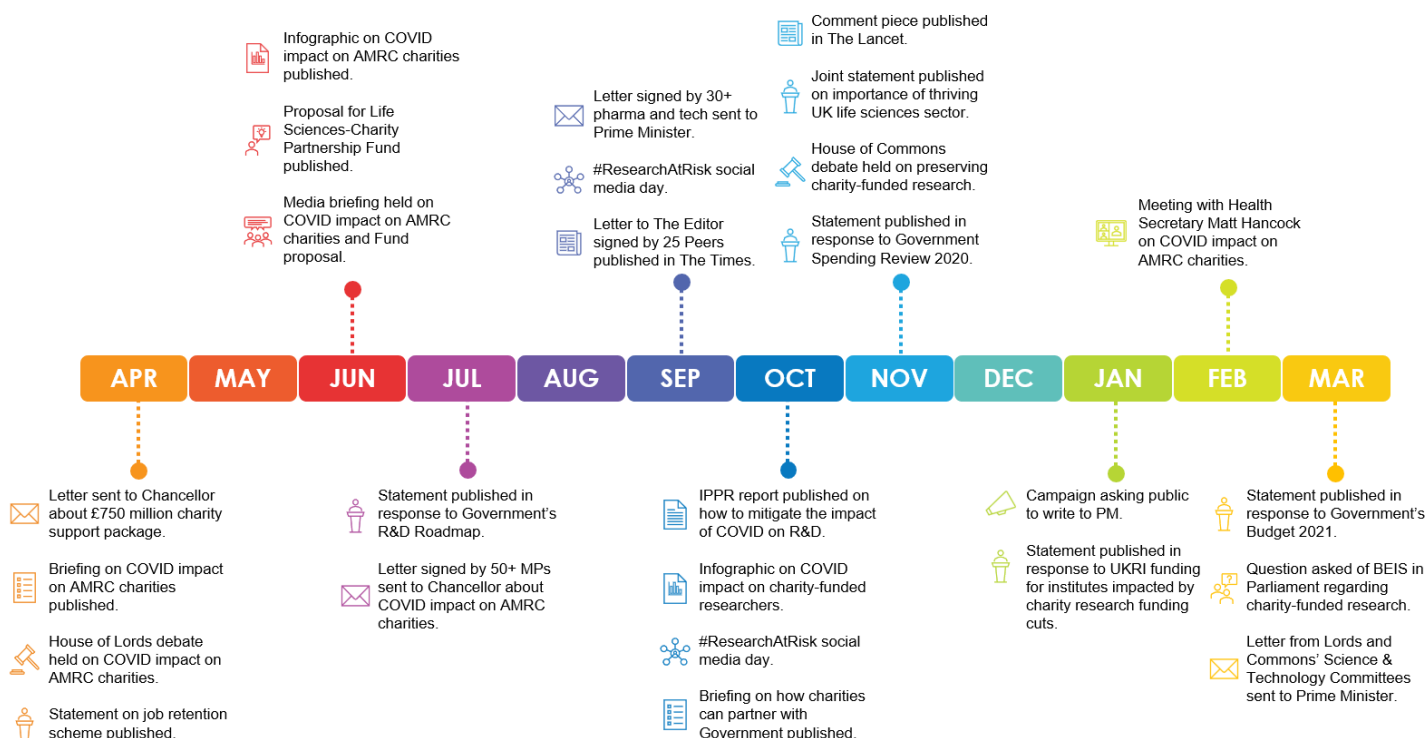
## Achievements and performance

Despite the impact of the COVID19 pandemic, the AMRC team has delivered on objectives supporting members and becoming an ever-stronger sector voice.

Corporate objective 1. To champion the unique voice of the medical research charity sector by informing and educating internal and external stakeholders across the changing life sciences and digital health landscape.

### COVID-19 response work

Since the pandemic started, medical research charities have lost at least £292 million in income, forcing them to cut £270 million of their research spend. AMRC worked tirelessly to collect and share evidence, issue reactive statements, and campaign for Government to provide financial support. 105 MPs and Peers, and 23 Members of Scottish Parliament advocated for Government financial support for medical research charities. 140 news pieces (online, print and TV) have featured our messaging and statistics.



#### APRIL

We sent a [letter](#) to the Chancellor highlighting that Government's £750 million support package would falsely reassure the public that medical research charities would receive financial support and calling for targeted and tailored emergency funding for charity-funded research.

We published a [briefing](#) with statistics about the impact of COVID-19 on our member charities from two surveys we circulated in March.

The House of Lords held a debate on the challenges faced by the charitable sector due to COVID-19. AMRC briefed Peers ahead of the debate and medical research charities were referenced throughout.

We published a statement on Government's job retention scheme highlighting the lack of clarity for what should have been done for researchers who charities fund. In May, the [statement](#) was updated to clarify further our position.

## JUNE

AMRC published an [infographic](#) (over 2,500 online views) outlining key facts and figures about the immediate and long-term impact of the COVID-19 pandemic on AMRC charities.

We published our [Life Sciences-Charity Partnership Fund proposal](#) (over 340 downloads), which set out a co-investment scheme to provide a level of match funding from Government.

We held a virtual media briefing via the Science Media Centre. Our CEO and Chief Executives from Cancer Research UK, British Heart Foundation and Parkinson's UK each elaborated on the devastating impact of the pandemic on medical research charities, how this would affect patients and the need for Government to commit to the Life Sciences-Charity Partnership Fund. A press release, featuring quotes from all four Chief Executives and key statistics about the impact on the individual charities, was circulated to the Science Media Centre's health and science journalist mailing list. This led to coverage in over 30 news outlets including The Guardian, The Times, The Telegraph, Daily Mail, Sky News and Channel 4 News.

## JULY

We issued a [response](#) to the Government's Research and Development Roadmap, noting that Government recognised the importance of charity funding but remained opaque on how it would ease the urgent need for support.

We sent an open letter signed by over 50 Members of Parliament to the Chancellor of the Exchequer. It featured in an exclusive with [The Guardian](#).

## AUGUST

Chi Onwurah published a press release calling on Government to provide financial support to medical research charities. We worked with Chi's media team to develop the piece. It led to an interview with Times Radio and coverage in the [i paper](#), [Evening Standard](#) and local newspapers via the Press Association.

Following conversations with the Francis Crick Institute, Sir Paul Nurse, their CEO and Director, warned of the catastrophic consequences if the UK government failed to support the country's medical research charities in an interview with Radio 4's Today Programme. He later wrote an Op Ed for [The Telegraph](#). We also met with Lord Bethell and Amanda Solloway MP to discuss the Life Sciences-Charity Partnership Fund and the university research support package.

## SEPTEMBER

We sent an open letter signed by over 30 pharma and tech companies to the Prime Minister. It featured in an exclusive with the [Financial Times](#).

Lord Patel, Lord Turnberg, Lord Kakkar, Baroness Randerson and Baroness Walmsley advocated for medical research charities in a Lord's debate following briefings from AMRC. On the same day Rachel Maskell MP raised medical research charities in a debate on the protection of jobs and businesses in the House of Commons. In addition to this, over 1,000 researchers, charities, and other stakeholders from across the R&D sector joined us on Twitter in calling on the Department of Business, Energy, and Industrial Strategy (BEIS) to protect charity research. #ResearchAtRisk made it into the top 25 trends in the UK.

A Letter to The Editor, written by AMRC and signed by 25 Peers of the House of Lords was published in [The Times](#). The letter stressed that if Government wanted to fulfil its manifesto commitment to make the UK the leading global hub for life sciences, it would have to work with charities to ensure their vital contributions would not be lost.



We circulated two surveys: a survey for charity-funded researchers to understand how they had been affected by the pandemic; and a survey for member charities to provide updated statistics on the impact of COVID-19 on their income and research funding. The results were used to grow our case for Government to support the Life Sciences-Charity Partnership Fund.

We held regular meetings with officials from BEIS and the Department of Health and Social Care (DHSC) to make the case for the Life Sciences-Charity Partnership Fund and articulate the impact of COVID-19 on the sector's research spend. We worked closely with BEIS in the run up to the deadline for departmental Spending Review bids on 25 September to make the case for inclusion of the Life Sciences-Charity Partnership Fund. Following all of our engagement with officials and campaign work, BEIS included a line in their departmental Spending Review bid for funding to support charity-funded medical research. When a one-year settlement was announced in October, we updated our messaging to urge that HM Treasury make a one-year commitment to the Fund and lay the foundations for continuing support to protect charity funded research.

## OCTOBER

The Institute for Public Policy Research published a [report](#) (supported by AMRC, the British Heart Foundation and Cancer Research UK) on how to mitigate the impact of COVID-19 on Health R&D investment. This was shared with Government officials.

We published the survey results on the risk COVID-19 poses to charity-funded early career researchers in an [infographic](#) (over 300 online views). Media outreach about these results led to coverage in The Telegraph, The Sun, Mail Online, and the Scotsman. Our CEO was also interviewed for Sky News, BBC Scotland, and Times Radio. On the same day, AMRC charities, researchers and stakeholders took to Twitter to share these results and urge HM Treasury to back charity-funded research at risk in the spending review. #ResearchAtRisk made it into the top 25 trends in the UK.

We also published a [briefing](#) (over 180 online views) outlining how our charities could partner with Government to accelerate economic recovery and secure the UK's position as a scientific superpower.

## NOVEMBER

The Lancet published a [comment piece](#) by the CEOs of AMRC, the British Heart Foundation and Cancer Research UK, warning that, without Government support, life-saving progress for patients would be at risk.

We published a [joint statement](#) (over 210 online views) with 13 leading industry and charity organisations on the importance of a thriving UK life sciences research sector to accelerate recovery.

We brought together over 30 member CEOs with Parliamentarians at our Dial into Westminster virtual event. An action agreed from the event led to a [House of Commons debate](#) on 24 November about recognising and preserving the value of charity-funded medical research in the 2020 Spending Review. It was opened by Dr James Davies MP and Chris Green MP, and MPs Liz Twist, Wera Hobhouse, Rachael Maskell, Neal Harvey, Lucy Powell and Amanda Solloway participated in the debate.

AMRC issued a [response](#) to the Government's Spending Review 2020 and wrote to the Chancellor and Prime Minister welcoming the increase in funding for research and innovation but urging Government to provide clarity on how the Spending Review will support charity-funded research.

## JANUARY

AMRC launched a campaign asking the public to write to the Prime Minister to urge him to provide financial support to medical research charities. Over 7,000 people wrote to the Prime Minister via our [platform](#).

AMRC issued a [response](#) to the UK Research and Innovation announcement that three research institutions hit by a loss of charity funding would receive a share of £10 million funding from Research England's Specialist Institutions Fund. AMRC welcomed the funding but highlighted it was a "band-aid

on a bullet wound” and that Government needed to provide financial support to medical research charities.

## FEBRUARY

The Secretary of State for Health, Matt Hancock, [met with AMRC and six charities](#) to discuss the impact of COVID-19 on vital charity-funded medical research. He subsequently wrote to Secretary of State for Business Kwasi Kwarteng urging him to support our charities.

## MARCH

AMRC issued a [response](#) to Government’s Budget 2021, expressing the sector’s disappointment that no support was provided to medical research charities and its hope that Government would provide some support from funding allocated in the Spending Review 2020.

Parliamentary Under Secretary of State at BEIS Amanda Solloway and [Kwasi Kwarteng](#) were questioned in Parliament by MPs on charity-funded research.

The Commons Science & Technology Committee Chair, [Greg Clark MP](#) and Chair of the Lords Science and Technology Select Committee, [Lord Patel](#) both wrote to the Prime Minister highlighting the need for support for charity-funded medical research, alongside funding issues the ecosystem faces for Official Development Assistance and Horizon Europe.

## **Annual infographic**

On 23 June, AMRC published an [infographic](#) (over 800 online views), highlighting our member charities’ unique and vital contributions to the UK’s health and economy. This was accompanied by a research [expenditure briefing](#) which provides a more in-depth exploration of the data.

## **Spotlight on Place**

On 19 August, we published an interactive [Spotlight on Place](#) report (over 300 views), demonstrating how AMRC charities are levelling up research and innovation across the UK.

## **Without Charities**

On 16 September, we published a [Without Charities](#) report (over 1,200 views), highlighting the unique and irreplaceable roles charities play in the life sciences sector.

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Corporate objective 2. To influence the research and health funding landscape to ensure that medical research charities investment is leveraged efficiently for patient impact.

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## **NHS coronavirus test and trace service**

In May, AMRC published a [response](#) to the announcement that the NHS coronavirus test and trace service would be launched across England. Our CEO stressed that the success of the service will be dependent on sustaining widespread public trust and confidence in the use of our data, for which transparency and open communication from the Government are vital.

## **APPG on Medical Research**

In June, the Chair of the APPG on Medical Research (Chris Green MP) and Chair of the APPG for Life Sciences (Daniel Zeichner MP) wrote to Greg Clark MP, Science & Technology Committee Chair to ask for an evidence session to be held to understand COVID’s impact on the UK’s whole research and innovation ecosystem.

In March, the APPG held a series of webinars for Parliamentarians. During these webinars, researchers, patients and policy experts highlighted the value of a diverse and skilled research workforce, the contribution of research to the levelling-up agenda, the importance of international collaboration, and the need for further funding to reach Government's target to increase total R&D expenditure to 2.4% of GDP by 2027.

### **MHRA's patient and public involvement report**

In June, the Medicines and Healthcare products Regulatory Agency (MHRA) published a [report](#) outlining how they can better engage and involve patients and the public in their work. This followed a consultation which AMRC members fed into.

### **Brexit Health Alliance**

We continued to attend Brexit Health Alliance meetings. On Christmas Eve a trade and cooperation agreement was concluded between the UK and EU. The deal addresses many of the issues that the Brexit Health Alliance (BHA) had raised. In January, we shared the BHA's [briefing](#) reviewing the agreements that will impact health and care in the UK with our members.

### **AI regulation**

In December, AMRC and Mills & Reeve published a [report](#) reviewing the ethical problems and challenges that arise from AI in a health context and the likely outcome for its regulation. It assesses the different options for development of regulatory structures, from a voluntary, self-regulatory approach to a newly structured set of regulations for AI applications.

### **Consultation responses**

Over the last year, AMRC has submitted...

- a [representation](#) to HM Treasury's Budget 2021 (January 2021).
- a [response](#) to the BEIS R&D Roadmap survey (August 2020)
- a [response](#) to the Commons Select Committee on Science and Technology's inquiry into the role of technology, research and innovation in COVID-19 recovery (September 2020)
- a [response](#) to HM Treasury's Comprehensive Spending Review (September 2020).
- a [response](#) to the MHRA's guidance on randomised controlled trials generating real-world evidence to support regulatory decisions (December 2020).
- a [response](#) to the APPG on Diversity and Inclusion in STEM's inquiry on equity in the STEM workforce (January 2021).
- a joint response to the Care Quality Commission's Consultation on the new CQC strategy (March 2021).
- [comments](#) on the DHSC's Goldacre Review (March 2021).

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Corporate objective 3. To foster and enable better collaboration to address the needs of patients by working with industry, academia, NHS, regulators, our members and other stakeholders.

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### **FORUM patient and public involvement workshop**

In May, the Academy of Medical Sciences (AMS) held a joint FORUM workshop alongside AMRC, ABPI & NIHR to discuss what was learnt about patient and public involvement and engagement during the COVID-19 pandemic and how to create a better system. Clear themes emerged through the discussion, including the need for a co-ordinated approach to public and patient involvement in research during the coronavirus pandemic, support through strong commitments and funding from across the sector, and

meaningful engagement of diverse and underserved groups. There was also a strong call to learn from this experience for the future. These outcomes provided key themes that were discussed at our Pioneering Partnerships event.

In October, AMS published a [report](#) summarising the discussions from the workshop.

## **Engineering and Physical Science Research Council**

In July, AMRC and the Engineering and Physical Science Research Council (EPSRC) launched a survey to explore how they can work with our member charities. The survey results helped identify the research areas of most interest to charities and EPSRC; to explore different types of partnership; establish how to involve experts by experience and collect views on funding call mechanisms. We met with them to discuss next steps of partnership. They proposed that due to the plight of charities over 2020/21, partnering will not require financial input from charities.

## **Intellectual property**

In July, AMRC published an intellectual property (IP) [best practice manual](#) to aid any ongoing IP-related discussions during the pandemic. The manual was produced by our Intellectual Property Advisory Group comprised of representatives from charities, academic institutions, and commercial organisations, with the aim to support effective communication and negotiation around the commercialisation of IP. It expands on and supports our guidance on IP terms and conditions.

We also developed an [animation](#) with National Institute for Health Research to help various participants in the IP value chain understand that all their contributions are vital, they have a shared purpose, and they all have something to risk and to gain.

## **Pioneering Partnerships**

Throughout October, over 100 people from across the research sector attended three Pioneering Partnerships webinars. The webinars, hosted by Deborah James (an award-winning podcaster, presenter, and writer), provided an educational experience for attendees with experts by experience as the teachers.

The first webinar gave an overview of the current state of patient and public involvement and engagement in UK medical research, with CEOs from ABPI, AMRC and NIHR, reflecting on the challenges and opportunities in embedding best practice system-wide. We also heard from keynote speakers Baroness Nicola Blackwood and Henry Scowcroft on how we can work together to empower the patient and public voice in medical research.

The second webinar involved a series of table talks to discuss, explore, and share practical solutions and best practice based on the UK Standards for Public Involvement.

The third webinar featured short talks and a fireside chat with regulator bodies MHRA, HRA and FDA on embedding patient voice in regulatory processes and decision-making. Overall, the virtual summit was a great success and received a positive response from attendees on Twitter.

## **COVID-19 vaccines communications**

Between October and December, we attended DHSC stakeholder vaccines communications briefings and shared relevant resources across our membership.

In December, we held a webinar where James Sorene, Deputy Director of COVID-19 Vaccine Communications at DHSC, talked through the vaccine communications resources available for members to use.

In our January COMMSunity meeting, Noita Sadler, Head of External Affairs and Mark Covey, Senior External Affairs Manager at DHSC, discussed stakeholder engagement during the pandemic and vaccine communications. Attendees provided feedback about what information and vaccine communication resources they required for their communities.

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Corporate objective 4. To maximise the potential for research and innovation in the NHS to ensure the investment from medical research charities has the greatest impact for patients.

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### **The restart and future of clinical research**

In April, AMRC charities were forced to make the difficult decision to stop, pause or delay 73% of the clinical trials and studies they fund to support the secondment of clinical research staff to the NHS frontline and the delivery of COVID-19 research. We worked closely with the National Institute for Health Research (NIHR) to help develop the [framework](#) to restart clinical research across the UK, which launched on 21 May.

From 28 April, we engaged with the Government's Life Science Council's Clinical Research Working Group and contributed to their report on transforming the UK clinical research environment.

From June, we became a co-chair of the NIHR Restart Advisory Group, which provided advice, support and guidance to their restart programme.

In June, we established a Clinical Research Advisory Group of key member charities to inform better our involvement in the restart of research. We worked with the group over the past year to respond to several consultations and forums and continue to do so.

On 26 June, we participated in a ministerial roundtable meeting on patient recruitment to clinical trials hosted by Lord Bethell.

In July, we took part in the Clinical Research Coalition, chaired by Nicola Blackwood. As a result, we were named contributors on the Coalition's white paper on the future of clinical research. We also provided feedback on NIHR Public Voices vision for the future of UK clinical trials.

On 16 December, as part of our work with the NIHR Restart Advisory Group, we published a short [report](#) exploring the impact of patient hesitancy on trial recruitment during the pandemic.

From January, NIHR established a Recovery, Resilience and Growth programme to build back a stronger, more resilient research delivery system. We co-chaired the programmes advisory group and helped develop the Government's [vision](#) for the future of UK clinical research delivery which launched on 23 March.

On 9 February, in collaboration with pharmaceutical company Lilly, we hosted a roundtable on the challenges and opportunities within clinical research in the UK, bringing together key stakeholders including Lord Bethell and Nicola Blackwood. We wrote to Lord Bethell summarising the key issues and concerns raised at the meeting.

At the end of February, the proportion of clinical trials and studies funded by AMRC charities that were still stopped, paused or delayed had dropped to 25% (379 of 1,201).

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Corporate objective 5. To drive forward the quality future focused member offering which addresses changing needs and enhances AMRC's delivery capability.

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### **Support during the pandemic**

Over the last year, we adapted our support for member charities to address challenges brought about by the pandemic.

268 people from 107 organisations joined our online COVID-19 support forum. Over 100 announcements, questions and conversation threads helped charities navigate new and challenging issues related to COVID-19.

We continued to update our [live COVID-19 blog](#) regularly, signposting relevant information and guidance. So far it has been viewed over 4,000 times.

We held regular virtual meetings with our charity CEOs to update them on our COVID-19 response work and listen to their concerns.

We advertised volunteer opportunities in our weekly mailing to enable furloughed member charity staff to volunteer for other member charities. We also helped staff who were made redundant stay connected to the sector for six months by permitting access to our newsletters and job mailings.

In April, we supported the launch of the Healthcare Communications Association [website](#) where health charities can request communications volunteer support from HCA members.

### **Peer Review Audit**

In September, the 2020 Peer Review Audit opened to all AMRC members who had joined it before January 2019. As of January 2021, 138 eligible members submitted survey responses. This was a 100% return rate for all eligible charities, with five members planning to end their membership in December 2021 as they no longer fund research and are unlikely to be able to in the foreseeable future.

### **Strategic plan**

In April, we launched our [new five-year strategy](#), shaped by the input of our members. To accompany this, we created an [infographic](#) of our key achievements from the previous strategy.

### **Access to resources**

We worked with [Researchfish](#), the research evaluation platform which assists with the tracking of research outcomes and impact, to create a data dashboard to help member charities visualise data and carry out analyses.

We negotiated with F1000 Research, the organisation that hosts our open publishing platform [AMRC Open Research](#), to enable access to the platform free of charge to our members until the end of February 2023. This has increased the number of participating charities to 43.

We regularly circulated our [e-newsletters](#) to provide updates and developments that would affect our members and supporter. We also sent out our weekly [job circulation mailing](#) which advertised member and supporter job vacancies.

### **Animal research briefing**

In July, we published our annual [animal research briefing](#) which outlines the number of grants funded by member charities that involve animals and a breakdown of the types of animals used in 2019.

### **Annual data collection**

Between January and March, we collected all members' research expenditure data from the financial year ending in 2020 and any grants that started in 2020. This will help us create a strong, collective, evidence-based voice for the sector that is fundamental to our policy work, and it will provide a basis for various reports we will publish throughout 2021/22 including our annual infographic and spotlight reports.



## **AMRC impact report**

We produced a [report](#) (over 160 online views) highlighting the impact AMRC made whilst working with our member charities between April and September. We will produce another in April for our impact made between October and March.

## **Networks**

We connected our members and supports through [several networks and groups](#), which encouraged collaboration and shared learning.

## **Events**

We ran 15 virtual events throughout the year to provide our members and supporters with relevant information and guidance:

- CEO Summit (June)
- Introduction to Policy workshop (July)
- CEO breakfast with LifeArc (September)
- Essential Research Management workshop (September)
- Pioneering Partnerships Summit (October)
- Dial into Westminster (November)
- EDI in Research workshop (November)
- AGM (December)
- Research Directors Summit (December)
- OpenSAFELY webinar (December)
- CEO breakfast with BIA (February)
- Clinical Trials Roundtable (February)
- Campaigning 101 workshop (February)
- Mills & Reeve breakfast meeting (March)
- Essential Research Management workshop (March)

Our paid-for summits and workshops received, on average, a four out of five-star rating.

## **Annual General Meeting**

In December, over 80 people attended our virtual 34th Annual General Meeting. We reviewed our work between January and December 2020.

## Future plans

We will continue to deliver our strategy through our core activities and with a focus on three cross-organisational objectives in the financial year 2021/22:

1. Make the case for the unique role of charities in the life sciences ecosystem.
2. Influence research funding, to secure partnership support for sustainable charity funding.
3. Revise AMRC's quality standards including encouraging best practice in research culture and EDI.

## Financial review

### Results for the year

Income for the year totalled £1,069,346 (2020: £1,084,881). Income from continuing charitable activities (membership subscriptions and training) was £956,301 (2020: £930,549) showing a modest increase of 2.8%.

After total expenditure of £983,007 (2020: £1,081,864) the year's activities showed a surplus for the year of £86,339 (2020: £3,017) which, when accumulated with the funds brought forward from previous years, leaves the Association with total funds at the year-end of £612,892 (2020: £526,553).

All funds held at the year end are unrestricted (2020: all funds held were also unrestricted). As at the year end, £52,646 is designated for strategic ongoing projects.

The balance sheet as of 31 March 2021 includes a creditor for the agreed deficit reduction payments on the charity's defined benefit pension plan. The total creditor at the start of the year was £36,856.

Following the latest actuarial valuation of the scheme, the total creditor at the year ended 31 March 2021 reduced to £31,105. For further details, see Note 18.

### Reserves policy

AMRC must ensure its long-term sustainability, viability, and success, and in determining its reserves policy the trustees have taken into account the current economic conditions and the risks to key funding sources (in particular membership income). The trustees have also considered the organisation's core financial responsibilities.

It was agreed that, excluding restricted expenditure, AMRC requires reserves of no less than three and no more than six months' normal operating expenditure, to meet its operational needs and to enable reorganisation should key sources of revenue decline.

As of 31 March 2021, AMRC possessed general reserves (being total reserves less restricted and designated funds) totalled £560,246 representing approximately 6 months' normal operating expenditure based on 2021/22 budget (31 March 2020: general reserves were £468,728). AMRC aimed for - and achieved - this high-end level to ensure that the delayed impact of the pandemic on our income in future years could be mitigated and our charitable activities protected.

As of 31 March 2021, the charity also held £52,646 in designated funds. More details of the use of designated funds are given in Note 11.

# Structure, governance, and management

## Organisational structure

AMRC is a registered charity and a company limited by guarantee, not having share capital.

The charity's governing document is in the form of Articles of Association dated 23 September 2008 and amended by Special Resolution dated 5 December 2019.

AMRC is governed by an Executive Council, which meets formally at least four times each year and determines the overall strategic direction of the charity.

The trustees are responsible for planning and policymaking for AMRC and, accordingly, policy decisions are referred to the Executive Council for approval.

The day-to-day management of AMRC is entrusted to the Chief Executive and the senior leadership team, who have delegated authority from the Executive Council to administer the affairs of the charity. The Chief Executive and senior leadership team are invited to the trustees' meetings and provide them with regular reports on the work of AMRC.

AMRC has an appointed Data Protection Lead – Dr Jocelyn LeBlanc – to deal with any queries about our privacy notice.

## Members of the Association

Membership of the Association is open to charities for which a principal activity is medical research. In addition, members have to meet criteria requiring the use of peer review in the allocation of all grants and awards for research. They must also support AMRC's key policy positions on university funding and the use of animals in medical research.

To preserve AMRC membership as the hallmark of quality research funding, a membership-wide audit of peer review processes takes place every five years and was undertaken most recently in 2020/21.

AMRC's membership criteria are described in our Standing Orders and kept under regular review by the Executive Council and were updated in 2019.

AMRC membership at the end of the year stood at 154, including six new members that joined during the year.

### New members:

- Institute of Alcohol Studies
- Barts Charity
- Big C
- The Eve Appeal
- Caudwell LymeCo Charity
- Mesothelioma UK

## Supporters

Our supporters are organisations operating in the health and medical research ecosystem with an interest in the activities of AMRC and our members, and whose activities can be of real support and value to our members. These supporters play an important role in the AMRC network and their membership brings an opportunity to work more closely on areas of mutual benefit.

Our Articles of Association were amended at the AGM held in December 2019 to allow for one supporter member representative to be elected to the Executive Council.

Supporter members who are research funders will not attract the financial benefits to their research that follow from full AMRC membership – such as eligibility for the Charity Research Support Fund (CRSF) and AcoRD. In 2020/21 we welcomed LifeArc.

## Trustees

Nine members of the Executive Council are nominated and elected by AMRC members. One is nominated and elected by supporter members. These trustees may serve for a period of three years, with the option of re-election or nomination for a further three-year term.

Nominating members are designated in the Standing Orders and may each appoint one nominated trustee who may be a trustee, officer, employee, or other representative of the nominating member.

Elected trustees are elected from amongst the categories (set out in the Standing Orders). All members of AMRC are entitled to nominate individuals as trustees, who may be eligible individuals from their own organisation or another member charity. Any person standing for election as an elected trustee must have their nomination approved by the Executive Council. If any post is contested, the elections take place shortly before the AGM.

The Executive Council can from time to time establish guidelines in the Standing Orders to ensure that the composition of the Executive Council properly reflects the membership of the Association.

Ashley Bayston (The Lewy Body Society), Elizabeth Robertson (Diabetes UK), Henny Braund (Anthony Nolan), Hilary Evans (Alzheimer's Research UK), and Kate Adcock (Muscular Dystrophy UK) were elected as trustees in December 2020. Jonathan Grant (King's College London) was co-opted from December 2020. Cathy Yelf (Macular Society) and Dr Ian Walker (Cancer Research UK) were re-appointed from December 2020.

All new trustees receive a formal induction from AMRC staff.

## Risk review

AMRC maintains a risk register of the major operational and business risks and challenges it faces. The impact of the pandemic on fundraising by members and the resulting reduction in research spend in 2020/21 and 2021/22 will feed through into future years' subscriptions. As part of its financial planning, AMRC is undertaking work to review our income sources, financial modelling and business model. Trustees will consider the position during 2021/22. The trustees confirm that controls are in place to mitigate the current major risks identified which are:

| Risk Category    | Risk  | Mitigation   |
|------------------|---|--|
| Reputation       | Current quality standards are out of step with current best practice, and no longer add value to members. Members fail to meet quality standards in peer review audit and leave the membership. | <ul style="list-style-type: none"><li>• Holistic review of quality standards (beyond peer review processes), to include good practice in research culture and environment;</li><li>• Review quinquennial audit cycle and process to improve effectiveness and experience;</li><li>• Complete audit follow up and ongoing communications with and support of members to ensure implementation of quality standards e.g. peer review audit clinic.</li></ul>   |
| People & Culture | Leadership uncertainty leads to lack of direction and loss of influence and voice in the external environment; and loss of motivation and productivity internally.                              | <ul style="list-style-type: none"><li>• Strategic plan and operational plan in place with key deliverables mapped out.</li><li>• Interim CEO arrangements in place and recruitment for next CEO in train; maternity cover Director of Policy arrangement in place;</li><li>• Stakeholder relationships maintained and prioritised along with AMRC voice on key external Boards and groups.</li><li>• 121 meetings between CEO with Chair and Trustees taking place to ensure clear channels of comms between Board and Executive.</li><li>• Re-launch of managers' forum within AMRC; all-staff comms deepened; with a focus on wellbeing prioritised.</li></ul> |

## Complaints

We have received no complaints.

## Subscriptions

Under our Articles of Association and Standing Orders, the Executive Council can increase subscriptions in line with inflation.

The Executive Council approved a 2.1% rise in this year's subscription rate, in line with RPI. As a result, the 2020/21 subscription rate was 0.1667239% of each member's 2019/20 UK research spend. The minimum subscription fee was £392.

Our three largest members (also the largest medical research charities in the UK) – the Wellcome Trust, Cancer Research UK and the British Heart Foundation – pay a fixed subscription which increases by an agreed inflationary amount each year. To safeguard the independence of AMRC, not one member contributes more than 25% of our income.

## Funding

Funding comes from members and supporters of the charity through their subscriptions and support of our events. We do not fundraise directly from the public and we have no third-party contracts for fundraising services. There is a 'donate' button on our website and occasional donations are made through this route. The charity is not registered with the Fundraising Regulator.

Previous investment in systems meant that, due to the pandemic, staff were able to continue working from home. Member income is not likely to be significantly affected in the 2021/22 year. However, we have adjusted the budget to factor in additional cost savings where we can, to increase general reserves. These reserves can then be used to help the Association through a leaner spell in the 22/23 and 23/24 years.

## Pay and remuneration

AMRC has a process for setting the pay and remuneration for all staff.

In determining appropriate levels of pay, AMRC:

- Carries out individual performance appraisals annually with all staff; with the senior leadership team holding an overall performance review, which can link to changes to roles and salaries;
- Conducts a salary benchmarking review to establish what if any cost-of-living increases the charity sector/member organisations plan to award in the coming year;
- Ensures all staff whether permanent or on temporary contracts are paid at least the London living wage as defined by the Living Wage Foundation.



## Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year 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 accounting 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 company will continue in business.

The trustees are responsible for keeping proper accounting records that 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. 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Executive Council:

On: 15 July 2021

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Signed on their behalf by:

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Lord Sharkey  
Chair of the Executive Council, Association of Medical Research Charities (AMRC)  
Charity no. 296772  
Company no. 02107400

# Independent auditor's report to the members of the Association of Medical Research Charities

## Opinion

We have audited the financial statements of Association of Medical Research Charities for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its surplus 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 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 or a material misstatement of the other information. 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 (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within 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 (which incorporates the strategic report and the directors' report).

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

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

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the entity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety, data protection legislation and employment (including taxation), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.


We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures relevant to the preparation of the financial statements to ensure these were in place throughout the year, including during the Covid-19 remote working period;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions;
- Challenging assumptions and judgements made by management in their critical accounting estimates; and
- Reviewing the assumptions and judgements used by the professional actuary in relation to the charitable company's pension liability.

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

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Siobhan Holmes (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP Statutory  
Auditors

Date: 21 July 2021

10 Queen Street Place  
London  
EC4R 1AG

# Association of Medical Research Charities

## Statement of financial activities

### (Incorporating the Income and Expenditure Account)

#### For the year ended 31 March 2021

|   | Note | Total<br>Funds<br>2021<br>£ | Total<br>Funds<br>2020<br>£ |
|---|------|-----------------------------|-----------------------------|
| <b>INCOME</b>                                     |      |                             |                             |
| Income from:                                      |      |                             |                             |
| Donations and legacies                            | 2    | 2,803                       | 718                         |
| Charitable activities:                            |      |                             |                             |
| Subscriptions and training                        |      | 956,301                     | 930,549                     |
| Other income                                      |      | 109,799                     | 127,230                     |
| Investments: Bank interest                        |      | 443                         | 1,591                       |
| Other income: Staff secondments                   |      | -                           | 24,793                      |
| <b>TOTAL INCOME</b>                               |      | <b>1,069,346</b>            | <b>1,084,881</b>            |
| <b>EXPENDITURE</b>                                |      |                             |                             |
| Expenditure on:                                   |      |                             |                             |
| Charitable Activities:                            |      |                             |                             |
| Policy  |      | 362,851                     | 382,318                     |
| Research  |      | 180,272                     | 211,160                     |
| Data analysis                                     |      | 94,922                      | 88,545                      |
| Membership  |      | 344,962                     | 399,841                     |
| <b>TOTAL EXPENDITURE</b>                          | 3    | <b>983,007</b>              | <b>1,081,864</b>            |
| <b>Net income &amp;<br/>Net movement in funds</b> |      | <b>86,339</b>               | <b>3,017</b>                |
| Funds brought forward                             | 11   | 526,553                     | 523,536                     |
| <b>Funds carried forward</b>                      | 11   | <b>612,892</b>              | <b>526,553</b>              |

All of the above results are derived from continuing activities.

All income and expenditure in the year is unrestricted and there were no recognised gains and losses other than those stated above.

Expenditure in 2019 included £24,000 of restricted costs for research. All other movements in funds in 2019 were unrestricted.

The annexed notes form part of these financial statements.

# Association of Medical Research Charities

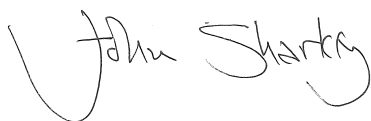
## Balance Sheet

### As at 31 March 2021

|   | Note | £                     | 2021<br>£             | £                | 2020<br>£             |
|---|------|-----------------------|-----------------------|------------------|-----------------------|
| <b>FIXED ASSETS</b>   |      |                       |                       |                  |                       |
| Tangible assets   | 8    |                       | <u>26,207</u>         |                  | <u>25,020</u>         |
|   |      |                       | <b>26,207</b>         |                  | <b>25,020</b>         |
| <b>CURRENT ASSETS</b>   |      |                       |                       |                  |                       |
| Debtors   | 9    | <b>1,102,562</b>      |                       | 516,586          |                       |
| Cash at bank and in hand  |      | <u>711,891</u>        |                       | <u>651,050</u>   |                       |
|   |      | <b>1,814,453</b>      |                       | <b>1,167,636</b> |                       |
| <b>Creditors: amounts falling due within one year</b>           | 10   | <b>(1,204,534)</b>    |                       | <b>(636,889)</b> |                       |
| <b>NET CURRENT ASSETS</b>                                       |      |                       | <b>609,919</b>        |                  | <b>530,747</b>        |
| <b>Creditors: amounts falling due after more than one year:</b> | 18   |                       | <b>(23,234)</b>       |                  | <b>(29,214)</b>       |
| <b>NET ASSETS</b>   |      |                       | <u><b>612,892</b></u> |                  | <u><b>526,553</b></u> |
| <b>FUNDS</b>  |      |                       |                       |                  |                       |
| Unrestricted funds  |      |                       |                       |                  |                       |
| Designated funds  | 11   | <b>52,646</b>         |                       | 57,825           |                       |
| General fund  | 11   | <u><b>560,246</b></u> |                       | <u>468,728</u>   |                       |
| Total unrestricted funds  |      |                       | <b>612,892</b>        |                  | <b>526,553</b>        |
|   |      |                       | <u><b>612,892</b></u> |                  | <u><b>526,553</b></u> |

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved, and authorised for issue, by the trustees on 15 July 2021 and signed on their behalf by:-



LORD SHARKEY, Chair

Company registration no. 02107400

The annexed notes form part of these financial statements.



# Association of Medical Research Charities

## Statement of Cash Flows

### For the year ended 31 March 2021

|   | 2021      |          | 2020      |          |
|---|-----------|----------|-----------|----------|
|   | £         | £        | £         | £        |
| <b>Cash provided by operating activities</b>                  |           |          |           |          |
| Net movement in funds   | 86,339    |          | 3,017     |          |
| Add back depreciation charge                                  | 10,843    |          | 15,299    |          |
| Less interest income  | (443)     |          | (1,591)   |          |
| (Increase) / decrease in debtors                              | (585,976) |          | 493,808   |          |
| Increase / (decrease) in creditors                            | 561,665   |          | (419,224) |          |
| <b>Net cash provided by operating activities</b>              |           | 72,428   |           | 91,309   |
| <b>Cash flows from investing activities</b>                   |           |          |           |          |
| Interest income   | 443       |          | 1,591     |          |
| Purchase of tangible fixed assets                             | (12,030)  |          | (31,414)  |          |
| <b>Net cash (used in) investing activities</b>                |           | (11,587) |           | (29,823) |
| Increase in cash and cash equivalents in the year             |           | 60,841   |           | 61,486   |
| Cash and cash equivalents at the beginning of the year        |           | 651,050  |           | 589,564  |
| <b>Total cash and cash equivalents at the end of the year</b> |           | 711,891  |           | 651,050  |

#### Analysis of changes in net debt

|                          | Balance at<br>1 April<br>2020<br>£ | Cash flows<br>£ | Balance at<br>31 March<br>2021<br>£ |
|--------------------------|------------------------------------|-----------------|-------------------------------------|
| Cash at bank and in hand | 651,050                            | 60,841          | 711,891                             |
|                          | <u>651,050</u>                     | <u>60,841</u>   | <u>711,891</u>                      |

The annexed notes form part of these financial statements.

# Notes to the financial statements

## For the year ending 31 March 2021

### 1. ACCOUNTING POLICIES

#### Statement of Compliance

These financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity is a public benefit entity for the purposes of FRS 102 and therefore has also prepared the financial statements in accordance with the Statement of Recommended Practice (second edition - October 2019) 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) and the Charities Act 2011.

#### General Information

The charity is a private company limited by guarantee, incorporated in England and Wales (company number: 02107400) and a charity registered in England and Wales (charity number: 296772). The charity's registered office address is: Fanz House, 99 Grays Inn Road, London, WC1X 8TY.

#### Going concern

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. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the continued impact of the Covid-19 outbreak. The trustees have reviewed our forecasts and concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

#### 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.

Subscription income is recognised in the period for which the subscription relates to.

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

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.

## 1. ACCOUNTING POLICIES (continued)

### 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.

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.

### 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.

### Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

### 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 comprise of trading costs and 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, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. These costs have been allocated between the direct activities of the charity on the basis of staff time.

### Operating leases

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

### Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. 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:

|                       |                       |
|-----------------------|-----------------------|
| Fixtures and fittings | 3 years straight line |
| IT equipment          | 3 years straight line |
| Leasehold fit out     | 5 years straight line |

## 1. ACCOUNTING POLICIES (continued)

### Financial instruments

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.

### 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.

### 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.

### 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.

### Pensions

The charity provides a defined contribution pension scheme to current employees, the assets of which are held separately from those of the company in an independently administered fund with The Pensions Trust. Contributions are charged to expenditure as they fall due. For further details see Note 18.

### Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

### Significant judgements and sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies. The key judgements that have been applied by management relate to depreciation rates.

## 2. DONATIONS AND LEGACIES

|           | Unrestricted<br>Funds<br>2021<br>£ | Total<br>Funds<br>2021<br>£ | Total<br>Funds<br>2020<br>£ |
|-----------|------------------------------------|-----------------------------|-----------------------------|
| Donations | 2,803                              | 2,803                       | 718                         |
|           | <u>2,803</u>                       | <u>2,803</u>                | <u>718</u>                  |

### 3. EXPENDITURE

#### CURRENT YEAR

|                        | Direct Staff<br>costs<br>£ | Direct<br>costs<br>£ | Support<br>costs<br>£ | Total<br>2021<br>£ |
|------------------------|----------------------------|----------------------|-----------------------|--------------------|
| Charitable activities: |                            |                      |                       |                    |
| Policy                 | 283,574                    | 12,204               | 67,073                | 362,851            |
| Research               | 142,979                    | 596                  | 36,697                | 180,272            |
| Data analysis          | 77,083                     | 280                  | 17,559                | 94,922             |
| Membership             | 282,305                    | 8,401                | 54,256                | 344,962            |
|                        | <b>785,941</b>             | <b>21,481</b>        | <b>175,585</b>        | <b>983,007</b>     |

#### PRIOR YEAR

|                        | Direct Staff<br>costs<br>£ | Direct<br>costs<br>£ | Support<br>costs<br>£ | Total<br>2020<br>£ |
|------------------------|----------------------------|----------------------|-----------------------|--------------------|
| Charitable activities: |                            |                      |                       |                    |
| Policy                 | 273,553                    | 13,680               | 95,085                | 382,318            |
| Research               | 120,537                    | 49,443               | 41,180                | 211,160            |
| Data analysis          | 70,207                     | 293                  | 18,045                | 88,545             |
| Membership             | 283,855                    | 38,947               | 77,039                | 399,841            |
|                        | <b>748,152</b>             | <b>102,363</b>       | <b>231,349</b>        | <b>1,081,864</b>   |

Details of support costs are given in Note 4.

### 4. SUPPORT COSTS

|  | 2021<br>£      | 2020<br>£      |
|--|----------------|----------------|
| Governance costs:                          |                |                |
| Trustee meetings                           | 138            | 3,604          |
| Audit fee for the year                     | 7,680          | 4,200          |
| Audit fee- underaccrual from previous year | -              | 120            |
|  | <b>7,818</b>   | <b>7,924</b>   |
| Other support costs                        |                |                |
| Staff                                      | 23,606         | 32,957         |
| Premises                                   | 67,998         | 62,505         |
| Legal and professional                     | 1,748          | 15,406         |
| Information technology                     | 43,244         | 61,098         |
| Office relocation                          | -              | 15,939         |
| Other office expenses                      | 31,171         | 35,520         |
|  | <b>175,585</b> | <b>231,349</b> |

## 5. NET INCOME FOR THE YEAR

This is stated after charging:

|                                    | 2021<br>£ | 2020<br>£ |
|------------------------------------|-----------|-----------|
| Operating lease rentals: Premises  | 43,688    | 31,990    |
| Depreciation                       | 10,843    | 15,299    |
| Auditor's remuneration: Audit Fees | 7,680     | 4,320     |

## 6. EMPLOYEE AND KEY MANAGEMENT PERSONNEL

The key management personnel of the charity comprise the trustees ("Directors" for the purposes of the Companies Act) and Senior Management Team. The total amounts paid in respect of the key management personnel of the charity (including employer's National Insurance contributions and employer's pension contributions) were £299,124 (2020: £289,456). None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

|   | 2021<br>£      | 2020<br>£      |
|---|----------------|----------------|
| The aggregate payroll costs were:                                   |                |                |
| Wages and salaries  | 674,176        | 628,379        |
| Social security costs   | 72,878         | 66,961         |
| Employer pension contributions                                      | 36,996         | 34,402         |
| TPT Pension plan- increase / (reduction) in liability (see Note 18) | 1,891          | (433)          |
| Seconded staff  | -              | 18,843         |
|   | <b>785,941</b> | <b>748,152</b> |

The number of employees earning over £60,000 in the year (exclusive of employer's National Insurance contributions) were as follows:

### Including employer pension contributions

|                     | 2021<br>No. | 2020<br>No. |
|---------------------|-------------|-------------|
| £70,000 < £79,999   | 1           | 1           |
| £80,000 < £89,999   | 1           | 1           |
| £100,000 < £109,999 | 1           | 1           |

### Excluding employer pension contributions

|                     | 2021<br>No. | 2020<br>No. |
|---------------------|-------------|-------------|
| £60,000 < £69,999   | 1           | 1           |
| £70,000 < £79,999   | 1           | 1           |
| £90,000 < £99,999   | 1           | -           |
| £100,000 < £109,999 | -           | 1           |

No trustees were reimbursed any expenses in the year or the previous year.

## 6. EMPLOYEE AND KEY MANAGEMENT PERSONNEL (continued)

The average monthly number of staff employed by the Association during the financial year amounted to:

|               | 2021<br>No. | 2020<br>No. |
|---------------|-------------|-------------|
| Policy        | 5.3         | 5.0         |
| Research      | 2.8         | 2.3         |
| Data analysis | 1.5         | 1.4         |
| Membership    | 5.0         | 5.4         |
|               | <u>14.6</u> | <u>14.1</u> |

## 7. TAXATION

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

## 8. TANGIBLE FIXED ASSETS

|                                 | Fixtures<br>and fittings<br>£ | IT<br>equipment<br>£ | Leasehold<br>fit out<br>£ | Total<br>£    |
|---------------------------------|-------------------------------|----------------------|---------------------------|---------------|
| <b>Cost</b>                     |                               |                      |                           |               |
| At 1 April 2020                 | 10,996                        | 25,845               | 28,936                    | 65,777        |
| Additions in the year           | -                             | 12,030               | -                         | 12,030        |
| Disposals in the year           | -                             | (8,940)              | -                         | (8,940)       |
| At 31 March 2021                | <u>10,996</u>                 | <u>28,935</u>        | <u>28,936</u>             | <u>68,867</u> |
| <b>Accumulated depreciation</b> |                               |                      |                           |               |
| At 1 April 2020                 | 10,996                        | 23,974               | 5,787                     | 40,757        |
| Charge for the year             | -                             | 5,055                | 5,788                     | 10,843        |
| Disposals in the year           | -                             | (8,940)              | -                         | (8,940)       |
| At 31 March 2021                | <u>10,996</u>                 | <u>20,089</u>        | <u>11,575</u>             | <u>42,660</u> |
| <b>Net book value</b>           |                               |                      |                           |               |
| At 31 March 2021                | <u>-</u>                      | <u>8,846</u>         | <u>17,361</u>             | <u>26,207</u> |
| At 31 March 2020                | <u>-</u>                      | <u>1,871</u>         | <u>23,149</u>             | <u>25,020</u> |

## 9. DEBTORS

|                | 2021<br>£        | 2020<br>£      |
|----------------|------------------|----------------|
| Trade debtors  | 1,027,992        | 404,174        |
| Other debtors  | 34,434           | 68,080         |
| Prepayments    | 38,309           | 28,773         |
| Accrued income | 1,827            | 15,559         |
|                | <u>1,102,562</u> | <u>516,586</u> |



## 10. CREDITORS: amounts falling due within one year

|                               | 2021<br>£        | 2020<br>£      |
|-------------------------------|------------------|----------------|
| Trade creditors               | 110,311          | 110,508        |
| Taxation and social security  | 24,568           | 18,595         |
| Pension payable (see Note 18) | 7,871            | 7,642          |
| Other creditors               | 14,267           | 3,912          |
| Accruals                      | 42,432           | 38,483         |
| Deferred income (see below)   | 1,005,085        | 457,749        |
|                               | <b>1,204,534</b> | <b>636,889</b> |

### Deferred income

|                                       | 2021<br>£        | 2020<br>£      |
|---------------------------------------|------------------|----------------|
| Balance at the beginning of the year  | 457,749          | 861,877        |
| Amount released to income in the year | (457,749)        | (861,877)      |
| Amount deferred in the year:          |                  |                |
| Subscriptions invoiced in advance     | 980,085          | 442,749        |
| Digital Health Project                | 25,000           | 15,000         |
|                                       | <b>1,005,085</b> | <b>457,749</b> |

## 11. STATEMENT OF FUNDS - CURRENT YEAR

|                                      | Balance at<br>1 April<br>2020<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>£ | Balance at<br>31 March<br>2021<br>£ |
|--------------------------------------|------------------------------------|-------------|------------------|----------------|-------------------------------------|
| <b>Designated funds</b>              |                                    |             |                  |                |                                     |
| 1. Strategic Projects                | 10,411                             | -           | (3,000)          | -              | 7,411                               |
| 2. IT Maintenance<br>and development | 11,902                             | -           | (2,179)          | -              | 9,723                               |
| 3. Staffing and salary review        | 6,412                              | -           | -                | -              | 6,412                               |
| 4. Fundraising consultant            | 29,100                             | -           | -                | -              | 29,100                              |
| <b>Total designated funds</b>        | <b>57,825</b>                      | <b>-</b>    | <b>(5,179)</b>   | <b>-</b>       | <b>52,646</b>                       |

### Purposes of designated funds

1. **Strategic projects** - representing funds set aside for strategic projects.
2. **IT Maintenance and development** - representing funds set aside to ensure there is sufficient resource available for further IT investment in coming years.
3. **Staffing and salary review** - representing funds set aside for benchmarking current salaries and benefits.
4. **Fundraising** - representing funds set aside to generate future funds for AMRC projects.

### CURRENT YEAR - SUMMARY OF FUNDS

|                          | Balance at<br>1 April<br>2020<br>£ | Income<br>£      | Expenditure<br>£ | Transfers<br>£ | Balance at<br>31 March<br>2021<br>£ |
|--------------------------|------------------------------------|------------------|------------------|----------------|-------------------------------------|
| General fund             | 468,728                            | 1,069,346        | (977,828)        | -              | 560,246                             |
| Designated funds         | 57,825                             | -                | (5,179)          | -              | 52,646                              |
| Total unrestricted funds | 526,553                            | 1,069,346        | (983,007)        | -              | 612,892                             |
| <b>Total funds</b>       | <b>526,553</b>                     | <b>1,069,346</b> | <b>(983,007)</b> | <b>-</b>       | <b>612,892</b>                      |

## 12. STATEMENT OF FUNDS - PRIOR YEAR

|                               | Balance at<br>1 April<br>2019<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>£ | Balance at<br>31 March<br>2020<br>£ |
|-------------------------------|------------------------------------|-------------|------------------|----------------|-------------------------------------|
| <i>Restricted funds</i>       |                                    |             |                  |                |                                     |
| Digital Health Taskforce      | 24,000                             | -           | (24,000)         | -              | -                                   |
| <b>Total restricted funds</b> | <b>24,000</b>                      | <b>-</b>    | <b>(24,000)</b>  | <b>-</b>       | <b>-</b>                            |

|  | Balance at<br>1 April<br>2019<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>£  | Balance at<br>31 March<br>2020<br>£ |
|--|------------------------------------|-------------|------------------|-----------------|-------------------------------------|
| <i>Designated funds</i>                |                                    |             |                  |                 |                                     |
| Strategic Projects                     | 20,747                             | -           | (10,336)         | -               | 10,411                              |
| IT Maintenance<br>and development      | 11,902                             | -           | -                | -               | 11,902                              |
| Future focus/<br>think tank report     | 20,000                             | -           | (20,000)         | -               | -                                   |
| Staffing and<br>salary review          | 7,981                              | -           | (1,569)          | -               | 6,412                               |
| Salary/Benefits<br>(post benchmarking) | 20,763                             | -           | -                | (20,763)        | -                                   |
| Fundraising consultant                 | 30,000                             | -           | (900)            | -               | 29,100                              |
| <b>Total designated funds</b>          | <b>111,393</b>                     | <b>-</b>    | <b>(32,805)</b>  | <b>(20,763)</b> | <b>57,825</b>                       |

### PRIOR YEAR - SUMMARY OF FUNDS

|                                 | Balance at<br>1 April<br>2019<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>£ | Balance at<br>31 March<br>2020<br>£ |
|---------------------------------|------------------------------------|------------------|--------------------|----------------|-------------------------------------|
| General fund                    | 388,143                            | 1,084,881        | (1,025,059)        | 20,763         | 468,728                             |
| Designated funds                | 111,393                            | -                | (32,805)           | (20,763)       | 57,825                              |
| <b>Total unrestricted funds</b> | <b>499,536</b>                     | <b>1,084,881</b> | <b>(1,057,864)</b> | <b>-</b>       | <b>526,553</b>                      |
| Restricted funds                | 24,000                             | -                | (24,000)           | -              | -                                   |
| <b>Total funds</b>              | <b>523,536</b>                     | <b>1,084,881</b> | <b>(1,081,864)</b> | <b>-</b>       | <b>526,553</b>                      |

### 13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

#### CURRENT YEAR

|  | Designated<br>funds<br>£ | General<br>fund<br>£ | Total<br>funds<br>£ |
|--|--------------------------|----------------------|---------------------|
| Fixed assets                           | -                        | 26,207               | 26,207              |
| Net current assets                     | 52,646                   | 557,273              | 609,919             |
| Creditors due after more than one year | -                        | (23,234)             | (23,234)            |
|  | <b>52,646</b>            | <b>560,246</b>       | <b>612,892</b>      |

#### PRIOR YEAR

|  | Designated<br>funds<br>£ | General<br>fund<br>£ | Total<br>funds<br>£ |
|--|--------------------------|----------------------|---------------------|
| Fixed assets                           | -                        | 25,020               | 25,020              |
| Net current assets                     | 57,825                   | 472,922              | 530,747             |
| Creditors due after more than one year | -                        | (29,214)             | (29,214)            |
|  | <b>57,825</b>            | <b>468,728</b>       | <b>526,553</b>      |

### 14. OPERATING LEASE COMMITMENTS

At the reporting end date the charity had the following future minimum lease payments under non-cancellable operating leases which fall due as follows:

|                       | 2021<br>Property<br>£ | 2021<br>Equipment<br>£ | 2020<br>Property<br>£ | 2020<br>Equipment<br>£ |
|-----------------------|-----------------------|------------------------|-----------------------|------------------------|
| Less than 1 year      | 52,425                | 2,309                  | 28,397                | 2,309                  |
| Between 1 and 5 years | 131,942               | 385                    | 184,367               | 2,694                  |
|                       | <b>184,367</b>        | <b>2,694</b>           | <b>212,764</b>        | <b>5,003</b>           |

### 15. LEGAL STATUS

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.

### 16. RELATED PARTY TRANSACTIONS

Due to the nature of the charity's work, its trustees are often trustees or employees of member organisations. Member fees are always calculated in the ordinary course of business.

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

## 17. FUNDS HELD AS TRUSTEE

During the year, the charity received funds on behalf of a separate charity, the Medical Research Council (MRC) for a project related to the members of AMRC. The project agreement is that AMRC will administer the funds on behalf of MRC and the AMRC members. The funds are not an asset of AMRC and have therefore not been shown in these accounts.

The transactions during the year are as follows:

|   | 2021<br>£       | 2020<br>£       |
|---|-----------------|-----------------|
| Brought forward                                 | (64,007)        | 10,365          |
| Received from MRC                               | 83,101          | 80,631          |
| Paid out to Researchfish                        | (53,528)        | (155,003)       |
| Balance (paid) on behalf of MRC carried forward | <u>(34,434)</u> | <u>(64,007)</u> |

The closing balance paid on behalf of MRC is included within 'Other debtors' in Note 9.

## 18. PENSION LIABILITY

### TPT Retirement Solutions – The Growth Plan

The AMRC participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the AMRC to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-person standing arrangement'. Therefore the AMRC is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

### Deficit contributions

From 1 April 2019 to 31 January 2025: £11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

## 18. PENSION LIABILITY (continued)

### Deficit contributions

From 1 April 2016 to 30 September 2025: £12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)

From 1 April 2016 to 30 September 2025: £54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the AMRC has agreed to a deficit funding arrangement the AMRC recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

### PRESENT VALUES OF PROVISION

|                                  | 2021<br>£     | 2020<br>£     | 2019<br>£     |
|----------------------------------|---------------|---------------|---------------|
| Due within one year              | 7,871         | 7,642         | 7,420         |
| Due after more than one year     | 23,234        | 29,214        | 37,289        |
| Total present value of provision | <u>31,105</u> | <u>36,856</u> | <u>44,709</u> |

### RECONCILIATION OF OPENING AND CLOSING PROVISIONS

|  | 2021<br>£     | 2020<br>£     |
|--|---------------|---------------|
| Provision at start of period                             | 36,856        | 44,709        |
| Unwinding of the discount factor (interest expense)      | 827           | 567           |
| Deficit contribution paid                                | (7,642)       | (7,420)       |
| Remeasurements - impact of any change in assumptions     | 1,064         | (1,000)       |
| Remeasurements - amendments to the contribution schedule | -             | -             |
| Provision at end of period                               | <u>31,105</u> | <u>36,856</u> |

### INCOME AND EXPENDITURE IMPACT

|  | 2021<br>£    | 2020<br>£      |
|--|--------------|----------------|
| Interest expense                                     | 827          | 567            |
| Remeasurements – impact of any change in assumptions | <u>1,064</u> | <u>(1,000)</u> |

## 18. PENSION LIABILITY (continued)

### ASSUMPTIONS

|                  | <b>31 March<br/>2021</b> | <i>31 March<br/>2020</i> | <i>31 March<br/>2019</i> |
|------------------|--------------------------|--------------------------|--------------------------|
|                  | <b>% per annum</b>       | <i>% per annum</i>       | <i>% per annum</i>       |
| Rate of discount | <b>0.66</b>              | <i>2.53</i>              | <i>1.39</i>              |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the AMRC and the scheme at each year end period:

### DEFICIT CONTRIBUTIONS SCHEDULE

| <b>Year ending</b> | <b>31 March<br/>2021</b> | <i>31 March<br/>2020</i> | <i>31 March<br/>2019</i> |
|--------------------|--------------------------|--------------------------|--------------------------|
|                    | <b>£</b>                 | <i>£</i>                 | <i>£</i>                 |
| Year 1             | <b>7,871</b>             | <i>7,642</i>             | <i>7,420</i>             |
| Year 2             | <b>8,108</b>             | <i>7,871</i>             | <i>7,642</i>             |
| Year 3             | <b>8,351</b>             | <i>8,108</i>             | <i>7,871</i>             |
| Year 4             | <b>7,168</b>             | <i>8,351</i>             | <i>8,108</i>             |
| Year 5             | -                        | <i>7,168</i>             | <i>8,351</i>             |
| Year 6             | -                        | -                        | <i>7,168</i>             |
| Year 7             | -                        | -                        | -                        |
| Year 8             | -                        | -                        | -                        |

The AMRC must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the AMRC's balance sheet liability.

## References and administration

### Trustees

#### Chair

Lord Sharkey

#### Honorary Treasurer

Andrew Warren  
Retired (previously The Brain  
Tumour Charity)  
From May 2019

Alyson Fox  
Wellcome Trust  
From December 2019

Ashley Bayston  
The Lewy Body Society  
From December 2020

Cathy Yelf  
Macular Society  
Re-appointed December 2020

Charles Mayo  
Secure Trust Bank PLC  
Co-opted from January 2015

Doug Brown  
British Society for Immunology  
From March 2020

Elizabeth Robertson  
Diabetes UK  
From December 2020

Henny Braund  
Anthony Nolan  
From December 2020

Hilary Evans  
Alzheimer's Research UK  
From December 2020

Dr Ian Walker  
Cancer Research UK  
Re-appointed December 2020

Jonathan Grant  
King's College London  
Co-opted from December 2020

Kate Adcock  
Muscular Dystrophy UK  
From December 2020

Dr Sonya Babu-Narayan  
British Heart Foundation  
From December 2018

### Senior Leadership team

#### Chief Executive and Secretary

Aisling Burnand MBE until 14  
February 2021  
Hilary Reynolds CBE from 15  
February 2021

#### Director of Membership Engagement and Communications

Carol Bewick

#### Director of Policy and Public Affairs

Nisha Tailor

### Advisors

#### Auditors

Haysmacintyre LLP  
10 Queen Street Place  
London EC4R 1AG

#### Bankers

HSBC plc  
Holborn Circus  
31 Holborn  
London EC1N 2HR

#### Legal advisors

Simmons & Simmons LLP  
CityPoint  
1 Ropemaker Street  
London EC2Y 9SS

#### Registered office

Fanz House  
99 Gray's Inn Road  
London WC1X 8TY

#### Charity number

296772

#### Company number

02107400