

ACTION AGAINST MEDICAL ACCIDENTS

England & Wales · Charity number 299123

Details

Other names	ACTION FOR VICTIMS OF MEDICAL ACCIDENTS, A V M A, ACTION AGAINST MEDICAL ACCIDENTS
Status	Registered
Legal form	Charitable company
Company number	02239250
Registered	1988-04-19
Register	View on the Charity Commission register

Contact

Address	Action against Medical Accidents 82 Tanner Street London SE1 3GN
Phone	02086889555
Email	office@avma.org.uk
Website	www.avma.org.uk

Activities

Objects: THE RELIEF OF SICKNESS OF CONDITIONS OF NEED HARDSHIP AND DISTRESS ARISING AS THE RESULT OF MEDICAL ACCIDENTS; TO ADVANCE PUBLIC EDUCATION IN THE CARE OF VICTIMS OF MEDICAL ACCIDENTS AND IN THE LAW RELATING TO SUCH ACCIDENTS.

Activities: We support people affected by avoidable harm in healthcare, help them achieve justice and promote better patient safety for all.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM
- Ireland
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,448,106	£1,585,799	£3,747,980	22
2024-03-31	£1,492,965	£1,378,778	£3,863,011	21
2023-03-31	£1,287,508	£1,224,077	£3,853,152	21
2022-03-31	£1,122,046	£1,170,847	£4,030,223	22
2021-03-31	£1,187,711	£1,102,205	£3,890,800	25

Trustees

Name	Role	Appointed
Amrat Khorana		2021-12-07
CAROLINE BROWNE		2017-09-19
Carol Parson		2023-06-20
Dr Agnelo Teles Fernandes		2025-03-18
Dr Harriet Leyland		2025-12-09
Dr Jocelyn Cornwell		2021-03-23
Farrah Pradhan		2024-12-12
MR MIKE ANDERSSON		2017-09-19
Michele Salter		2023-06-20
William Kilvington		2021-03-23

Accounts

Company number: 2239250
Charity number: 299123
OSCR number: SCO39683

Action against Medical Accidents

Report and financial statements for the year ended 31 March 2025

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Action against Medical Accidents

Reference and administrative details

For the year ended 31 March 2025

Action against Medical Accidents (also known as “AvMA”)

Company number	2239250	
Country of incorporation	United Kingdom	
Charity number	299123	
Country of registration	England & Wales	
OSCR number	SCO39683	
Registered and principal office address	82 Tanner Street, London SE1 3GN	
Patrons	Peter Ransley James Badenoch KC	(Honorary Life President)
Honorary officers	Jocelyn Cornwell Michele Salter Caroline Browne	Chair Treasurer Senior Independent Director
Trustees	Michael Andersson Caroline Browne Janine Collier Jocelyn Cornwell Agnelo Fernandes Stephanie Howden Amrat Khorana Bill Kilvington Harriet Leyland Carol Parsons Farrah Pradhan Michele Salter	(appointed March 2025) (appointed March 2025) (Associate Trustee appointed March 2025) (appointed December 2024)
Key management personnel	Paul Whiteing Nathan Bacon Nicky Rushden Lisa O'Dwyer Ed Maycock Anna Devine Tim Hammond	Chief Executive Operations Director Finance Manager (resigned March 2025) Medico Legal Services Director Head of Events Director of Fundraising, Marketing & Comms (from November 2024) Head of Finance (From June 2025)

Action against Medical Accidents

Reference and administrative details

For the year ended 31 March 2025

Bankers	Co-operative Bank plc Delf House, Southway SKELMERSDALE, WN8 6NY Tavistock Private Client Ltd The Barn, Downing Park Station Rd, Swaffham Bulbeck CAMBRIDGE, CB25 0NW
Independent financial advisors	Castlefield Advisory Partners Ltd 8 th floor, 111 Piccadilly MANCHESTER, M12HY
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditors 110 Golden Lane LONDON, EC1Y 0TG
Solicitors	Tees Law Tees House 95 London Road Bishop's Stortford HERTFORDSHIRE, CM23 3GW

The Board of Trustees presents its report and the audited financial statements for the year ended 31 March 2025.

Reference and administrative information set out on pages 3 and 4 form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and Activities

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

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

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

Our beneficiaries – those we support

We support people affected by avoidable medical harm in healthcare and help them get the outcome they need. They, alongside other people, benefit from the wider public benefit that arises from the changes in policy and practice we aim to bring about through our public education, influencing and campaigning. Below we describe how we help our beneficiaries through our main activities.

2024-25: A Summary

The year marked the start of an exciting chapter for AvMA, as we began work on our five-year strategy (2024/29). Our key strategic objectives are:

1. To expand the range of communities we serve to enable more people experiencing avoidable medical harm to access our support and services.
2. To empower more people to secure the outcome they need following an incident of avoidable medical harm while providing care and compassionate support.
3. To eliminate compounded harm following avoidable medical harm.
4. To have the necessary diversity of sustainable resources and capacities to deliver this strategy.

The Board, which meets four times a year, has monitored the progress and delivery of our first-year objectives within that plan:

- After careful due diligence and legal advice as well as securing a report in accordance with the Charities (Disposition of Land: designated Advisers and Reports) Regulations 2023, the Board decided to dispose of the charity’s Croydon office, and the property was sold in August 2024. AvMA now operates on a fully remote working basis and has a shared office space in central London. This is helping to diversify the geographical basis of our staff and making us more representative of the UK-wide population that we serve.
- In line with our objective to increase and diversify our income, the charity recruited a Director of Fundraising, Marketing & Communications late in 2024. Expanding our expertise in diversifying and growing income streams will help AvMA support more harmed patients and their families.

- More generally continuing work to widen our reach to groups of people and communities who might not otherwise be aware of our services and who otherwise suffer detriment as a result of a medical incident.
- We campaigned on a range of areas of healthcare and justice policy, harnessing the testimony of those we support to highlight deficiencies that clearly require improvement and collaborating with the system to make care safer for all.
- We increased our reach by 3%, supporting 3,105 individuals following harm. What's more, we continued to receive excellent feedback from our beneficiary community for the quality of the advice we provide.
- We consulted on our 'Harmed Patient Pathway' to better support patients and their families after harm occurs and prevent compounded harm that is all too common in these cases. Our extensive consultation on the Pathway's core commitments garnered nearly 150 responses from both patients and healthcare professionals/bodies.
- The Board held an awayday in the year and used part of that day to reflect on, and benchmark themselves against the Chairity Code of Good Governance. The Board concluded that their governance arrangements were effective, but they identified further room for improvement which is being carried forward and will include further opportunities to review their own conduct through one-to-one appraisal with the Chair and a review of the Chair's performance led by the Senior Independent Director.
- At the end of the year, we held our Annual Clinical Negligence Conference in Bournemouth, with a record 68 exhibitors supporting the event as well as a near record number of delegates.

Advice, Information and Support

The advice and support we provide to people affected by avoidable harm in healthcare is at our core and the experiences of those we help and inform us about everything we do. In 2024-25 we directly helped 3,105 people (3,008 in 2023-24) with a great many others benefiting from our self-help guides and the information we provide through our website. However, we know that there are many more people who need our support – in fact, for every call we can answer we know we miss another. We are especially aware that there is more we need to do to help individuals from disadvantaged communities access our services.

AvMA is the only charity providing a specialist medico-legal helpline in the UK and we continue to make every effort to promote our services to other organisations that signpost people for advice and assistance.

Our helpline provides specialist, sympathetic support to people when they are coping with traumatic experiences. Facing the magnitude and complexity of the NHS and justice system, AvMA reassures harmed patients that they are not alone: we understand their plight and want to support them. Our helpline staff and volunteers help people understand their rights, explain how different medico-legal processes and procedures work, including how to complain to the NHS and Health Ombudsman, and can put them in touch with other specialist support where needed. By the end of the year, we had just over 100 trained volunteers working on our helpline. We are grateful to all the volunteers who enable us to make this service available Monday to Friday 10am-3.30pm. In 2024-25 we advised on 2,527 calls (2,451 in 2023-24). These are often extremely serious and complex cases.

AvMA's Medico Legal Advisors are all experienced professionals with either medical and/or legal qualifications, often providing in-depth advice that would not be available from any other agency. Sometimes, the referral of a healthcare professional to their regulator may be recommended, or the case may have broader lessons for patient safety, or link with one of AvMA's campaign priorities. In 2024-25 we opened 488 new casework files (480 in 2023-24).

IMPACT: Callers to our helpline and recipients of our written casework service frequently tell us that they feel understood and supported at a time of extreme stress and anxiety. They are empowered to make better informed decisions about what to do next through our specialist advice and better equipped to make use of the procedures available to them. Often, this results in

- **access to a specialist solicitor and eventual redress**
- **complaints or concerns properly addressed and resolved by healthcare systems.**
- **achieving measures to protect other patients/improve patient safety.**

Our Inquest Service

AvMA understands the importance of seeking answers after harm, to make sense of what has happened and to aid acceptance. This process is especially important when seeking answers after the death of a loved one, and we feel privileged to support families involved in healthcare-related inquests, courtesy of barristers giving their time, advocacy skills and expertise freely.

Our support empowers families and maximises opportunities for patient safety issues to be identified, through either written questions or representation by counsel at the inquest hearing. Families are consistently motivated by a desire to establish the truth and to honour the memory of their loved ones by preventing harm to others. Whereas NHS bodies and individual health professionals are usually legally represented at inquests, bereaved families are usually not and there is limited legal aid funding for such representation. We try to address this uneven playing field through our inquest service. Often this involves AvMA in intensive work instructing counsel to represent the family.

We gave advice and information to 81 families who were facing a forthcoming inquest last year, helping them to prepare and/or to get legal representation at the inquest. These cases can be highly complex and time-consuming. As demand for the inquest service far exceeds what we can supply, we use written criteria to judge all applications for representation.

A number of important conclusions have been arrived at in inquests where we arranged representation for families, including recommendations for improving patient safety, via Prevention of Future Death reports. In some circumstances, Serious Investigation Reports (SIR) or equivalent investigation processes were instigated as a direct result of AvMA's involvement. Sometimes NHS trusts will produce an Action Plan as part of the SIR. These may be just as influential because the impetus for change comes from the trust itself, not by direction of the coroner. However, there is no independent organisation to confirm that the action promised has been introduced. We therefore support the creation of a National Oversight Mechanism to ensure that actions and recommendations are implemented.

IMPACT: We ensure that people who have lost a family member as a result of avoidable harm are given information and advice on the coronial process, and on the

terms of the pro bono inquest service. The families we are able to assist feel empowered by having a legal representative raise relevant points of law and pose questions to the coroner and other witnesses attending to give evidence at inquests.

Policy and external relations (Influencing Policy & Practice)

We know that individuals reaching out for AvMA's support are often facing some of the most challenging times in their life. Time and again what we hear from those we have helped is that they want to prevent others from having to go through the same experiences. That's where our policy and campaign work comes in, ensuring the voices and opinions of harmed patients are heard by those in power who can make improvements within the system.

In 2024-25, AvMA policy and campaign work focused on healthcare and access to justice inequalities, highlighting systemic issues that hinder patient safety and transparency. Collaborating with the Harmed Patient Alliance we developed and consulted on a Harmed Patient Pathway which uses principles of restorative justice to better meet the needs and support healing for patients and their families after harm has occurred.

AvMA also became member of the secretariat for the newly formed All-Party Parliamentary Group (APPG) on Patient Safety in 2024. The APPG, chaired by Sir Jeremy Hunt MP, brings AvMA's expertise and understanding of the patient perspective to parliamentarians at a time when conversations in Westminster about the future patient safety and health policy are as necessary as they have ever been.

In 2024-25, we drafted seven consultation responses and evidence submissions to government and regulatory bodies about healthcare and legal reforms putting the patient perspective:

- to the Professional Standards Authority's consultation on their good practice guidance documents in support of regulatory reform, April 2024
- to the consultation on proposed changes to the Putting Things Right (PTR) process, April 2024
- to the Department of Health and Social Care Duty of Candour review, May 2024
- to the Ministry of Justice consultation on reforming the Law of Apologies in England and Wales, June 2024
- to the Department of Health and Social Care consultation on NHS 10-Year Health Plan, November 2024
- to the Department of Health and Social Care consultation on proposals to regulate NHS managers, February 2025
- to the Civil Justice Council's consultation on Review of Litigation Funding, March 2025

AvMA was featured in 16 media enquiries and interviews, covering national newspapers, TV, radio and local media and we remain active on social media. As well as responding to unfolding patient safety stories, we look for opportunities to amplify our campaign priorities, raise our profile and promote our work to those who may be in need of our services.

Crucial to our work to raise awareness of harmed patients' perspectives is our ability to influence and engage across the healthcare, legal and professional regulatory space.

During the year we engaged with over 30 organisations as well as meeting frequently with other campaigners, charities and groups with an interest in patient safety and access to justice to identify opportunities for collaboration, joint campaigning and information sharing. We now belong to National Voices, a coalition of over 200 healthcare charities in England.

IMPACT: Our work on a Harmed Patients Pathway should mean that more people will get the right support they need in a compassionate and timely way. Our work to raise awareness of restorative approaches is already garnering interest in the healthcare professions, and acknowledgement that the way patients are currently treated in the aftermath of harm is not sufficient. Our work in speaking truth to power should help ensure that the patient safety landscape better meets the needs of patients after harm has occurred.

Conferences and training (Spreading awareness and good practice)

AvMA helps patients and their families to navigate their experiences of medical harm, seeking answers, support and, where appropriate, redress. Our events programme supports professionals through the development and nurturing of skills, knowledge and relationships. Bolstering the resources available to patient safety and justice communities better enhances outcomes for harmed patients.

A total of 1,254 delegates attended AvMA's seven in-person conferences and events in 2024-25. We also ran nine live webinars, which were watched by 372 people at the time of broadcast, with a further 776 viewings of the recordings.

Our flagship conference, the Annual Clinical Negligence Conference (ACNC), took place in March 2025 in Bournemouth and attracted 470 attendees, and a record 68 exhibitors. There remains a continuing appetite among delegates and sponsors for larger scale events of this nature which combine professional development with networking opportunities.

IMPACT: Enhancing the skills and knowledge of legal and health professionals' results in our beneficiaries receiving good quality, up to date advice and representation from them.

AvMA's specialist accredited Clinical Negligence Solicitors Panel

Although most people AvMA helps do not take legal action, some need the services of solicitors. We continue to assess and accredit clinical negligence solicitors for our specialist clinical negligence panel to help our beneficiaries receive care and expertise when seeking justice. AvMA's quality mark is the best indicator available that a solicitor has the necessary expertise, experience and integrity to do a good job for people affected by clinical negligence. Our panel members also usually have supervisory responsibilities in their firms, thereby helping assure quality in the firms as a whole. Interest in joining AvMA's panel remains strong: we now have 169 panel members (with 33 re-accreditations of panel membership within the year)

A key aim of the AvMA Panel is to improve standards of clinical negligence practice by sharing best practice. Best practice benchmarks are drawn from applications to the panel, particularly from the most experienced senior lawyers, and always focused on what is in clients' best interests. Those benchmarks are continually changing as standards improve. We always interview new applicants, including those who have been advised they do not meet the required standard, as this enables us to offer advice on how they can improve

thereby ensuring that their clients receive the best service in these circumstances. We are very grateful to the experienced (former) panel members who have helped us on a voluntary basis with assessing and interviewing applicants during the year.

IMPACT: Our panel, and the quality mark denoting membership, makes it easier for those we support who need to take legal action to find a genuinely specialist solicitor with the appropriate qualities, knowledge and skills. This results in our beneficiaries receiving more expert advice and representation and, in our opinion, greater likelihood of a successful, swift and cost-effective outcome.

Medico-legal services

In addition to awarding our AvMA panel accreditation quality mark, AvMA runs a Lawyers' Service. Legal firms subscribing to the Lawyers' Service can access a database of over 600 medico-legal experts. Experts are only accepted if they can meet the high standards set out in the [Expert Protocol](#). AvMA will provide Lawyer Service member firms with details of relevant medico-legal experts to help them investigate the client/beneficiaries case as independently, impartially and honestly as possible, assisting law firms to provide the best possible services in this specialist area. We keep lawyers up to date on case law and policy and help with interpreting medical issues through the Lawyer Service Newsletter.

In addition, AvMA has continued to work in collaboration with NHS Resolution, and the Society of Clinical Injury Lawyers (SCIL) to produce a successor to the Covid 19 Protocol, the Clinical Negligence Claims Agreement (CNCA) which came into effect on 28th August 2024. The key benefits for harmed patients in the new agreement include: extended limitation periods for certain cases, providing flexibility for claimants and their representatives; an emphasis on early disclosure of relevant documentation to help narrow issues and reduce investigation costs; encouragement of pre-action discussions and dispute resolution to avoid unnecessary litigation. Most significantly, the agreement includes a term that in cases where liability is admitted, a meaningful letter of apology should be provided as soon as possible.

IMPACT: Litigation on its own cannot produce an outcome on learning and change, but initiatives such as the Clinical Negligence Claims Agreement help to promote the smooth running of cases, early resolution where possible and assurance to the patients/clients that lessons have been learned.

Our support services for solicitors practicing clinical negligence also mean that our beneficiaries are more likely to experience a good service and a successful result. By accessing an appropriate medico-legal report law firms can better identify the case's prospect of success at the earliest opportunity. Those cases that do not have reasonable prospects of succeeding are turned down quickly. This reduces the stress on clients and those which continue should have substantive issues and a good chance of being resolved.

AvMA's work in Scotland and the other Nations of the UK

As a charity registered in Scotland (as well as England and Wales) our activities north of the border include our Helpline and Casework Service, which can be accessed by people in Scotland. We continue to look for opportunities to work and support people from across all four nations of the UK and are currently assessing how we might further support people across Scotland, Wales and Northern Ireland given our stretched resources.

Public Benefit

The Board of Trustees is aware of the guidance contained in the Charity Commission's general guidance on public benefit when considering the charity's aims and objectives and in planning its future activities. In particular, the Board considers how planned activities will contribute to the aims and objectives that have been set.

Fundraising

AvMA is a member of the Fundraising Regulator Scheme and follows its code of conduct. The charity has a fundraising policy on donations (including legacies), corporate funding, sponsorship and support. We are committed to adhering to the Fundraising Promise and Code of Fundraising Practice issued by the Fundraising Regulator. As such, we strive to live up to the same level of transparency and integrity which we expect of other public bodies and professions, including the protection of vulnerable people who wish to support the charity. During the year, AvMA's main fundraising activities came from donations from supporters and corporates, fundraising events held by other organisations, corporate sponsorship, and occasional bequests. The charity did not receive any fundraising complaints or requests from the Fundraising Regulator and did not engage with third parties or commercial participators.

Recognising the need to build a more sustainable and diverse income base, we acted on professional advice and appointed a Director of Fundraising, Marketing and Communications in early 2025. Since then, significant time and effort has been invested in building the foundations needed for long-term fundraising success. This includes developing structured supporter journeys, establishing new digital donation processes, strengthening our brand offer to corporates, and creating the operational systems required to manage increased fundraising activity. To support any increased fundraising activities, we will continue to review our Fundraising policies and any use of third parties, to ensure that the charity adheres to the Charity Commission Code of Fundraising Practice, training staff and volunteers appropriately.

We are under no illusion that this is a quick win. Developing robust processes, clear cases for support, and the trust of grant-making bodies takes time. While early progress is encouraging, including new campaigns, tools, and outreach, the income returns will grow over time as we build deeper engagement with our supporters, service users, and external partners.

Looking ahead, AvMA's refreshed fundraising strategy prioritises areas where we can grow and sustain our reach. These include digital giving, trusts and foundations, and mission-aligned corporate partnerships. A new fundraising volunteer model, modernised website, and clearer storytelling around impact will help strengthen our offer to potential funders. This work sits alongside the broader pressures identified elsewhere in this report, including rising service demand and capacity constraints. Fundraising is positioned as a critical long-term enabler of AvMA's mission.

Assuring the quality of our work

The charity has a Service Delivery, Quality and Outcomes Committee to help take forward its work on quality and impact measurement. Part of the Committee's remit is to review any complaints made about AvMA's work and be sure that any learning points are acted upon. We received one formal complaint about AvMA during the year which we investigated

thoroughly. We continue to monitor feedback and investigate any concerns expressed by users of our services.

We have developed a range of different ways in which people can give us feedback on our services and all comments, positive and negative, are reviewed regularly. Where possible, we contact people who leave negative feedback to see if we can resolve the problem they raise.

Plans for the future

Our five-year strategic plan sets out our objectives from 2024-2029 and our plans for achieving them.

All of our work plans are driven by the four key strategic objectives set out above.

Within the context of those objectives key priorities for 2025/26 include:

- Development of a new website that can improve our reach for existing and other people in need of our services. As part of this work, we expect to re-fresh the AvMA brand.
- Commission a review of our services to ensure that they remain effective and are helping to reach those who do not use our services. This will include helping us to overcome the challenges we face with the helpline where demand outstrips our ability to answer the calls – for every we call we take we currently lose one due to lack of capacity.
- Completion of the implementation of a new CRM (database) – the biggest infrastructure investment AvMA has ever made, which will greatly improve our efficiency. We expect to complete the final phases of implementation in the year ahead.
- Further development of the 'Harmed Patient Pathway', seeking to ensure a consistent approach is taken to meeting the needs of harmed patients and their families.
- Continuing policy and influencing work around possible further Government clinical negligence reforms, the pre-cursor to which is the review being led by David Lock KC, announced as part of the Governments NHS 10 Year Plan.
- The launch of the Certificates of Competence Scheme (CCS), an initiative which aims to enable AvMA to better engage with paralegals as well as newly qualified and junior solicitors.
- Continuing to consider ways in which we can meaningfully support our beneficiaries who are unable to secure legal representation.
- Continuing to engage with MNSI Maternity and Newborn Safety Investigations to promote the best service to families and to assist them wherever we can in bringing down the number of obstetric injuries occurring by promoting learning.
- Working with other stakeholders such as Society Clinical Injury Lawyers (SCIL), Association Personal Injury Lawyers (APIL) to name but two in bringing about objectives identified in this section.

“THANK YOU”

AvMA provides all of its services to the public for free and receives no State funding. It has to rely on its own fundraising and income generation activities to function. We are very grateful to all our supporters; donors; paying customers; and business partners for making this happen.

We would like to say a special thank you to the following people and organisations who supported us in 2024-25:

- Those we support and others who made a donation to us or left us a legacy and to the many firms who organised fundraising events for us in the year.
- Barristers and others who provided pro bono services to our beneficiaries such as through an inquest.
- Partners in Costs (Our Platinum medico-legal sponsor and organiser of famous curry nights)
- Pentland Medical (our Silver 'Partners for Patient Safety' corporate member)
- The many sponsors and exhibitors of all our conferences and events
- The core group of people who have worked with us to co-produce the Harmed Patient Pathway.

We would also like to thank all of our volunteers, not least those who volunteer on our helpline; without that support we could not provide a service that we know has such an important impact for so many of the beneficiaries who first come to us through that route.

STRUCTURE, GOVERNANCE & MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 4 April 1988 and registered as a charity on 17 April 1988. The organisation changed its name to Action against Medical Accidents (AvMA) on 3 December 2003.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. These governing documents are regularly reviewed by the Board of Trustees to ensure that the charity is not undertaking activities that fall outside its charitable purposes (objects), and its governance follows good practice.

Trustees collectively form the Board of Trustees.

Board of Trustees and appointment of Board members

Individual trustees (members of the Board) are appointed by the Board of Trustees. Not less than six nor more than 15 Board members may be appointed. The Board may co-opt people to fill casual vacancies provided the maximum of 20 is not exceeded. Trustees who are appointed to the Board for a period of three years. Retiring members are eligible for re-election at the Annual General Meeting on two subsequent occasions and may not serve longer than nine years in total.

Recruitment of new trustees takes place as and when the Board believes this is necessary to add to or complement the experience, knowledge and skills available to the Board. It is our practice to advertise publicly explaining the criteria and skills being sought. Potential new trustees are interviewed by at least two trustees, usually including the Chair. Based on objective criteria, the recommendations to appoint a new trustee are put to the full Board together with the candidate's background details for a decision. We also have the role of 'associate trustees' to help attract new talent without formal board experience so that they can gain governance experience before taking on the full trustee role. They are not legally full trustees and so are not registered with Companies House or the Charity Commission.

During the year three new trustees and one associate trustee were appointed. This brings the total number of trustees to eleven at the year end, plus one associate trustee.

All new trustees receive an induction into the work of the charity and their roles and responsibilities as trustees. Trustees are asked to declare any conflicts of interest or matters which may disqualify them as a trustee. Trustees are also encouraged to attend further training where appropriate. Declarations of Interest are discussed and put on each Board and Committee agenda. Any conflicts of interest are added to a Conflict-of-Interest Register.

The Board meets a minimum of four times a year.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up or within one year after they cease to be a member. The total number of such guarantees on 31 March 2025 was 11

(not including the associate trustee). Members of the Board of Trustees have no beneficial interest in the charitable company.

The Board is supported by four Committees – Resource Committee, Service Delivery, Quality & Outcomes Committee, Income Generation, Events and Marketing Committee and the Information, IT, Risk & Compliance. Each Committee meets four times a year between Board meetings and undertakes more detailed scrutiny of areas of the charity's remit, which in the view of the Board, require additional oversight and scrutiny.

AvMA has a trading company, AvMA Services Ltd, which is used when there has been non-charitable trading beyond the amount permissible by the Charity Commission. AvMA Services Ltd has been inactive in 2024-25.

Honorary Officers

The Board appoints members to serve as Chairperson, Treasurer and Senior Independent Director for three years at the Annual General Meeting falling closest to the end of their three-year terms as trustees. Caroline Browne - Senior Independent Director was re-appointed in December 2023 alongside Michele Salter who was appointed as Treasurer. Jocelyn Cornwell continues as Chair.

Delegation of day-to-day running of the charity

Trustees delegate the day-to-day running of the charity to the Chief Executive under the policies of a delegation framework and delegation authority limits.

Patrons

The role of patron does not involve any legal or governance responsibilities. Patrons act as ambassadors for the charity and help by providing advice, taking part in events, making introductions and generally spreading the word about AvMA and its work.

Remuneration of key management personnel

The Board of Trustees has a remuneration policy covering all employees. Salary levels are set and reviewed through trustees' review of salaries available in comparable organisations and by reference to the NJC and NHS Pay Scales. Annual cost of living increments is

awarded at the discretion of the Board of Trustees, with reference to the Consumer Price Index for the previous calendar year and bearing in mind the charity's finances and the financial climate generally. AvMA's full remuneration policy is published on the charity's website.

Financial Review

Despite continuing challenging economic conditions, the Trustees were grateful for the continued generosity of AvMA supporters which resulted in the charity receiving in total income £1,448k (2024: £1,493k). In comparison to the previous year, income from charitable activities decreased, mitigated by a slight increase in voluntary income. Despite the overall decline in income the charity used some reserves to spend 14% more funds on its charitable activities during the year. Enabling more people who suffer avoidable medical harm to get the support and the outcomes they need.

Demand for our vital services continues to grow and AvMA is completely reliant on its own

income generation activities with no State support. The trustees approved the recruitment of an experienced Fundraising lead to develop a fundraising strategy to increase the growth and diversification of its income generating activities. This resulted in a slight increase in the costs of raising funds, 2025: £78k (2024: £57k). Although voluntary income rose slightly during the year, the fundraising strategy will take time to establish and will require increased AvMA supporters and sponsors. During the year, including legacy income, for every £1 invested in fundraising, £2.68 helped fund charitable activities. At year end AvMA's balance sheet remained healthy; debtors decreased by £149k and cash increased following the sale of property, partly previously used as an office for the charity. Trustees approved the sale to support the charity in reducing operating costs and freeing up cash for the charity to invest in key strategy objectives to review and increase its charitable services.

Principal risks and uncertainties

The main risk facing the charity continues to be the uncertainty facing the future of clinical negligence litigation. Most of the charity's income is generated through the provision of services to clinical negligence lawyers, both through the Lawyers' Service and the provision of conferences and training. Various legal changes have already created difficulties for law firms wishing to practice clinical negligence, which is seeing mergers or firms dropping out of clinical negligence work. This is, in turn, increasing pressure on our abilities to generate income. Charity is addressing this risk by attempting to diversify and develop new sources of income through fundraising activities. The situation is kept under constant review.

A further principal risk is the uncertainty in financial markets which may affect the charity's investments. In the light of this, the trustees have continued with the charity's investment strategy of de-risking the short-term element of the portfolio and assuming medium risk for the long-term part.

Trustees consider known significant risks and strategies for mitigating them through a risk register which is reviewed regularly by the Board and its committees.

Reserves and Investment Policy

Background and financial strategy

As set in the principal risk section above, we are in a period when income from our traditional revenue sources is declining significantly, against a background of the current controlled deficit budget. Current trends and uncertainties lead us to expect this fall to continue in the coming few years.

The trustees have a five-year financial strategy which runs concurrently with the overall strategy to address the situation on a timely and considered basis. Our financial strategy is to move to a sustainable balanced budget over the five years of the strategic plan, against the background of anticipated contraction of our traditional revenue streams, through developing new sources of fundraising income and making cost efficiencies in a carefully controlled manner. This is reviewed each year on a rolling basis.

We plan to utilise our current designated reserves to help fund an approved 5-year strategy, supported by a transitional fund, to ensure we have set aside reserves to manage our day-to-day charitable activities whilst we provide necessary investment to

successfully meet our strategic goals, against an environment of continuing economic uncertainty.

The designated funds will support investment in our strategic aims to reach more communities with our services. Increase awareness of our vital charitable activities, working collaboratively with government and health care providers to change policy and improve practice via our patient safety and campaigning work. Continually improve efficiency in our IT infrastructure and provide improved longer-term financial sustainability through increasing and diversifying income generating growth, mainly through investing in new fundraising initiatives. Also to continue to invest carefully in new development activities as appropriate.

Most of these designated funds are expected to be spent and the balance to be near target level by the end of the strategy period.

Reserves policy

The trustees have a policy to retain sufficient free reserves to cover working capital requirements and realistic contingencies. This is calculated as:

- Working capital: 6 months' running costs including salaries, and 75% of conference venue costs.
- Contingency reserve £200,000: to cover the risk of a short-term fall in income over committed expenditure, together with operational risks and exceptional costs.

At current activity levels this amounts to target reserves of £1,195k

Level of reserves

Note 20a, movements in funds, shows we have general reserves of £1,061k at the year-end. This general fund amount was just below our reserves policy explained above, resulting in £100k of designated reserves (transitional fund) required to fund this deficit.

Designated reserves reduced from 2024: £2,822k to 2025: £2,687k with funds spent on IT infrastructure, preparing for the sale of property in August 2024 and supporting the start of a fundraising strategy.

Investment policy

The trustees have agreed to invest the reserves in an ethical investment portfolio, to achieve returns that enable the funding of AvMA's requirements both in the short and the long-term. Short-term requirements (up to 3 years) are placed on deposit to achieve some return whilst ensuring appropriate liquidity, using a specialist cash management service where possible. The remaining reserves are held within a long-term investment portfolio managed by Castlefield and Tavistock. The total investment portfolio including the cash is conservatively structured with an emphasis on capital preservation, but also with an overall target return in the region of 2.5%. Although the Castlefield investment did not perform to target return during the year, due to difficult economic global markets. The trustees were pleased these investments had returned 10.95% since inception. The net value of both investment portfolios rose by £22k by year end.

Management and trustees monitor the financial plan, reserves levels and investment policy closely in the light of changing circumstances.

Statement of Responsibilities of the Board of Trustees

The Board of Trustees (whose members are also directors of Action against Medical Accidents for the purposes of company law) is 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the Board of Trustees are required to:

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

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

In so far as the Board of Trustees is aware:

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

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

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

Approved by the Board of Trustees on 9 December 2025 and signed on its behalf by

Paul Whiteing
Company Secretary

To the members of Action Against Medical Accidents

For the year ended 31 March 2025

Opinion

We have audited the financial statements of Action against Medical Accidents (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 Action against Medical Accidents' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or

To the members of Action Against Medical Accidents

For the year ended 31 March 2025

apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

To the members of Action Against Medical Accidents

For the year ended 31 March 2025

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our 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, are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, finance committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance.
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud.
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

To the members of Action Against Medical Accidents

For the year ended 31 March 2025

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable 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.

Noelia Serrano (Senior statutory auditor)

Date: 11 December 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

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

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2025

	Note	Unrestricted £	2025 Total £	Unrestricted £	2024 Total £
Income from:					
Donations and legacies	2	287,887	287,887	278,241	278,241
Charitable activities					
Conferences and training	3	473,173	473,173	521,664	521,664
Medico-legal services	3	421,015	421,015	407,641	407,641
Advice, information and support	3	14,452	14,452	9,981	9,981
Other trading activities	4	168,351	168,351	168,531	168,531
Investments	5	82,869	82,869	105,722	105,722
Other		359	359	1,185	1,185
Total income		1,448,106	1,448,106	1,492,965	1,492,965
Expenditure on:					
Raising funds	6	78,217	78,217	57,386	57,386
Charitable activities					
Conferences and training	6	533,361	533,361	462,766	462,766
Medico-legal services	6	394,342	394,342	356,977	356,977
Advice, information and support	6	460,120	460,120	389,557	389,557
Policy and external relations	6	83,896	83,896	73,477	73,477
Charitable trading activities	6	35,863	35,863	38,615	38,615
Total expenditure		1,585,799	1,585,799	1,378,778	1,378,778
Net (expenditure) / income before net gains on investments		(137,693)	(137,693)	114,187	114,187
Net gains on investments	14	22,662	22,662	15,672	15,672
Net (losses) on investment property	13b	-	-	(93,769)	(93,769)
(Impairment loss) on leasehold property	13a	-	-	(26,231)	(26,231)
Net (expenditure) / income for the year	7	(115,031)	(115,031)	9,859	9,859
Reconciliation of funds:					
Total funds brought forward	20	3,863,011	3,863,011	3,853,152	3,853,152
Total funds carried forward	20	3,747,980	3,747,980	3,863,011	3,863,011

All funds are unrestricted. All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

Balance Sheet

For the year ended 31 March 2025

Company No 02239250

	Note	£	2025 £	£	2024 £
Fixed assets:					
Intangible assets	12		223,948		189,884
Tangible assets: other	12		11,617		5,911
Tangible assets: leasehold property	13a		–		327,884
Investment property	13b		–		1,172,116
Investments	14		2,624,651		1,147,996
			<u>2,860,216</u>		<u>2,843,791</u>
Current assets:					
Debtors	15	168,896		317,687	
Cash at bank and in hand		1,039,373		887,475	
			<u>1,208,269</u>	<u>1,205,162</u>	
Liabilities:					
Creditors: amounts falling due within one year	16	320,505		185,942	
			<u>887,764</u>		<u>1,019,220</u>
Net current assets					
			<u>3,747,980</u>		<u>3,863,011</u>
Total net assets					
			<u>3,747,980</u>		<u>3,863,011</u>
The funds of the charity:	20				
Unrestricted income funds:					
Designated funds		2,686,573		2,822,098	
General funds		1,061,407		1,040,913	
			<u>3,747,980</u>	<u>3,863,011</u>	
Total unrestricted funds					
			<u>3,747,980</u>	<u>3,863,011</u>	
Total charity funds					
			<u>3,747,980</u>	<u>3,863,011</u>	

Approved by the trustees on 9th December 2025 and signed on their behalf by

Dr Jocelyn Cornwell
ChairMichele Salter
Treasurer

Statement of cash flows

For the year ended 31 March 2025

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

	2025	2024
	£	£
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	(115,031)	9,859
Depreciation and amortisation charges	34,513	24,359
(Gains) on investments	(22,662)	(15,672)
Loss on property revaluation	–	120,000
Dividends, interest and rent from investments	(82,869)	(105,722)
Decrease / (increase) in debtors	148,791	(194,847)
Increase / (decrease) in creditors	134,563	(121,229)
Net cash provided by / (used in) operating activities	97,305	(283,252)

	2025	2024
	£	£
Cash flows from operating activities		
Net cash provided by / (used in) operating activities	97,305	(283,252)
Cash flows from investing activities:		
Dividends, interest and rents from investments	82,869	105,722
Purchase of fixed assets	(74,283)	(44,297)
Proceeds from sale of Fixed Assets	1,500,000	123,679
Purchase of fixed asset investments and cash invested into portfolio	(1,453,993)	(134,479)
Net cash from investing activities	54,593	50,625
Change in cash and cash equivalents in the year	151,898	(232,627)
Cash and cash equivalents at the beginning of the year	887,475	1,120,102
Cash and cash equivalents at the end of the year	1,039,373	887,475

Analysis of cash and cash equivalents and of net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	257,065	59,370	316,435
Notice deposits (less than three months)	630,410	92,528	722,938
Total cash and cash equivalents	887,475	151,898	1,039,373
Total	887,475	151,898	1,039,373

1 Accounting policies

a) Statutory information

Action against Medical Accidents is a charitable company limited by guarantee and is incorporated in England.

The registered office address and principal place of business is Canopi, 82 Tanner Street, London, SE1 3GN.

b) Basis of preparation

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

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

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

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, including the impact of covid on the charity within the year and going forward.

e) Income

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

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

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

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

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

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

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

g) 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.

h) Fund accounting

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

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

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

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

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

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

● Raising funds	5%
● Conferences and training	24%
● Medico-legal services	30%
● Advice, information and support	33%
● Policy and external relations	5%
● Charitable trading activities	3%

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

1 Accounting policies (continued)

k) Operating leases

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

l) Fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

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

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

- | | |
|--|----------|
| • Computer equipment and website development | 3 years |
| • Office equipment and furniture | 5 years |
| • Databases | 10 years |

The leasehold property is valued under the revaluation model. No depreciation is charged on the leasehold property on the grounds of immateriality due to a long expected life and high residual value.

m) Listed investments

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

Investments in subsidiaries

Investments in subsidiaries are at cost.

Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value will be stated in the notes to the accounts. At the end of the year the charity had no property investments following a property sale in August 2024

n) 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.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

p) 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.

1 Accounting policies (continued)**q) 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.

r) Pensions

The charitable company offers all staff a stakeholder pension scheme in accordance with auto enrolment requirements. The charitable company pays an agreed contribution to this scheme on their behalf. The assets of the pension fund are independent from the company and the pension cost charge represents contributions payable. The charitable company has no additional liability other than for the payment of those contributions.

2 Income from donations and legacies

	2025 Total £	2024 Total £
Experts' donations	5,650	7,806
Corporate donations	51,606	24,428
Unclaimed clients' money	191	715
Legacies	203,740	232,000
Other donations	15,363	7,725
Other fundraising	11,337	5,567
	<u>287,887</u>	<u>278,241</u>

All funds for 2025 and 2024 were unrestricted.

3 Income from charitable activities

	2025 Total £	2024 Total £
Delegate, sponsor and webinar income	473,173	521,664
Total: conferences and training	473,173	521,664
Subscription fees	397,647	392,553
Referral panel fees	23,368	15,088
Total: medico-legal services	421,015	407,641
Sponsored leaflets	14,452	9,981
Other	-	-
Total: advice, information and support	14,452	9,981
Total income from charitable activities	908,640	939,286

All funds for 2025 and 2024 were unrestricted.

4 Income from other trading activities

	2025 Total £	2024 Total £
AvMA events	1,118	5,569
Website subscriptions	139,032	131,958
Lawyers' service directory	5,927	5,927
Publications	21,357	13,006
Fees earned	-	1,169
Corporate sponsorship	917	10,902
	168,351	168,531

All funds for 2025 and 2024 were unrestricted.

5 Income from investments

	2025 Total £	2024 Total £
Dividends and interest	70,702	56,781
Rent	12,167	48,941
	82,869	105,722

All funds for 2025 and 2024 were unrestricted.

6a Analysis of expenditure (current year)

	Charitable activities									
	Cost of raising funds £	Conferences and training £	Medico-legal services £	Advice, information and support £	Policy and external relations £	Charitable trading activities £	Governance costs £	Support costs £	2025 Total £	2024 Total £
Staff costs (Note 8)	44,860	147,803	198,175	233,448	49,156	16,285	38,939	280,574	1,009,240	907,651
Direct cost of events	435	230,698	10	359	-	-	-	-	231,502	196,889
Travel, subsistence and accommodation	264	-	-	21	526	-	1,194	2,512	4,517	3,128
Call handling	-	-	-	7,540	-	-	-	-	7,540	6,447
Investment management fees	-	-	-	-	-	-	-	12,972	12,972	11,516
Other professional fees	-	-	-	-	-	-	11,451	69,451	80,902	43,815
Office costs	444	233	2,874	421	2,000	-	1,695	91,653	99,320	70,733
Premises costs	-	-	-	5,721	-	-	-	88,549	94,270	100,126
Depreciation	-	-	-	-	-	-	-	34,513	34,513	24,359
Training and development	-	-	-	-	-	250	-	5,779	6,029	2,977
Major projects	-	-	-	-	-	-	-	-	-	5,098
Sundry	-	-	-	-	-	-	36	4,958	4,994	6,039
Direct expenditure	46,003	378,734	201,059	247,510	51,682	16,535	53,315	590,961	1,585,799	1,378,778
Support costs	29,548	141,831	177,288	195,016	29,548	17,729	-	(590,961)	-	-
Governance costs	2,666	12,796	15,995	17,594	2,666	1,599	(53,315)	-	-	-
Total expenditure 2025	78,217	533,361	394,342	460,120	83,896	35,863	-	-	1,585,799	1,378,778
Total expenditure 2024	57,386	462,766	356,977	389,557	73,477	38,615	-	-	-	1,378,778

6b

Analysis of expenditure (prior year)

	Charitable activities								
	Cost of raising funds £	Conferences and training £	Medico-legal services £	Advice, information and support £	Policy and external relations £	Charitable trading activities £	Governance costs £	Support costs £	2024 Total £
Staff costs (Note 8)	30,886	140,913	196,751	205,098	46,864	21,943	31,771	233,425	907,651
Direct cost of events	-	196,041	270	-	-	578	-	-	196,889
Travel, subsistence and accommodation	-	5	108	200	403	-	916	1,496	3,128
Call handling	-	-	-	6,447	-	-	-	-	6,447
Investment management fees	-	-	-	-	-	-	-	11,516	11,516
Other professional fees	-	-	-	-	-	-	11,937	31,878	43,815
Office costs	290	-	2,589	349	-	368	1,754	65,383	70,733
Premises costs	-	-	-	4,479	-	-	-	95,647	100,126
Depreciation	-	-	-	-	-	-	-	24,359	24,359
Training and development	-	-	-	-	-	-	-	2,977	2,977
Major projects	-	-	-	-	-	-	-	5,098	5,098
Sundry	-	-	-	-	-	-	26	6,013	6,039
Direct expenditure	31,176	336,959	199,718	216,573	47,267	22,889	46,404	477,791	1,378,778
Support costs	23,890	114,670	143,338	157,671	23,890	14,334	-	(477,791)	-
Governance costs	2,320	11,137	13,921	15,313	2,320	1,392	(46,404)	-	-
Total expenditure 2024	57,386	462,766	356,977	389,557	73,477	38,615	-	-	1,378,778

7 Net outgoing resources for the year

This is stated after charging / (crediting):

	2025 £	2024 £
Depreciation	34,513	24,359
Auditor's remuneration (excluding VAT):		
Audit – current year	9,785	9,500
Foreign exchange (gains)	-	(33)
	<u> </u>	<u> </u>

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

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	897,690	814,201
Social security costs	91,695	74,806
Employer's contribution to defined contribution pension schemes	19,855	18,644
	<u>1,009,240</u>	<u>907,651</u>

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

	2025 No.	2024 No.
£80,000 – £89,999	2	2
£70,000 – £79,999	-	-
£60,000 – £69,999	-	-
	<u> </u>	<u> </u>

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £391,503 (2024: £202,155).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

Trustees' expenses represents the payment or reimbursement of travel, subsistence and accommodation costs totalling £372 (2024: £807) incurred by 3 (2024: 7) members relating to attendance at trustee meetings and events.

9 Staff numbers

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

	2025 No.	2024 No.
Raising funds	0.7	0.6
Conferences and training	3.7	3.7
Medico-legal services	4.7	4.5
Advice, information and support	5.4	4.8
Policy and external relations	0.7	0.7
Charitable trading activities	0.3	0.4
Support	5.8	5.6
Governance	0.6	0.5
	<u>21.9</u>	<u>20.8</u>

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

	2025 No.	2024 No.
Raising funds	0.7	0.6
Conferences and training	3.0	3.0
Medico-legal services	3.7	3.6
Advice, information and support	4.8	4.1
Policy and external relations	0.7	0.6
Charitable trading activities	0.3	0.4
Support	5.1	4.8
Governance	0.5	0.5
	<u>18.8</u>	<u>17.6</u>

10 Related party transactions

There are no related party transactions to disclose for 2025 (2024: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties (2024: none).

11 Taxation

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

12 Tangible and intangible fixed assets

	Computer equipment and website (Tangible) £	Office equipment and furniture (Tangible) £	MS Dynamics CRM database (Intangible) £	Total £
Cost or valuation				
At the start of the year	46,612	6,368	210,982	263,962
Additions in year	12,991	–	61,292	74,283
Written off in year	(665)	(4,622)	–	(5,287)
At the end of the year	58,938	1,746	272,274	332,958
Depreciation				
At the start of the year	40,701	6,368	21,098	68,167
Charge for the year	7,285	–	27,228	34,513
Eliminated on disposal	(665)	(4,622)	–	(5,287)
At the end of the year	47,321	1,746	48,326	97,393
Net book value				
At the end of the year	11,617	–	223,948	235,565
At the start of the year	5,911	–	189,884	195,795

All of the above assets are used for charitable purposes. The leasehold property is disclosed separately, see note 13. The Microsoft Dynamics CRM database was still in final development at the year end; the majority of the work was completed with some modules carried forward to the following year.

13 Property

At the year end the charity no longer owned the leasehold to Freedman House which comprises 4 floors. In August 2024 the charity sold the leasehold for £1,500,000. The original total cost in 2013 was £1,206,659. The received sales value agreed to the S119 report by Savills (UK) Limited. This value is £120,000 lower than the value at 31 March 2023 and £293,341 higher than the original cost.

13a Tangible fixed assets: Leasehold property**(Ground floor only)**

	2025 £	2024 £
Valuation		
At the start of the year	448,108	512,500
Transfer to investment property	-	(64,392)
Disposal of Leasehold property	(448,108)	-
	<u>-</u>	<u>448,108</u>
Depreciation		
At the start of the year	120,224	107,500
Impairment loss	-	26,231
Transfer to investment property	-	(13,507)
Disposal of Leasehold property	(120,224)	-
	<u>-</u>	<u>120,224</u>
Net book value		
At the end of the year	<u>-</u>	<u>327,884</u>

13b Investment property**(First, second and third floors)**

	2025 £	2024 £
Fair value at the start of the year	1,172,116	1,215,000
Revaluation during the year	-	(93,769)
Transfer from investment property (first floor)	-	50,885
Sale of Investment Property	(1,172,116)	-
	<u>-</u>	<u>1,172,116</u>

14 Investments

	2025 £	2024 £
Fair value at the start of the year	1,147,897	1,121,425
Additions at cost	1,472,467	123,509
Disposal proceeds	(1,151)	(123,679)
Net gain on change in fair value	22,662	15,672
Movements in cash element of portfolio	(17,323)	10,970
Fair value at the end of the year	<u>2,624,552</u>	<u>1,147,897</u>
Historic cost at the end of the year	<u>-</u>	<u>1,163,911</u>
Investments comprise:		
Investment Trusts/OEICs/REITs/SICAVs	2,614,478	1,120,511
Cash	10,074	27,386
	<u>2,624,552</u>	<u>1,147,897</u>
Share in subsidiary undertaking (see below)	99	99
	<u>2,624,651</u>	<u>1,147,996</u>

Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of AVMA Services Limited, a company registered in England. The company did not trade in this or the prior financial year. The subsidiary's net assets are £99 (2024: £99).

15 Debtors

	2025 £	2024 £
Trade debtors	74,219	59,820
Other debtors	5,007	34,413
Prepayments	33,297	27,052
Accrued income	56,373	196,402
	<u>168,896</u>	<u>317,687</u>

16 Creditors: amounts falling due within one year

	2025 £	2024 £
Taxation and social security	50,187	23,609
Other creditors	8,607	10,033
Accruals	73,250	44,610
Deferred income (note 17)	188,461	107,690
	<u>320,505</u>	<u>185,942</u>

17 Deferred income

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

	2025 £	2024 £
Balance at the beginning of the year	107,690	173,969
Amount released to income in the year	(107,690)	(173,969)
Amount deferred in the year	188,461	107,690
Balance at the end of the year	<u>188,461</u>	<u>107,690</u>

18 Pension scheme

The charity contributes to a defined contribution stakeholder pension scheme for its employees. Contributions are set out in note 8 above. There were no amounts owed at 31 March 2025 (2024: £nil).

19a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Total funds £
Intangible fixed assets – database	–	223,948	223,948
Tangible fixed assets – other	–	11,617	11,617
Fixed asset investments	173,643	2,451,008	2,624,651
Net current assets	887,764		887,764
Net assets at 31 March 2025	<u>1,061,407</u>	<u>2,686,573</u>	<u>3,747,980</u>

19b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Total funds £
Intangible fixed assets – database	–	189,884	189,884
Tangible fixed assets – other	–	5,911	5,911
Tangible fixed assets – leasehold property	–	327,884	327,884
Investment property	–	1,172,116	1,172,116
Fixed asset investments	21,693	1,126,303	1,147,996
Net current assets	1,019,220	–	1,019,220
Net assets at 31 March 2024	<u>1,040,913</u>	<u>2,822,098</u>	<u>3,863,011</u>

20a Movements in funds (current year)

	At 1 April 2024 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2025 £
Unrestricted funds:					
Designated funds:					
Fixed assets – property	1,500,000	-	-	(1,500,000)	-
Fixed assets – CRM database	189,884	-	-	34,064	223,948
Fixed assets – other	5,911	-	-	5,706	11,617
Major repairs and maintenance	200,000	-	(23,000)	(177,000)	-
CRM replacement	42,198	-	(61,292)	49,094	30,000
Laptop replacement	23,705	-	(12,991)	-	10,714
Transitional fund	500,000	-	(100,000)	-	400,000
Business development projects	10,000	-	-	-	10,000
New website and finance software	120,000	-	-	-	120,000
Digital strategy	4,900	-	-	-	4,900
Harmed Patient Pathway Development	10,000	-	(1,095)	-	8,905
Property update and file clearing	15,500	-	(12,407)	(3,093)	-
Fundraising resource investment	200,000	-	(13,604)	-	186,396
Property proceeds –service outreach, patient safety policy, and campaigning	-	-	-	1,680,093	1,680,093
Total designated funds	2,822,098	-	(224,389)	88,864	2,686,573
General funds	1,040,913	1,470,768	(1,361,410)	(88,864)	1,061,407
Total unrestricted funds	3,863,011	1,470,768	(1,585,799)	-	3,747,980
Total funds	3,863,011	1,470,768	(1,585,799)	-	3,747,980

20b Movements in funds (prior year)

	At 1 April 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2024 £
Unrestricted funds:					
Designated funds:					
Fixed assets – property	1,620,000	–	–	(120,000)	1,500,000
Fixed assets – CRM database	175,551	–	–	14,333	189,884
Fixed assets – other	306	–	–	5,605	5,911
Major repairs and maintenance	200,000	–	–	–	200,000
CRM replacement	75,000	–	(35,431)	2,629	42,198
ICT replacement	10,328	–	–	(10,328)	–
Laptop replacement	25,000	–	(8,866)	7,571	23,705
Transitional fund	600,000	–	–	(100,000)	500,000
Business development projects	110,000	–	–	(100,000)	10,000
New website and finance software	120,000	–	(5,098)	5,098	120,000
Digital strategy	10,000	–	–	(5,100)	4,900
Patient safety campaign development	10,000	–	–	–	10,000
Property update and file clearing	30,000	–	(17,759)	3,259	15,500
Fundraising investment	–	–	–	200,000	200,000
Total designated funds	2,986,185	–	(67,154)	(96,933)	2,822,098
General funds	866,966	1,492,965	(1,415,952)	96,933	1,040,913
Total unrestricted funds	3,853,152	1,492,965	(1,483,106)	–	3,863,011
Total funds	3,853,152	1,492,965	(1,483,106)	–	3,863,011

20 Purposes of designated funds

Fixed asset – property: the charity purchased the leasehold to Freedman House on 2 May 2013 for £1.2 million. Excluding selling costs, the property was sold for £1.5 million on 30 August 2024. Trustees have agreed to designate these proceeds to broadening of our service outreach, as well as resourcing our patient safety policy and campaign work.

Fixed asset – CRM database: reflects the development cost to date of the new CRM database, Microsoft Dynamics. This was still in development at the year end; the majority of the work was complete and some modules were completed and in use and so a full year's depreciation has been charged on the costs to date.

Other fixed assets: reflects the reducing net book value of the ICT, website, furniture and office equipment. The transfer represents the net of; the cost of assets purchased, less disposals and depreciation during the year.

Major repairs and maintenance: for major works to maintain the value of the property in the future. With the property being sold by year end, the balance of this fund has been transferred to broadening of our service outreach, as well as resourcing our patient safety policy and campaign work.

Transitional fund : to ensure we have set aside reserves to manage our day-to-day charitable activities whilst we provide necessary investment to successfully meet our strategic goals, against an environment of continuing economic uncertainty.

CRM replacement: to complete the CRM database project to replace our legacy system Seneca. Includes development costs and project management. Further funds have been approved to complete the development of the project.

Business development projects: to invest in projects to improve efficiency of the charity

New website and finance software: to implement new finance software Iplacit and develop new website for the organisation.

Laptop replacement: one-off project to replace the laptops used by all staff.

Digital strategy: to commission consultancy for production of an overarching digital strategy for the charity.

Patient safety campaign: costs associated with developing the Harmed Patient Pathway.

Property update and file clearing: to smarten up Freedman House and clear/digitise stored documents. This work was completed prior to the sale of the property. The small remaining balance being transferred to strategic investments.

Fundraising Resource investment: to invest in further fundraising capability and support tools, in line with work with our income generation Director.

Proceeds of Property sale : to broaden of our service outreach, as well as resourcing our patient safety policy and campaign work. These funds are required to review and expand our services, increase awareness of our vital charitable activities via a patient safety and campaigning work.

21 Capital commitments

At the balance sheet date, the charity had no capital commitments

22 Contingent assets and liabilities

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

23. Post balance sheet events

At the balance sheet date the charity had no significant post balance sheet events

Accounts

Company number: 2239250

Charity number: 299123

OSCR number: SCO39683

Action against Medical Accidents

Report and financial statements

For the year ended 31 March 2024

Action against Medical Accidents

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Action against Medical Accidents

Reference and administrative details

For the year ended 31 March 2024

Action against Medical Accidents (also known as “AvMA”)

Company number	2239250	
Country of incorporation	United Kingdom	
Charity number	299123	
Country of registration	England & Wales	
OSCR number	SCO39683	
Registered and principal office address	Freedman House Christopher Wren Yard, 117 High Street CROYDON, CR0 1QG	
Patrons	Peter Ransley (Honorary Life President) Umesh Prabhu James Badenoch KC Dame Professor Donna Kinnair	
Honorary officers	Jocelyn Cornwell Michele Salter Caroline Browne	Chair Treasurer (December 2023) Senior Independent Director
Trustees	Michael Andersson Caroline Browne Janine Collier Jocelyn Cornwell Jane Hawdon Nigel Holland Amrat Khorana Bill Kilvington Carol Parsons Farrah Pradhan Michele Salter	(appointed Sept 2023, resigned Feb 2024) (retired December 2023) (appointed June 2023) (associate trustee, appointed June 2023) (appointed June 2023, Treasurer from December 2023)
Key management personnel	Paul Whiteing Nathan Bacon Nicky Rushden	Chief Executive Operations Director Finance Manager

Action against Medical Accidents

Reference and administrative details

For the year ended 31 March 2024

Bankers	Co-operative Bank plc Delf House, Southway SKELMERSDALE, WN8 6NY
	Tavistock Private Client Ltd The Barn, Downing Park Station Rd, Swaffham Bulbeck CAMBRIDGE, CB25 0NW
Independent financial advisors	Castlefield Advisory Partners Ltd 8 th floor, 111 Piccadilly MANCHESTER, M1 2HY
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditors 110 Golden Lane LONDON, EC1Y 0TG
Solicitors	Tees Law Tees House 95 London Road Bishop's Stortford HERTFORDSHIRE, CM23 3GW

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2024

The Board of Trustees presents its report and the audited financial statements for the year ended 31 March 2024.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and Activities

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

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

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

In ordinary language trustees believe our purpose can best be described as “to support people affected by avoidable medical harm in healthcare and to help them get the outcome they need; and to promote better patient safety for all”.

Our beneficiaries

AvMA’s beneficiaries are people who have been affected by avoidable harm in healthcare and who are directly helped and supported by our services; and others who benefit from the changes in policy and practice we bring about through our public education and influencing work. Below we describe how we help our beneficiaries through our main activities.

2023–24 in summary

This year marked the final year of AvMA’s five-year strategic plan and the creation of the next plan covering the period 2024–2029. Trustees and senior staff spent time together at a facilitated day in October 2023 working through our vision, mission and strategic objectives for the next five years having regard to the various challenges and opportunities we face into both internally and externally. Following the day, there were a series of further discussions and iterations of the strategic plan that was then published in April 2024. A copy is available on the AvMA website, and we will report on progress in delivery against the strategy in future impact and annual reports.

- The Board met 4 times in the year. During the year one trustee resigned for personal reasons and, after the year-end, it was decided to undertake a skills audit of trustees in order to inform the board as to gaps in the skills that should be recruited to later in 2024.
- During the year the board agreed to engage consultants to assist in developing a more diverse and resilient income base for the charity. The consultants identified a number of potential opportunities for expanding income, not least through additional fundraising. Trustees agreed that we should expand our capacity in this area through the recruitment of a Fundraising, Marketing and Communications Director which will be completed later in 2024.

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2024

- We continued to campaign for a range of changes we would like to see to healthcare and systems of justice. In respect of healthcare, the case for senior independent advocates to support harmed patients continued to be made. In respect of access to justice, the charity made responses to government changes to the recovery of costs in litigation that were brought forward in the year such as in respect of Fixed Recoverable Costs. We also joined the charity, Inquest, in their call for a National Oversight Mechanism (NOM) for inquests. In particular, recommendations made by Coroners in Prevention of Future Death reports, which In AvMA's experience too often get ignored need greater scrutiny and oversight. This is because opportunities for learning and improvement from patient safety incidents are often then missed.
- The quality of advice we provided continued to get excellent feedback from those we support and we increased the number of people we helped directly.
- We continued to develop our work on the 'Harmed Patient Pathway' and had an opportunity at the 2023 Patient Safety Congress in Manchester to showcase to healthcare providers the potential benefits of such a pathway.
- At the end of the year, we held our Annual Clinical Negligence Conference in Leeds and had the highest attendance ever (over 500 delegates) and a record level of exhibitors supporting the event.

Advice, Information and Support

The advice and support we provide to people affected by avoidable harm in healthcare is at the very heart of what AvMA does and is something we plan to expand by seeking to reach people in disadvantaged communities who, we believe, may be in need of our services. The experience of those we support informs everything we do. In 2023–24 we directly helped 3,008 people (2,464 in 2022–23) with many others benefiting from our self-help guides and online information through our website.

Our Helpline provides specialist, sympathetic support to people when they are coping with the trauma of their experience. It reassures them that an organisation exists which understands their plight and is here to help them. Our helpline staff and volunteers explain people's rights, how different medico-legal processes and procedures work, and they put people in touch with other specialist support where needed. By the end of the year, we had around 100 volunteers working on our helpline. We are grateful to our team of trained volunteers who enable us to make this service available Monday to Friday 10am–3.30pm. In 2023–24 we advised on 2,451 calls (2,045 in 2022–23). These are often extremely serious and complex cases. AvMA is the only charity providing a specialist medico-legal helpline in the UK and we continue to make every effort to promote the helpline to other organisations that signpost people for advice and assistance.

AvMA's Medico Legal Advisors are all experienced professionals and are either medically and/or legally qualified, often providing in-depth advice that would not be available from any other agency. Sometimes, the referral of a healthcare professional to their regulator may be recommended, or the case may have broader lessons for patient safety, or link with one of AvMA's campaign priorities. In 2023–24 we opened 480 new casework files (413 in 2022–23).

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2024

IMPACT: Callers to our helpline and recipients of our written casework service frequently tell us they feel understood and supported at a time of extreme stress and anxiety. They are enabled to make better informed decisions about what to do next through our specialist advice and are better equipped to make use of the procedures available to them. Often, this enables them to access a specialist solicitor and eventually obtain compensation; and/or, to have their complaints or concerns properly addressed and resolved; and/or to achieve measures to protect other patients/improve patient safety.

Our Inquest Service

An important part of our public-facing work is the support we provide to families involved in healthcare-related inquests. This empowers families and maximises the opportunity for patient safety issues to be identified through either written questions or representation by counsel at the inquest hearing. The aim is to create opportunities for learning to come from the inquest, together with achieving justice and accountability for families. Whereas NHS bodies and individual health professionals are usually legally represented at inquests, bereaved families are often not. We try to address this uneven playing field through our inquest service. Often this involves AvMA in intensive work instructing counsel to represent the family. This service is made possible by barristers' giving their time, advocacy skills and expertise freely.

We gave advice and information to 70 families who were facing a forthcoming inquest, to help them prepare and/or to get legal representation at the inquest. Some of these cases are very complex and time consuming.

However, due to capacity constraints, we were unable to provide representation in any inquest cases (pre inquest reviews or full hearings) last year as a key member of staff left AvMA; inherent capacity issues within the department meant that the representation element of the service was suspended from October 2023 – March 2024 at which point the full service was reintroduced following successful recruitment of a new Team Leader. The two AvMA Inquest cases which had been fixed for a full hearing in this financial year were referred to one of our panel firms, RWK Goodman who ran the cases on the same terms as AvMA's Inquest Service.

A number of important conclusions have been arrived at in inquests where we arranged representation for families, including recommendations for improving patient safety, via Prevention Future Death (PFD) reports which may not have been achieved had we not been involved. In some circumstances Serious Investigation Reports (SIR) or equivalent processes were instigated as a direct result of AvMA's involvement, these processes would likely have been avoided without that involvement. Some of the SIR offered up Action Plans which may obviate the need for a PFD. Arguably, where a trust offers up its own action plan it may be just as influential for improving patient safety as a PFD. This is because the impetus for change comes from the trust itself, it is not imposed on it by direction of the coroner. However, there is no independent

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organisation to confirm that the action promised has been introduced hence our support for a National Oversight Mechanism (NOM) to scrutinise such action plans.

Supporting families at inquests was made more challenging due to the continuing after effect of the pandemic, as coroners' courts deal with a continuing backlog of cases. Demand for the inquest service exceeds what we can supply by way of representation so we have written criteria for the cases we will take on, all applications for representation are judged against these criteria, which ensures equality and fairness in the process.

IMPACT: People who have lost a family member as a result of avoidable harm are all given information and advice on the coronial process, on limitation and on the terms of the pro bono inquest service. The families we are able to provide assistance to at the healthcare inquest hearing are represented by qualified barristers and feel empowered by having a legal representative raise relevant points of law (for example, Article 2 arguments; neglect as a rider to a conclusion) and pose questions to the coroner and other witnesses attending to give evidence at inquests. The coroner is sometimes helped to recognise issues that need to be addressed to protect future patients/improve patient safety and to issue a 'prevention of future deaths' letter. It can also encourage the coroner to seek independent medical expert evidence before the full hearing thereby contributing to the coroner holding a full and fearless enquiry and ensuring that the evidence is available to be considered when the coroner arrives at their conclusion. Early involvement before the full hearing can enable families to invite the coroner to call relevant witnesses to give evidence at the hearing which they may have omitted to do without our involvement.

Policy and external relations (Influencing Policy & Practice)

Whilst the direct support we provide to those we support – people whose lives have been affected by safety failures – is vitally important in its own right, it also informs our policy and campaigns work. It fuels our passion to bring about changes that will benefit many more people than we can ever reach ourselves.

In 2023–24, AvMA policy and campaign work focused on addressing healthcare and access to justice inequalities, highlighting systemic issues within the NHS that hinder patient safety and transparency, and advocating against legal changes that would limit patients' ability to seek redress for clinical negligence.

AvMA emphasized the practical negative impact that changes to fixed recoverable costs rules would have for harmed patients who would most likely see their damages eaten into by legal costs even though they were the successful party.

In total 8 consultation responses were made to government and regulatory bodies about healthcare and legal reforms putting the patient perspective:

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- response to Department of Health and Social Care consultation on regulating anesthesia associates and physician associates, May 2023
- response to Civil Procedures Rules Committee consultation on issues related to the new FRC regime, July 2023
- consideration of Ministry of Justice response to the consultation on new Fixed Recoverable Costs regime, September 2023
- response to the Department of Health and Social Care consultation on Fixed Recoverable Costs in lower damages clinical negligence claims – a supplementary consultation on disbursements, October 2023
- response to Justice Committee’s new inquiry into the Coroner Service to examine progress since 2021, January 2024
- response to Department of Health and Social Care duty of candour review: terms of reference, February 2024
- response to Ministry of Justice review of civil legal aid, February 2024
- evidence to Health and Social Care Committee on NHS leadership, performance and patient safety March 2024

A further 22 media enquiries and interviews were made covering national newspapers, TV, Radio and local media. These also provided an opportunity to amplify our campaign priorities as well as raise the profile of and promote our work to those who may be in need of our services.

The need to influence and engage with a variety of healthcare and professional regulators is also important if we are to assert our influence and bring the harmed patient perspective to policy makers’ attention. During the year we attended over 100 meetings with healthcare and professional regulators, NHSE and NHS Resolution. We also frequently met with other campaigners, charities and groups with an interest in patient safety and access to justice in order to identify opportunities for collaboration and joint campaigning opportunities alongside information sharing.

We continued to work with NHS Resolution and Society Clinical Injury Lawyers (SCIL) on designing a successor agreement to the Clinical Negligence Protocol. The clinical negligence protocol was introduced in 2021 to help manage the running of clinical negligence claims during the covid pandemic, an initiative which has resulted in an estimated 6% reduction in the volume of clinical negligence claims creating savings benefiting the NHS and patients. The successor agreement (the Clinical Negligence Claims Management Agreement (CNCM)) will be rolled out in the financial year ending 31.03.2025, it builds on that successful co-operation. The CNCM agreement introduces for the first time in a litigation process a provision where trusts which have admitted liability are expected to send a meaningful letter of apology which also identifies any patient safety lessons that have been learned from the case and any measures put in place as a result, as well as any lessons from the investigations conducted.

IMPACT: Our work on the need for independent advocacy and a pathway for harmed patients should mean that more people will get the right support they need in a compassionate and timely way. Our work on ‘fixed recoverable costs’/access to justice should mean that more people retain

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the ability to access justice and ensure health providers recognise they have made a mistake. More generally, making sure that we represent the voice of harmed patients should help ensure that in designing new approaches to patient safety, full consideration is given to the needs of patients and families which are otherwise too often neglected.

Conferences and training (Spreading Awareness and Good Practice)

A record total of 1,682 delegates attended a wide range of AvMA's in-person and online events in 2023–24. The continuing appetite among delegates and sponsors is for larger scale events which offer networking opportunities. Our flagship conference, the Annual Clinical Negligence Conference (ACNC), took place in March 2024 in Leeds and attracted 540 attendees, and a record number of exhibitors) and a healthy profit well ahead of budget. There were 659 views of our webinar content in 2023–24.

IMPACT: Enhancing the skills and knowledge of legal and health professionals results in our beneficiaries receiving good quality advice and representation from them.

Medico-legal services

Although the majority of people AvMA helps do not take legal action, some are seeking the services of solicitors. In addition to awarding our AvMA panel accreditation quality mark where appropriate, AvMA continues to run a Lawyers' Service which law firms subscribe to. The Lawyer Service includes a database of over 600 medico-legal experts. Experts cannot pay to be on AvMA's database but are only accepted if they can meet the high standards required of our experts. AvMA will provide Lawyer Service member firms with details of relevant medico legal experts to help them investigate the client/beneficiaries case as fearlessly, openly and honestly as possible, in this way AvMA helps law firms provide the best possible services in this specialist area. We keep lawyers up to date on case law and policy and help with interpreting medical issues through the Lawyer Service Newsletter. Law firms subscribe to this service, which provides AvMA's single biggest income stream.

IMPACT: Our support services for solicitors practicing in clinical negligence means that our beneficiaries are more likely to experience a good service and successful result. It is cost effective for the legal firm instructing the experts as it means they can expect to receive an appropriate medico-legal report which will help them identify the case's prospect of success at the earliest opportunity. Those cases that do not have reasonable prospects of succeeding (success might be considered likely where prospects are greater than 50% chance although more often firms use a higher benchmark) are turned down quickly. This reduces the stress on clients and hopefully provides some answers to their questions. Those which continue should have substantive issues and a good chance of being resolved.

We continued to assess and accredit clinical negligence solicitors for our specialist clinical negligence panel. AvMA's quality mark is the best indicator available that the solicitors have the necessary expertise, experience and integrity to do a good job for people affected by clinical negligence. Our panel members also usually have supervisory responsibilities in their firms, thereby helping assure quality in the firms as a whole. Being able to recognise a genuine specialist

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is all the more important as a result of the current upheaval of the legal system. In spite of the difficult environment for clinical negligence solicitors, interest in being on AvMA's panel remained strong and we now have 180 members of the panel.

One of the key aims in the operation of the AvMA Panel is improving standards of clinical negligence practice by sharing best practice. Best practice benchmarks are drawn from applications to the panel, particularly from the most experienced senior lawyers, as well as the contribution of external interviewers, but always with a focus on what is in clients' best interests. Those benchmarks are continually changing as standards improve. We always interview new applicants, including those who have been advised they do not meet the required standard, as this enables us to offer advice on how they can improve. We do this as they will be providing clinical negligence advice with or without us, so we wish to ensure that their clients receive the best service. We are very grateful to various experienced (former) panel members who have helped us on a voluntary basis with assessing and interviewing applicants during the year.

IMPACT: Our panel, and the quality mark denoting membership of it, makes it easier for our beneficiaries who need to take legal action to find a genuinely specialist solicitor with the appropriate qualities, knowledge and skills. This results in our beneficiaries receiving more expert advice and representation and, in our opinion, greater likelihood of a successful outcome.

AvMA's work in Scotland

As a charity registered in Scotland (as well as England and Wales) our activities north of the border include our Helpline and Casework Service, which can be accessed by people in Scotland. We continued to liaise with bodies such as Scottish Government, NHS Improvement Scotland, the Scottish Public Services Ombudsman and the Patient Advice and Support Service Scotland and contributed to discussions about patient safety and justice.

Public Benefit

The Board of Trustees is aware of the guidance contained in the Charity Commission's general guidance on public benefit when considering the charity's aims and objectives and in planning its future activities. In particular, the Board considers how planned activities will contribute to the aims and objectives that have been set.

AvMA remains committed to promoting patient safety and ensuring justice for those affected by medical accidents. Over the past year, our work has delivered tangible benefits by:

- Supporting individuals: As shown earlier through our impact statements, by providing free, expert advice and support to patients and families affected by medical accidents, helping them to navigate complex processes, access compensation and secure appropriate accountability.
- Driving systemic change: Advocating for improvements in patient safety across the NHS and private healthcare systems through policy reform and partnerships with healthcare bodies. Our focus on preventing future harm benefits the wider public by improving safety and quality of healthcare for all.

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- Raising awareness: Informing the public and professionals on patient safety issues, patient rights and the importance of learning from errors. We help to empower individuals to understand their rights and secure the outcome they seek.

Fundraising

AvMA is a member of the Fundraising Regulator Scheme and follows its code of conduct. AvMA's main fundraising comes from donations from supporters; fundraising events held by other organisations benefiting AvMA; our own fundraising events; corporate sponsorship; and occasional bequests. AvMA has in the year taken professional advice about expanding its fundraising activities and will be acting on this advice. AvMA does not make unsolicited approaches to individuals. No complaints have been received about AvMA's fundraising.

Assuring the quality of our work

The charity has a Quality and Outcomes sub-committee to help take forward its work on quality and impact measurement. Part of its remit is to review any complaints made about AvMA's work and be sure that any learning points are acted upon. We received no formal complaints about AvMA during the year. However, we continue to monitor feedback and look into any concerns expressed.

We have developed a range of different ways in which people can give us feedback on our services and all comments, positive and negative, are reviewed regularly. Where possible, we contact people who leave negative feedback to see if we can resolve the problem they raise.

Plans for the future

Our five-year strategic plan sets out our strategic objectives for five years from 2024–2029 and our plans for achieving them.

All of our work plans are driven by the 4 key strategic objectives that make up the plan. These are:

Objective one: to expand the range of communities we serve to enable more people experiencing avoidable medical harm to access services from us that meet their needs.

Objective two: to empower more people to secure the outcomes they need following an incident of avoidable medical harm while providing caring and compassionate support.

Objective three: to eliminate compounded harm following avoidable medical harm.

Objective four: to have the necessary diversity of sustainable resources and capacities to deliver this strategy.

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Within the context of those objectives some key priorities for 2024/25 include:

- Completion of the implementation of a new CRM (database) – the biggest infrastructure investment AvMA has ever made, which will greatly improve our efficiency
- Recruitment of a Fundraising, Marketing and Communication Director and devising of an ambitious fundraising plan of action aimed to both increase and diversify further AvMA's sources of income.
- Scoping work to expand our reach into targeted areas and groups that are currently under-represented service users of AvMA's
- The re-location of the AvMA's office to a smaller, more flexible office space
- Further development of a 'Harmed Patient Pathway', seeking to ensure a consistent approach is taken to meet the needs of harmed patients and their families
- Continuing policy and influencing work around possible further Government legal reforms, including continuing proposals for 'fixed recoverable costs' in clinical negligence and other legal reforms which we fear may be injurious to access to justice and patient safety.
- The launch of the Certificates of Competence Scheme (CCS), an initiative which aims to enable AvMA to better engage with paralegals as well as newly qualified and junior solicitors. CCS is a certification scheme comprised of three levels which intends to reflect progress and development of those participating in the scheme as they specialise in claimant clinical negligence work. It should act as an indicator that the applicants going through the scheme are on track to become full panel members in the future, however it is not a passport to AvMA Panel Accreditation. It will also offer the public some protection on low value claims in the event a FRC regime is introduced as lawyers who successfully complete the three stages of the CCS scheme will be able to demonstrate some level of expertise and advertise this fact. If a FRC scheme is introduced then increasingly low value work will be undertaken by junior staff, not AvMA Panel members, this simply reflects the existing trend in the clinical negligence market.
- Continue to consider ways in which we can meaningfully support our beneficiaries who are unable to secure legal representation now and as a FRC regime is introduced.
- Continue to engage with NHS Resolution and in particular the Maternity Voices Group (MVAG) which is part of the Early Notification Scheme (ENS) working party to influence the way in which the ENS is delivered by them and to ensure so far as possible that families with potentially complex claims involving babies brain injured at birth understand the process and their right to legal advice.
- Continue to engage with MNSI Maternity and Newborn Safety Investigations to promote the best service to families and to assist them wherever we can in bringing down the number of obstetric injuries occurring by promoting learning.
- Working with other stakeholders such as Society Clinical Injury Lawyers (SCIL), Association Personal Injury Lawyers (APIL) to name but two in bringing about objectives identified in this section.

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“THANK YOU”

AvMA provides all of its services to the public for free and receives no State funding. It has to rely on its own fundraising and income generation activities to keep going. We are very grateful to all of our supporters; donors; paying customers; and business partners for making this happen. We would like to say a special thank you to the following companies who supported us in 2023–24:

- Those we support and others who made a donation to us or left us a legacy and to the many firms who organised fundraising events for us in the year
- Barristers and others who provided pro bono services to our beneficiaries such as through an inquest
- Partners in Costs (Our Platinum medico-legal sponsor and organiser of famous curry nights)
- BD (our Platinum ‘Partners for Patient Safety’ corporate member)
- Radar Healthcare (our Gold ‘Partners for Patient Safety’ corporate member)
- Pentland Medical (our Silver ‘Partners for Patient Safety’ corporate member)

We would also like to thank all of those who volunteer on our Helpline; without that support we could not provide a service that we know has such an important impact for so many of the beneficiaries who first come to us through that route.

STRUCTURE, GOVERNANCE & MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 4 April 1988 and registered as a charity on 17 April 1988. The organisation changed its name to Action against Medical Accidents (AvMA) on 3 December 2003.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustees collectively form the Board of Trustees.

Board of Trustees and appointment of Board members

Individual trustees (members of the Board) are appointed by the Board of Trustees. Not less than 6 nor more than 20 Board members may be appointed. The Board may co-opt persons to fill casual vacancies provided the maximum of 20 is not exceeded. Approximately one third of the Board must retire each year, those being the longest serving since their previous election. Retiring members are eligible for re-election, which takes place at the annual general meeting.

Recruitment of new trustees takes place as and when the Board believes this is necessary to add to or complement the experience, knowledge and skills available to the Board. Usually “vacancies” for new trustees are advertised. Potential new trustees are interviewed by at least two trustees usually including the Chair, and the Chief Executive. Based on objective criteria, the recommendations to appoint a new trustee are put to the full Board together with the candidate’s background details for a decision. We also have the role of ‘associate trustees’ to help attract new talent without formal board experience so that they can gain governance experience before taking on the full

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trustee role. They are not legally full trustees and so are not registered with Companies House or the Charity Commission.

During 2023–24 three new trustees and one associate trustee were appointed. Two trustees resigned or retired, bringing the total number of trustees to nine at the year end.

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

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. Trustees continue to be guarantors for a year following resignation. The total number of such guarantees at 31 March 2024 was 10 (2023 – 9). Members of the Board of Trustees have no beneficial interest in the charitable company.

The Board of Trustees met four times during the year. AvMA has adopted a new five-year strategic plan for 2024–25 onwards. This is accompanied by annual operational plan. Progress on meeting strategic objectives is reviewed regularly. The Finance and Investment Committee, Quality & Outcomes Committee, Income Generation Working Group and IT and Digital Support Group all meet between Board meetings.

AvMA has a trading company, AvMA Services Ltd, which is used when there has been non-charitable trading beyond the amount permissible by the Charity Commission. AvMA Services Ltd has been inactive in 2023–24.

Honorary Officers

The Board appoints members to serve as Chairperson, Treasurer and Senior Independent Director for three years at the Annual General Meeting falling closest to the end of their three-year terms as trustees. December 2023 saw the re-appointment of Caroline Browne as Senior Independent Director and the appointment of Michele Salter as Treasurer. Jocelyn Cornwell continues as Chair.

Delegation of day to day running of the charity

Trustees delegate the day to day running of the charity to the Chief Executive.

Patrons

The role of patron does not involve any legal or governance responsibilities.

Remuneration of key management personnel

The Board of Trustees has a remuneration policy covering all employees. Salary levels are set and reviewed through trustees' review of salaries available in comparable organisations (for example by reviewing job advertisements and/or speaking to recruitment agencies) and by reference to the NJC and NHS Pay Scales. Annual cost of living increments are awarded at the discretion of the

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Board of Trustees, with reference to the Consumer Price Index for the previous calendar year and bearing in mind the charity's finances and the financial climate generally. AvMA's full remuneration policy is published on the charity's website.

Financial Review

Our Medico-Legal department made a contribution (calculated by income less direct costs from note 6) of £207,923 in the year, Other Charitable Trading generated £145,642 and Conferences and Training generated £184,705. Fundraising generated a contribution of £247,065 of which £232,000 was legacies. Rent and investment income amounted to £105,722. Overall, this covered the net cost of our public-facing Advice and Information Service of £206,592, our Policy & External Relations costs of £47,267 and our support costs, giving an overall net income of £114,187 for the year. In addition we had unrealised gains of £15,672 on our investment portfolio. The value of Freedman House was written down by £120,000 in total to reflect the agreed sale price post year end.

AvMA receives no ongoing funding from NHS or government agencies and is therefore very reliant on its own income generation activities and the generosity of the people we have helped, other supporters and sponsors. For this we are extremely grateful.

The receipt of the Judith Freedman legacy in 2011 means that the charity was able to invest for its future. The single most significant use of the legacy was the purchase of "Freedman House" on a 999-year lease. This was valued at £1,500,000 as at 31 March 2024, which is £120,000 lower than at 31/3/23 and £293,341 higher than the original cost. We also currently hold £1,147,897 in an investment portfolio (see note 14).

Principal risks and uncertainties

The main risk facing the charity continues to be the uncertainty facing the future of clinical negligence litigation. Most of the charity's income is generated through the provision of services to clinical negligence lawyers, both through the Lawyers' Service and the provision of conferences and training. Recent legal reforms including the removal of legal aid for the vast majority of clinical negligence cases have already created difficulties for law firms wishing to practice in clinical negligence, which is beginning to see mergers or firms dropping out of clinical negligence work. This is putting increasing pressure on our abilities to generate income. Government proposals for the introduction of a 'fixed recoverable costs' regime could have a much larger impact (as well as threatening access to justice for AvMA's beneficiaries and the likelihood of the NHS learning from errors). The charity is addressing this risk by attempting to diversify and develop new sources of income and also planning for managing an anticipated fall in income in a carefully planned and staged way. The situation is kept under constant review.

Another principal risk facing the charity is the impact of the current high levels of inflation. The charity may not be able to increase income in all areas sufficient to cover higher costs. Also, using estimates of future inflation poses a challenge to the accuracy of the financial planning process. The charity is addressing this risk by keeping it under constant review and remaining flexible in its

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financial planning, together with analysing inflation information from the best sources, to include the most appropriate rates in the planning.

A further principal risk is the uncertainty in financial markets which may affect the charity's investments. In the light of this, the trustees have continued with the charity's investment strategy of de-risking the short-term element of the portfolio and assuming medium risk for the long-term part.

Trustees consider known significant risks and strategies for mitigating them through a risk register which is reviewed regularly by the Board and its committees.

Reserves and Investment Policy

Background and financial strategy

As set out above, we are in a period when income from our traditional revenue sources is declining significantly, against a background of the current planned deficit operating budget. Current trends and uncertainties lead us to expect this fall to continue in the coming few years. We have received two generous legacies in the past 4 years; whilst very welcome, we cannot count on legacies as a reliable income stream each year.

The trustees have a long-range financial strategy to address the situation on a timely and considered basis. Our financial strategy is to move to a sustainable balanced budget over a period of time, against the background of anticipated contraction of our traditional revenue streams, through developing new sources of income and making cost efficiencies in a carefully planned manner. This is reviewed each year on a rolling basis.

We plan to utilise our current reserves to fund the (reducing) operating shortfall each year, to continue to provide maximum impact to our beneficiaries, and also to continue to invest carefully in new development activities as appropriate. This is expected to reduce reserves to the target level by the end of the strategy period. These reserves are held as a separate designated fund, and 1/10 is released each year to general funds, as per note 20.

The long-term financial strategy is currently under review as part of the strategic planning work and a new 5-year financial plan is being drafted.

Reserves policy

At the year end we owned our office building, Freedman House, outright. This provided cover for catastrophic events, and also for an orderly wind down should this ever be necessary, as well as generating an income and savings on what would be spent on rent. As set out in note 23, the property was sold on 30 August 2024 for £1.5m. In the short to medium term the proceeds, ringfenced and suitably invested, will provide the same cover as above.

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The trustees have a policy to retain sufficient free reserves to cover working capital requirements and realistic contingencies. This is calculated as:

- Working capital: 6 months' running costs including salaries, and 75% of conference venue costs.
- Contingency reserve £200,000: to cover the risk of a short-term fall in income over committed expenditure, together with operational risks and exceptional costs.

At current activity levels this amounts to target reserves of £938,400.

Level of reserves

We have free reserves of £1,019,219 at the year end. This is an excess of £80,819 against the above year-end target, due primarily to the accrual of the generous legacy from the estate of Mr G Walker of an estimated £190,000. Liquidity is carefully managed and the balance is in line with our long-range financial strategy as explained above.

Investment policy

The trustees have agreed to invest the reserves in an ethical investment portfolio, to achieve returns that enable the funding of AvMA's requirements both in the short and the long-term. Short-term requirements (up to 3 years) are placed on deposit to achieve some return whilst ensuring appropriate liquidity, using a specialist cash management service where possible. The remaining reserves are held within a long-term investment portfolio managed by Castlefield. The total investment portfolio including the cash is conservatively structured with an emphasis on capital preservation, but also with an overall target return in the region of 2.5%. This target has been exceeded overall since inception, although in the current market conditions the return is not being made in the short term but is starting to recover.

Management and trustees monitor the financial plan, reserves levels and investment policy closely in the light of changing circumstances.

Statement of Responsibilities of the Board of Trustees

The Board of Trustees (whose members are also directors of Action against Medical Accidents for the purposes of company law) is 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the Board of Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;

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- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Board of Trustees is aware:

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

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

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

Approved by the Board of Trustees on 12 December 2024 and signed on its behalf by

Paul Whiteing
Company Secretary

Independent auditor's report

To the members of

Action Against Medical Accidents

Opinion

We have audited the financial statements of Action against Medical Accidents (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 Action against Medical Accidents' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Independent auditor's report

To the members of

Action Against Medical Accidents

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

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

Independent auditor's report

To the members of

Action Against Medical Accidents

- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our 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

Independent auditor's report

To the members of

Action Against Medical Accidents

misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, finance committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The

Independent auditor's report

To the members of

Action Against Medical Accidents

risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable 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.

Noelia Serrano (Senior statutory auditor)

12 December 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

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

Action against Medical Accidents

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

	Note	Restricted £	Unrestricted £	2024 Total £	Restricted £	Unrestricted £	2023 Total £
Income from:							
Donations and legacies	2	–	278,241	278,241	–	183,456	183,456
Charitable activities							
Conferences and training	3	–	521,664	521,664	–	413,712	413,712
Medico-legal services	3	–	407,641	407,641	–	405,962	405,962
Advice, information and support	3	–	9,981	9,981	–	20,882	20,882
Other trading activities	4	–	168,531	168,531	–	167,658	167,658
Investments	5	–	105,722	105,722	–	81,669	81,669
Other		–	1,185	1,185	–	14,169	14,169
Total income		–	1,492,965	1,492,965	–	1,287,508	1,287,508
Expenditure on:							
Raising funds	6	–	57,386	57,386	–	30,684	30,684
Charitable activities							
Conferences and training	6	–	462,766	462,766	–	409,419	409,419
Medico-legal services	6	–	356,977	356,977	–	305,678	305,678
Advice, information and support	6	–	389,557	389,557	–	377,137	377,137
Policy and external relations	6	–	73,477	73,477	–	64,254	64,254
Charitable trading activities	6	–	38,615	38,615	–	36,905	36,905
Total expenditure		–	1,378,778	1,378,778	–	1,224,077	1,224,077
Net income before net gains on investments		–	114,187	114,187	–	63,431	63,431
Net gains/(losses) on investments	14	–	15,672	15,672	–	(80,501)	(80,501)
Net (losses) on investment property	13b	–	(93,769)	(93,769)	–	(80,000)	(80,000)
(Impairment loss) on leasehold property	13a	–	(26,231)	(26,231)	–	(80,000)	(80,000)
Net income/(expenditure) for the year	7	–	9,859	9,859	–	(177,070)	(177,070)
Reconciliation of funds:							
Total funds brought forward	20	–	3,853,152	3,853,152	–	4,030,223	4,030,223
Total funds carried forward	20	–	3,863,011	3,863,011	–	3,853,152	3,853,152

All funds are unrestricted. All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

Action against Medical Accidents

Balance sheet

Company no. 02239250

As at 31 March 2024

	Note	£	2024 £	£	2023 £
Fixed assets:					
Intangible assets	12		189,884		175,551
Tangible assets: other	12		5,911		306
Tangible assets: leasehold property	13a		327,884		405,000
Investment property	13b		1,172,116		1,215,000
Investments	14		1,147,996		1,121,524
			<u>2,843,791</u>		<u>2,917,381</u>
Current assets:					
Debtors	15	317,687		122,840	
Cash at bank and in hand		887,475		1,120,102	
			<u>1,205,162</u>	<u>1,242,942</u>	
Liabilities:					
Creditors: amounts falling due within one year	16	185,942		307,171	
				<u>307,171</u>	
Net current assets			<u>1,019,220</u>		<u>935,771</u>
Total net assets			<u><u>3,863,011</u></u>		<u><u>3,853,152</u></u>
The funds of the charity:	20				
Unrestricted income funds:					
Designated funds		2,822,098		2,986,185	
General funds		1,040,913		866,967	
			<u>3,863,011</u>	<u>3,853,152</u>	
Total unrestricted funds			<u>3,863,011</u>		<u>3,853,152</u>
Total charity funds			<u><u>3,863,011</u></u>		<u><u>3,853,152</u></u>

Approved by the trustees on 12 December 2024 and signed on their behalf by

Dr Jocelyn Cornwell
Chair

Michele Salter
Treasurer

Action against Medical Accidents

Statement of cash flows

For the year ended 31 March 2024

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

	2024 £	2023 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	9,859	(177,070)
Depreciation and amortisation charges	24,359	1,072
(Gains)/losses on investments	(15,672)	80,501
Loss on property revaluation	120,000	160,000
Dividends, interest and rent from investments	(105,722)	(81,669)
(Increase)/decrease in debtors	(194,847)	24,403
(Decrease) in creditors	(121,229)	(115,395)
Net cash (used in) operating activities	(283,252)	(108,158)

	£	2024 £	£	2023 £
Cash flows from operating activities				
Net cash (used in) operating activities		(283,252)		(108,158)
Cash flows from investing activities:				
Dividends, interest and rents from investments	105,722		81,669	
Purchase of fixed assets	(44,297)		(34,213)	
Proceeds from sale of investments	123,679		-	
Purchase of fixed asset investments and cash invested into portfolio	(134,479)		(7,727)	
Net cash from investing activities		50,625		39,729
Change in cash and cash equivalents in the year		(232,627)		(68,429)
Cash and cash equivalents at the beginning of the year		1,120,102		1,188,531
Cash and cash equivalents at the end of the year		887,475		1,120,102

Analysis of cash and cash equivalents and of net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	171,780	85,285	257,065
Notice deposits (less than three months)	948,322	(317,912)	630,410
Total cash and cash equivalents	1,120,102	(232,627)	887,475
Total	1,120,102	(232,627)	887,475

1 Accounting policies

a) Statutory information

Action against Medical Accidents is a charitable company limited by guarantee and is incorporated in England.

The registered office address and principal place of business is Freedman House, Christopher Wren Yard, 117 High Street, Croydon CR0 1QG.

b) Basis of preparation

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

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

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

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, including the impact of covid on the charity within the year and going forward.

e) Income

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

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

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

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

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

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

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

g) 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.

h) Fund accounting

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

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

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

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

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

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

● Raising funds	5%
● Conferences and training	24%
● Medico-legal services	30%
● Advice, information and support	33%
● Policy and external relations	5%
● Charitable trading activities	3%

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

1 Accounting policies (continued)

k) Operating leases

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

l) Fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

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

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

● Computer equipment and website development	3 years
● Office equipment and furniture	5 years
● Databases	10 years

The leasehold property is valued under the revaluation model. No depreciation is charged on the leasehold property on the grounds of immateriality due to a long expected life and high residual value.

m) Listed investments

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

Investments in subsidiaries

Investments in subsidiaries are at cost.

Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value will be stated in the notes to the accounts.

n) 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.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

p) 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.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2024

1 Accounting policies (continued)

q) 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.

r) Pensions

The charitable company offers all staff a stakeholder pension scheme in accordance with auto enrolment requirements. The charitable company pays an agreed contribution to this scheme on their behalf. The assets of the pension fund are independent from the company and the pension cost charge represents contributions payable. The charitable company has no additional liability other than for the payment of those contributions.

2 Income from donations and legacies

	2024 Total £	2023 Total £
Experts' donations	7,806	9,767
Corporate donations	24,428	38,452
Unclaimed clients' money	715	2,287
Legacies	232,000	123,938
Other donations	7,725	3,923
Other fundraising	5,567	5,089
	<u>278,241</u>	<u>183,456</u>

All funds for 2024 and 2023 were unrestricted.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2024

3 Income from charitable activities

	2024 Total £	2023 Total £
Delegate, sponsor and webinar income	521,664	413,712
Total: conferences and training	521,664	413,712
Subscription fees	392,553	392,745
Referral panel fees	15,088	13,217
Total: medico-legal services	407,641	405,962
Sponsored leaflets	9,981	20,120
Other	-	762
Total: advice, information and support	9,981	20,882
Total income from charitable activities	939,286	840,556

All funds for 2024 and 2023 were unrestricted.

4 Income from other trading activities

	2024 Total £	2023 Total £
AvMA events	5,569	4,655
Website subscriptions	131,958	115,881
Lawyers' service directory	5,927	14,152
Publications	13,006	12,455
Fees earned	1,169	10,871
Corporate sponsorship	10,902	9,644
	168,531	167,658

All funds for 2024 and 2023 were unrestricted.

5 Income from investments

	2024 Total £	2023 Total £
Dividends and interest	56,781	21,823
Rent	48,941	59,846
	105,722	81,669

All funds for 2024 and 2023 were unrestricted.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2024

6a Analysis of expenditure (current year)

	Charitable activities								2024	2023
	Cost of raising funds	Conferences and training	Medico-legal services	Advice, information and support	Policy and external relations	Charitable trading activities	Governance costs	Support costs	Total	Total
	£	£	£	£	£	£	£	£	£	£
Staff costs (Note 8)	30,886	140,913	196,751	205,098	46,864	21,943	31,771	233,425	907,651	895,141
Direct cost of events	-	196,041	270	-	-	578	-	-	196,889	176,540
Travel, subsistence and accommodation	-	5	108	200	403	-	916	1,496	3,128	1,304
Call handling	-	-	-	6,447	-	-	-	-	6,447	4,147
Investment management fees	-	-	-	-	-	-	-	11,516	11,516	9,377
Other professional fees	-	-	-	-	-	-	11,937	31,878	43,815	25,882
Office costs	290	-	2,589	349	-	368	1,754	65,383	70,733	68,050
Premises costs	-	-	-	4,479	-	-	-	95,647	100,126	37,262
Depreciation	-	-	-	-	-	-	-	24,359	24,359	1,072
Training and development	-	-	-	-	-	-	-	2,977	2,977	568
Major projects	-	-	-	-	-	-	-	5,098	5,098	4,180
Sundry	-	-	-	-	-	-	26	6,013	6,039	555
Direct expenditure	31,176	336,959	199,718	216,573	47,267	22,889	46,404	477,791	1,378,778	1,224,077
Support costs	23,890	114,670	143,338	157,671	23,890	14,334	-	(477,791)	-	-
Governance costs	2,320	11,137	13,921	15,313	2,320	1,392	(46,404)	-	-	-
Total expenditure 2024	57,386	462,766	356,977	389,557	73,477	38,615	-	-	1,378,778	1,224,077
Total expenditure 2023	30,684	409,419	305,678	377,137	64,254	36,905	-	-	-	1,224,076

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2024

6b Analysis of expenditure (previous year)

	Charitable activities								
	Cost of raising funds £	Conferences and training £	Medico-legal services £	Advice, information and support £	Policy and external relations £	Charitable trading activities £	Governance costs £	Support costs £	2023 Total £
Staff costs (Note 8)	19,469	139,085	182,633	221,425	44,792	22,265	32,220	233,252	895,141
Direct cost of events	-	170,835	819	762	-	4,123	-	-	176,540
Travel, subsistence and accommodation	-	-	-	82	48	-	589	586	1,304
Call handling	-	-	-	4,147	-	-	-	-	4,147
Investment management fees	-	-	-	-	-	-	-	9,377	9,377
Other professional fees	-	-	-	18	-	-	9,100	16,765	25,882
Office costs	294	-	3,126	4,691	-	-	990	58,949	68,050
Premises costs	-	-	-	-	-	-	-	37,262	37,262
Depreciation	-	-	-	-	-	-	-	1,072	1,072
Training and development	-	-	-	-	-	-	568	-	568
Major projects	-	-	-	-	-	-	-	4,180	4,180
Sundry	-	-	995	-	-	-	86	(526)	555
Direct expenditure	19,763	309,920	187,573	231,124	44,840	26,388	43,553	360,915	1,224,077
Support costs	9,745	88,785	105,387	130,290	17,324	9,384	-	(360,915)	-
Governance costs	1,176	10,714	12,718	15,723	2,091	1,132	(43,553)	-	-
Total expenditure 2023	30,684	409,419	305,678	377,137	64,254	36,905	-	-	1,224,077

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2024

7 Net incoming resources for the year

This is stated after charging / (crediting):

	2024 £	2023 £
Depreciation	24,359	1,072
Auditor's remuneration (excluding VAT):		
Audit – current year	9,500	8,850
Foreign exchange (gains)	(33)	(71)
	<u>24,359</u>	<u>1,072</u>

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

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	814,201	802,790
Social security costs	74,806	74,482
Employer's contribution to defined contribution pension schemes	18,644	17,869
	<u>907,651</u>	<u>895,141</u>

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

	2024 No.	2023 No.
£80,000 – £89,999	2	–
£70,000 – £79,999	–	1
£60,000 – £69,999	–	1
	<u>2</u>	<u>2</u>

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £202,155 (2023: £200,731).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel, subsistence and accommodation costs totalling £807 (2023: £216) incurred by 7 (2023: 2) members relating to attendance at trustee meetings and events and telephone costs.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2024

9 Staff numbers

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

	2024 No.	2023 No.
Raising funds	0.6	0.4
Conferences and training	3.7	3.6
Medico-legal services	4.5	4.3
Advice, information and support	4.8	5.3
Policy and external relations	0.7	0.7
Charitable trading activities	0.4	0.4
Support	5.6	5.4
Governance	0.5	0.5
	<u>20.8</u>	<u>20.6</u>

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

	2024 No.	2023 No.
Raising funds	0.6	0.4
Conferences and training	3.0	3.0
Medico-legal services	3.6	3.8
Advice, information and support	4.1	5.0
Policy and external relations	0.6	0.7
Charitable trading activities	0.4	0.3
Support	4.8	4.6
Governance	0.5	0.5
	<u>17.6</u>	<u>18.3</u>

10 Related party transactions

There are no related party transactions to disclose for 2024 (2023: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties (2023: none).

11 Taxation

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

12 Tangible and intangible fixed assets

	Computer equipment and website (Tangible) £	Office equipment and furniture (Tangible) £	EMIS database (Intangible) £	MS Dynamics CRM database (Intangible) £	Total £
Cost or valuation					
At the start of the year	93,069	61,372	20,000	175,551	349,992
Additions in year	8,866	–	–	35,431	44,297
Written off in year	(55,323)	(55,004)	(20,000)	–	(130,327)
At the end of the year	<u>46,612</u>	<u>6,368</u>	<u>–</u>	<u>210,982</u>	<u>263,962</u>
Depreciation					
At the start of the year	93,069	61,066	20,000	–	174,135
Charge for the year	2,955	306	–	21,098	24,359
Eliminated on disposal	(55,323)	(55,004)	(20,000)	–	(130,327)
At the end of the year	<u>40,701</u>	<u>6,368</u>	<u>–</u>	<u>21,098</u>	<u>68,167</u>
Net book value					
At the end of the year	<u>5,911</u>	<u>–</u>	<u>–</u>	<u>189,884</u>	<u>195,795</u>
At the start of the year	<u><u>–</u></u>	<u><u>306</u></u>	<u><u>–</u></u>	<u><u>175,551</u></u>	<u><u>175,857</u></u>

All of the above assets are used for charitable purposes. The leasehold property is disclosed separately, see note 13. The Microsoft Dynamics CRM database was still in development at the year end; the majority of the work was complete and some modules were completed and in use and so a full year's depreciation has been charged on the costs to date.

13 Property

At the year end the charity owned the leasehold to Freedman House which comprises 4 floors. During the year the ground floor was occupied by the charity and disclosed as tangible fixed assets. The first, second and third floors were rental and disclosed as investment property. This allocation has been changed slightly to reflect exact floor areas of 21.9% fixed assets and 78.1% investment property. Per note 23, Freedman House was sold subsequent to the year end.

The original total cost in 2013 was £1,206,659. The value for the total property at the year end was £1,500,000; this is the agreed sale price, which was confirmed in a S119 report by Savills (UK) Limited. This value is £120,000 lower than the value at 31 March 2023 and £293,341 higher than the original cost.

13a Tangible fixed assets: Leasehold property

(Ground floor only)

	2024 £	2023 £
Valuation		
At the start of the year	512,500	1,025,000
Transfer to investment property	(64,392)	(512,500)
At the end of the year	<u>448,108</u>	<u>512,500</u>
Depreciation		
At the start of the year	107,500	135,000
Impairment gains /(losses written back)	26,231	80,000
Transfer to investment property	(13,507)	(107,500)
At the end of the year	<u>120,224</u>	<u>107,500</u>
Net book value		
At the end of the year	<u><u>327,884</u></u>	<u><u>405,000</u></u>

13b Investment property

(First, second and third floors)

	2024 £	2023 £
Fair value at the start of the year	1,215,000	890,000
Revaluation during the year	(93,769)	(80,000)
Transfer from investment property (first floor)	50,885	405,000
Fair value at the end of the year	<u><u>1,172,116</u></u>	<u><u>1,215,000</u></u>

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2024

14 Investments

	2024 £	2023 £
Fair value at the start of the year	1,121,425	1,194,199
Additions at cost	123,509	–
Disposal proceeds	(123,679)	–
Net gain/(loss) on change in fair value	15,672	(80,501)
Movements in cash element of portfolio	10,970	7,727
Fair value at the end of the year	<u>1,147,897</u>	<u>1,121,425</u>
Historic cost at the end of the year	<u>1,163,911</u>	<u>1,160,336</u>
Investments comprise:		
Investment Trusts/OEICs/REITs/SICAVs	1,120,511	1,105,008
Cash	27,386	16,417
	<u>1,147,897</u>	<u>1,121,425</u>
Share in subsidiary undertaking (see below)	<u>99</u>	<u>99</u>
	<u>1,147,996</u>	<u>1,121,524</u>

The value of the investments has recovered well and was £1,172,492 as at 24/10/24, which is greater than cost.

Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of AVMA Services Limited, a company registered in England. The company did not trade in this or the prior financial year. The subsidiary's net assets are £99 (2023: £99).

15 Debtors

	2024 £	2023 £
Trade debtors	59,820	65,161
Other debtors	34,413	28,065
Prepayments	27,052	23,364
Accrued income	196,402	6,250
	<u>317,687</u>	<u>122,840</u>

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Taxation and social security	23,609	36,709
Other creditors	10,033	19,853
Accruals	44,610	76,640
Deferred income (note 17)	107,690	173,969
	<u>185,942</u>	<u>307,171</u>

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2024

17 Deferred income

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

	2024 £	2023 £
Balance at the beginning of the year	173,969	302,656
Amount released to income in the year	(173,969)	(302,656)
Amount deferred in the year	107,690	173,969
Balance at the end of the year	<u>107,690</u>	<u>173,969</u>

18 Pension scheme

The charity contributes to a defined contribution stakeholder pension scheme for its employees. Contributions are set out in note 8 above. There were no amounts owed at 31 March 2024 (2023: £nil).

19a Analysis of net assets between funds (current year)

	Restricted £	General unrestricted £	Fair value reserve £	Designated £	Total funds £
Intangible fixed assets – database	–	–	–	189,884	189,884
Tangible fixed assets – other	–	–	–	5,911	5,911
Tangible fixed assets – leasehold	–	–	–	327,884	327,884
Investment property	–	–	–	1,172,116	1,172,116
Fixed asset investments	–	21,693	–	1,126,303	1,147,996
Net current assets	–	1,019,220	–	–	1,019,220
Net assets at 31 March 2024	<u>–</u>	<u>1,040,913</u>	<u>–</u>	<u>2,822,098</u>	<u>3,863,011</u>

19b Analysis of net assets between funds (prior year)

	Restricted £	General unrestricted £	Fair value reserve £	Designated £	Total funds £
Intangible fixed assets – database	–	–	–	175,551	175,551
Tangible fixed assets – other	–	–	–	306	306
Tangible fixed assets – leasehold	–	–	–	810,000	810,000
Investment property	–	–	–	810,000	810,000
Fixed asset investments	–	–	–	1,121,524	1,121,524
Net current assets	–	866,967	–	68,804	935,771
Net assets at 31 March 2023	<u>–</u>	<u>866,967</u>	<u>–</u>	<u>2,986,185</u>	<u>3,853,152</u>

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2024

20a Movements in funds (current year)

	At 1 April 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2024 £
Unrestricted funds:					
Designated funds:					
Fixed assets – property	1,620,000	–	–	(120,000)	1,500,000
Fixed assets – CRM database	175,551	–	–	14,333	189,884
Fixed assets – other	306	–	–	5,605	5,911
Major repairs and maintenance	200,000	–	–	–	200,000
CRM replacement	75,000	–	(35,431)	2,629	42,198
ICT replacement	10,328	–	–	(10,328)	–
Laptop replacement	25,000	–	(8,866)	7,571	23,705
Transitional fund	600,000	–	–	(100,000)	500,000
Business development projects	110,000	–	–	(100,000)	10,000
New website and finance software	120,000	–	(5,098)	5,098	120,000
Digital strategy	10,000	–	–	(5,100)	4,900
Patient safety campaign	10,000	–	–	–	10,000
Property update and file clearing	30,000	–	(17,759)	3,259	15,500
Fundraising investment	–	–	–	200,000	200,000
Total designated funds	2,986,185	–	(67,154)	(96,933)	2,822,098
Fair value reserve	–	–	–	–	–
General funds	866,966	1,492,965	(1,415,952)	96,933	1,040,913
Total unrestricted funds	3,853,152	1,492,965	(1,483,106)	–	3,863,011
Total funds	3,853,152	1,492,965	(1,483,106)	–	3,863,011

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2024

20b Movements in funds (prior year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 1 April 2023 £
Unrestricted funds:					
Designated funds:					
Fixed assets – property	1,780,000	–	–	(160,000)	1,620,000
Fixed assets – CRM database	141,338	–	–	34,213	175,551
Fixed assets – other	1,378	–	–	(1,072)	306
Major repairs and maintenance	200,000	–	–	–	200,000
CRM replacement	58,812	–	(34,213)	50,401	75,000
ICT replacement	10,328	–	–	–	10,328
Laptop replacement	25,000	–	–	–	25,000
Transitional fund	700,000	–	–	(100,000)	600,000
Business development projects	175,000	–	–	(65,000)	110,000
New website and finance software	65,627	–	(4,180)	58,553	120,000
Digital strategy	–	–	–	10,000	10,000
Patient safety campaign	–	–	–	10,000	10,000
Property update and file clearing	–	–	–	30,000	30,000
Total designated funds	3,157,483	–	(38,393)	(132,905)	2,986,185
Fair value reserve	33,862	–	–	(33,862)	–
General funds	838,878	1,287,508	(1,426,186)	166,767	866,967
Total unrestricted funds	4,030,223	1,287,508	(1,464,579)	–	3,853,152
Total funds	4,030,223	1,287,508	(1,464,579)	–	3,853,152

Purposes of designated funds

Fixed asset – property: the charity purchased the leasehold to Freedman House on 2 May 2013 for £1.2 million. This has been carried at valuation since 31 March 2018, and as at 31/3/23 is split 25:75 between functional fixed assets (ground floor) and investment property (1st, 2nd & 3rd floors). Per note 23, the property was sold on 30 August 2024 .

Fixed asset – CRM database: reflects the development cost to date of the new CRM database, Microsoft Dynamics. This was still in development at the year end; the majority of the work was complete and some modules were completed and in use and so a full year's depreciation has been charged on the costs to date.

Other fixed assets: reflects the reducing net book value of the ICT, website, furniture and office equipment. The transfer represents the cost of assets purchased in the year.

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

ICT replacement: to cover programme of ICT replacement. Transfers reflect ICT equipment which has been purchased during the year.

Transitional fund: to allow the charity to continue to meet its charitable objects at as near as possible the level of activity and impact as the year 2015/16 whilst new sources of income are explored and where necessary expenditure reduced, moving toward a sustainable balanced budget in 2026/27 in accordance with our long range financial plan. The funds are released on a straight line basis over 10 years. This was rolled forward for a further 3 years to 2029/30.

CRM replacement: to complete the CRM database project to replace our legacy system Seneca. Includes development costs and project management.

Business development projects: to invest in projects to develop new recurring income streams for the future.

New website and finance software: to implement new finance software Iplclic and develop new website for the organisation.

Laptop replacement: one-off project to replace the laptops used by all staff.

Digital strategy: to commission consultancy for production of an overarching digital strategy for the charity.

Patient safety campaign: costs associated with developing new patient safety campaign, such as the Harmed Patient Pathway.

Property update and file clearing: to smarten up Freedman House and clear/digitise stored documents.

Fundraising investment: to invest in further fundraising capability and support tools, in line with work with our income generation consultants.

Fair value reserve: this represents any unrealised gains on fixed asset investments.

21 Capital commitments

At the balance sheet date, the charity had capital commitments of £6,734 for further work on development of the CRM (2023: £4,725).

22 Contingent assets and liabilities

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

23. Post balance sheet events

After the year end the charity was approached with a fair offer to sell Freedman House. After appropriate due diligence including a s119 valuation report, the offer was accepted. The sale completed on 30 August 2024. The value of the property has been written down to the sale price of £1.5m, see note 8.

24 Legal status of the charity

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

Accounts

Company number: 2239250

Charity number: 299123

OSCR number: SCO39683

Action against Medical Accidents

Report and financial statements

For the year ended 31 March 2023

Action against Medical Accidents

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Action against Medical Accidents

Reference and administrative details

For the year ended 31 March 2023

Action against Medical Accidents (also known as “AvMA”)

Company number	2239250	
Country of incorporation	United Kingdom	
Charity number	299123	
Country of registration	England & Wales	
OSCR number	SCO39683	
Registered and principal office address	Freedman House Christopher Wren Yard, 117 High Street CROYDON, CR0 1QG	
Patrons	Peter Ransley (Honorary Life President) Umesh Prabhu James Badenoch KC Dame Professor Donna Kinnair	
Honorary officers	Jocelyn Cornwell Nigel Holland Caroline Browne	Chair Treasurer Senior Independent Director (July 2022)
Trustees	Michael Andersson Caroline Browne Janine Collier Jocelyn Cornwell Maggie Davies (resigned March 2023) Jane Hawdon (appointed September 2023) Nigel Holland Amrat Khorana Bill Kilvington Carol Parsons (appointed June 2023) Farrah Pradhan (associate trustee, appointed June 2023) Michele Salter (appointed June 2023) Mary Smith (resigned March 2023)	
Key management personnel	Paul Whiteing Nathan Bacon Nicky Rushden	Chief Executive Internal Resources Manager Finance Manager
Bankers	Co-operative Bank plc Delf House, Southway SKELMERSDALE, WN8 6NY	

Action against Medical Accidents

Reference and administrative details

For the year ended 31 March 2023

	Tavistock Private Client Ltd The Barn, Downing Park Station Rd, Swaffham Bulbeck CAMBRIDGE, CB25 0NW
Independent financial advisors	Castlefield Advisory Partners Ltd 8 th floor, 111 Piccadilly MANCHESTER, M12HY
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House, 108–114 Golden Lane LONDON, EC1Y 0TL
Solicitors	Tees Law Tees House 95 London Road Bishop's Stortford HERTFORDSHIRE, CM23 3GW

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2023

The Board of Trustees presents its report and the audited financial statements for the year ended 31 March 2023.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and Activities

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

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

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

In ordinary language trustees believe our purpose can best be described as “to support people affected by avoidable harm in healthcare; to help them achieve justice; and to promote better patient safety for all”.

Our beneficiaries

AvMA’s beneficiaries are people who have been affected by avoidable harm in healthcare and who are directly helped by our services; and others who benefit from the changes in policy and practice we bring about through our public education and influencing work. Below we describe how we help our beneficiaries through our main activities.

2022–23 in summary

- The year marked AvMA’s 40th Anniversary and we used it to remind stakeholders of continuing need and necessity for the work and purpose that we have. The culmination of 40th anniversary was marked with a Gala Dinner in London in December 2022 where we brought together over 400 supporters and friends of AvMA to celebrate our work and achievements over the duration of our existence.
- The year also marked the planned departure of AvMA’s Chief Executive, Peter Walsh who retired in December 2022. The external and open recruitment of Peter’s successor was started earlier in the year and there was a smooth handover to the new CEO, Paul Whiteing who took up post in January 2023.
- The Board met 4 times in the year. During the year two trustees resigned for personal reasons and it was decided that a programme of recruitment would not take place until the new CEO was in situ. Subsequently, three new trustees (and an ‘associate’ trainee) have been recruited from a variety of backgrounds – and with lived experience of medical harm – this building the capacity and experience of the Board.

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2023

- We continued to take the lead in making the case for the 'Independent Senior Advocates' (recommended by Donna Ockenden in her review of Shrewsbury and Telford). We supported Baby Lifeline in the delivery of the subsequent training to Advocates who were appointed by the NHS. NHS Trust maternity failures) needing to be genuinely independent, rather than employed by the NHS itself.
- We continued to get excellent feedback on the quality of advice provided to people affected by healthcare harm and increased the number of people we helped directly.
- Our work on the 'Harmed Patient Pathway' received widespread recognition, with several NHS trusts offering to pilot the approach and elements of the Pathway being adopted by the Patient Safety Incident Response Framework.
- At the end of the year, we held our Annual Clinical Negligence Conference in Bournemouth and had a very high attendance (over 400 delegates) and a record level of exhibitors supporting the event.

Advice, Information and Support

The advice and support we provide to people affected by avoidable harm in healthcare is at the very heart of what AvMA does. The experience of our clients informs everything we do. In 2022–23 we directly helped 2,464 people (2,717 in 2021–22) with many others benefitting from our self-help guides and online information through our website. There were 12,329 downloads of these (13,705 in 2021–22).

Our Helpline provides specialist, sympathetic support to people when they are coping with the trauma of their experience. It reassures them that an organisation exists which understands their plight and is here to help them. Our helpline staff and volunteers explain people's rights, how different medico-legal processes and procedures work, and they put people in touch with other specialist support where needed. By the end of the year, we had around 100 volunteers working on our helpline. We are grateful to our team of trained volunteers who enable us to make this service available Monday to Friday 10am–3.30pm. In 2022–23 we advised on 2,045 calls (2,052 in 2021–22). These are often extremely serious and complex cases. AvMA is the only charity providing a specialist medico-legal helpline in the UK and it can get very busy.

AvMA's caseworkers, who are all experienced professionals and are either medically and/or legally qualified, often provide in-depth advice that would not be available from any other agency. Sometimes, the referral of a healthcare professional to their regulator may be recommended, or the case may have broader lessons for patient safety, or link with one of AvMA's campaign priorities. In 2022–23 we opened 419 new casework files (555 in 2021–22).

IMPACT: Callers to our helpline and recipients of our written casework service feel understood and supported at a time of extreme stress and anxiety. They are enabled to make better informed

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2023

decisions about what to do next through our specialist advice and are better equipped to make use of the procedures available to them. Often, this enables them to access a specialist solicitor and eventually obtain compensation; and/or, to have their complaints or concerns properly addressed and resolved; and/or to achieve measures to protect other patients/improve patient safety.

Our Inquest Service

An important part of our casework is the support we provide to families involved in healthcare related inquests. This empowers families and maximises the opportunity for the right questions to be asked and learning to come from the inquest. Whereas NHS bodies and individual health professionals are usually legally represented at inquests, bereaved families are often not. We try to address this uneven playing field through our inquest support service. Often this involves AvMA in intensive work instructing counsel to represent the family. This service is made possible by barristers' giving their time, advocacy skills and expertise freely. It also involves a huge investment of time and effort in our caseworkers considering, researching and investigating the issues (medical and circumstantial) believed to be related to the death and where appropriate instructing the barrister, supporting the family, and attending the inquests. We helped 5 families secure representation at the inquest hearing in this way over the year, those cases had pre inquest review hearings in the run up to the inquest hearing. 3/5 inquest hearings lasted one full day, 1/5 hearings lasted two days and 1/5 lasted five days. A number of important conclusions have been arrived at in inquests where we arranged representation for families, including recommendations for improving patient safety, via Prevention Future Death (PFD) reports which may not have been achieved had we not been involved. In some circumstances Serious Investigation Reports (SIR) or equivalent processes were instigated as a direct result of AvMA's involvement, these processes would likely have been avoided without that involvement. Some of the SIR offered up Action Plans which may obviate the need for a PFD. Arguably where a trust offers up its own action plan it may be just as influential for improving patient safety as a PFD. This is because the impetus for change comes from the trust itself, it is not imposed on it by direction of the coroner. Families gained a better insight into the circumstances leading to their family member's death. We gave advice and information to 74 families who were facing a forthcoming inquest, to help them prepare and/or to get legal representation at the inquest. Some of these cases are very complex and time consuming.

Supporting families at inquests was made more challenging due to the after effect of the pandemic, as coroners' courts deal with a backlog of cases. Demand for the inquest service exceeds what we can supply by way of representation so we have written criteria for the cases we will take on, all applications for representation are judged against these criteria, which ensures equality and fairness in the process. All applications are read by caseworkers and then discussed at a weekly allocation meeting where views on the merits of the case are shared. We have noticed a trend in inquests becoming more complex and taking more time (more often than not being listed for a minimum of 3 days) This reduces the number of inquests we can take on with existing resources.

IMPACT: People who have lost a family member as a result of avoidable harm are all given information and advice on the coronial process, on limitation and on the terms of the pro bono inquest service. The beneficiaries we are able to provide assistance to at the healthcare inquest hearing are represented by qualified barristers and feel empowered by having a legal representative raise relevant points of law (for example, Article 2 arguments; neglect as a rider to a conclusion) and pose questions to the coroner and other witnesses attending to give evidence at inquests. The coroner is sometimes helped to recognise issues that need to be addressed to protect future patients/improve patient safety and to issue a 'prevention of future deaths' letter. It can also encourage the coroner to seek independent medical expert evidence before the full hearing thereby contributing to the coroner holding a full and fearless enquiry and ensuring that the evidence is available to be considered when the coroner arrives at their conclusion. Early involvement before the full hearing can enable families to invite the coroner to call relevant witnesses to give evidence at the hearing which they may have omitted to do without our involvement.

Policy and external relations (Influencing Policy & Practice)

Whilst the direct support we provide to our beneficiaries – people whose lives have been affected by safety failures – is vitally important in its own right, it also informs our policy and campaigns work. It fuels our passion to bring about changes that will benefit many more people than we can ever reach ourselves. 2022–23 was another busy year for AvMA in contributing to important policy initiatives and debates, which fell full-square in our area of concern and expertise. Increasingly AvMA is expected to take a lead on issues around patient safety and access to justice on behalf of patients due to its unique role.

A Key and significant area we campaigned on in the year followed on from the Government issuing a consultation on fixed recoverable costs in clinical negligence. The Department of Health and Social Care completed a consultation exercise in April 2022 on proposals to limit the legal costs that claimant solicitors can recover when they win a clinical negligence case. This consultation was based on clinical negligence cases with damages valued at £25,000 or less.

AvMA submitted a detailed response to the consultation. We firmly believe that the proposals as they stand would mean that many injured people or their families will not be able to find a solicitor to represent them at the rates proposed and so will lose their access to justice. Even if they did get representation and won, they would lose significant amounts of money from their 'damages' to cover some of the costs that solicitors would no longer be able to recover from the defendant.

The proposals would also encourage a deny and defend culture in the NHS and mean that lessons will not be learned, or organisations held to account, because people are no longer able to challenge denials. The most vulnerable and disadvantaged people in society, including those from Black and Minority Ethnic communities and disabled people will be disproportionately affected.

Action Against Medical Accidents

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For the year ended 31 March 2023

Many other organisations and individuals share our concerns about the effect of a FRC regime for low value clinical negligence claims up to £25,000. Eight other patients' charities including the Patients Association, MENCAP and MIND joined AvMA in writing jointly to the then Secretary of State, Sajid Javid MP about our concerns. The majority of respondents to a similar consultation in 2017 were not in favour of the proposals.

Our work around 'just culture' in healthcare and the work we did with our beneficiaries on understanding the harmed patient's journey led us to recognise the need to look at how the NHS should deal with the holistic needs of harmed patients and their families. Together with colleagues in the new organisation Harmed Patients Alliance, we developed the concept of a 'Harmed Patient Care Pathway' – an acknowledgement of a specific duty of care for patients who experience harm, and their families, and a set of different kinds of support which should be made available to them. This has been very well received by many stakeholders in healthcare and our beneficiaries. Our hope is that following further development of the concept and piloting of the approach – which we did during the year – will lead to a much better defined and resourced approach to supporting harmed patients and their families.

During the year, we continue to make the case for the need for harmed patients to get better support to meet their needs. We worked with the campaigning body the Harmed Patients Alliance and supported the work with, and launch of, their report 'Signpost to Nowhere' in November 2022. This [powerful report](#) highlighted that harmed patients and families struggle to obtain specialist independent information advice and advocacy to meet their unique needs, despite patients and families at various national listening events intended to support co-production of more meaningful after harm services repeatedly stressing the need for it. The report has a prestigious launch which AvMA attended at 11 Downing Street, hosted by the Rt Hon Jeremy Hunt MP, Chancellor of the Exchequer.

We continued to work with NHS Resolution and others building on the successful co-operation over a legal protocol for clinical negligence cases during the covid pandemic. The collaborative approach taken by NHS Resolution, the Society of Clinical Injury Lawyers (SCIL) and us in designing and operating the Covid 19 Clinical Negligence Claims Protocol has significantly reduced the volume of clinical negligence claims that have become litigated and created savings benefiting the NHS and patients. Figures from NHS Resolution show that since the implementation of the Covid 19 Clinical Negligence Protocol there has been a 6% reduction in the volume of settled cases that have been become litigated between financial years 2019/20 and 2021/22. This equates to a difference of 572 cases comparing the two years.

As well as work that grabs the headlines, AvMA continued to bring an expert patient perspective to patient safety and justice issues through ongoing relationships with public bodies, policy makers and fellow patients' groups and participation in various meetings and working groups. Staff and trustees were also represented on several advisory groups for relevant research projects. In 2022–23 we also made the following submissions in response to our campaigning work:

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2023

- Submission to the Health and Social Care Select Committee's call for evidence on NHS litigation reform
- Consultation on extending Fixed Recoverable Costs: How vulnerability is addressed
- Response to the Professional Standards Authority's draft strategic plan 2023–26
- Response to the consultation on regulating anaesthesia associates and physician associates

Beyond these responses, we remained active in talking about and supporting a range of other initiatives and campaigns such as our work to promote the effective delivery of a Duty of Candour, engagement with a range of professional regulators and our support for the work of MBBRACE-UK.

IMPACT: Our work on the need for independent advocacy and a pathway for harmed patients should mean that more people will get the right support they need in a compassionate and timely way. Our work on 'fixed recoverable costs'/access to justice should mean that more people retain the ability to access justice and ensure health providers recognise they have made a mistake.

Conferences and training (Spreading Awareness and Good Practice)

A total of 1,226 delegates attended AvMA's in-person events in 2022–23 (Panel Meeting – 146; 40th Anniversary Gala Celebration – 444; Cerebral Palsy and Brain Injury Cases conference – 91; Clinical Negligence: Law Practice and Procedure – 57; Annual Clinical Negligence Conference – 488), compared with 850 in 2021–22. The current appetite among delegates and sponsors is for larger scale events which offer networking opportunities. Our flagship conference, the Annual Clinical Negligence Conference (ACNC), took place on 24–25 March 2023 in Bournemouth and attracted just under 500 attendees, a record number of exhibitors (54) and a healthy profit well ahead of budget. There were 644 views of our webinar content in 2021–22.

The rail strikes have been disruptive to our events and caused the Inquests and Court of Protection conferences to be postponed from the 2022–23 financial year into 2023–24, resulting in the total gross profit from events in the 2022–23 financial year to be behind on the budgeted profit. Since Covid we have also faced a significant increase in competition from free training events and webinars offered by law firms and barrister chambers.

IMPACT: Enhancing the skills and knowledge of legal and health professionals' results in our beneficiaries receiving good quality advice and representation from them.

Medico-legal services

Although the majority of people AvMA helps do not take legal action, some are seeking the services of solicitors. In addition to awarding our AvMA panel accreditation quality mark where appropriate, AvMA continues to run a Lawyers' Service which law firms subscribe to. The Lawyer Service includes a data base of over 600 medico-legal experts. Experts cannot pay to be on AvMA's data base but are only accepted if they can meet the high standards required of our experts. AvMA will provide Lawyer Service member firms with details of relevant medico legal experts to help them investigate the client/beneficiaries case as fearlessly, openly and honestly as

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possible, in this way AvMA helps law firms provide the best possible services in this specialist area. We keep lawyers up to date on case law and policy and help with interpreting medical issues through the Lawyer Service Newsletter. Law firms subscribe to this service, which provides AvMA's single biggest income stream.

IMPACT: Our support services for solicitors practising in clinical negligence means that our beneficiaries are more likely to experience a good service and successful result. It is cost effective for the legal firm instructing the experts as it means they can expect to receive an appropriate medico-legal report which will help them identify the case's prospect of success at the earliest opportunity. Those cases that do not have reasonable prospects of succeeding (success might be considered likely where prospects are greater than 50% chance although more often firms use a higher benchmark) are turned down quickly. This reduces the stress on clients and hopefully provides some answers to their questions. Those which continue should have substantive issues and a good chance of being resolved.

We continued to assess and accredit clinical negligence solicitors for our specialist clinical negligence panel. AvMA's quality mark is the best indicator available that the solicitors have the necessary expertise, experience and integrity to do a good job for people affected by clinical negligence. Our panel members also usually have supervisory responsibilities in their firms, thereby helping assure quality in the firms as a whole. We see the importance of being able to recognise a genuine specialist as all the more important as a result of current upheaval of the legal system. In spite of the difficult environment for clinical negligence solicitors, interest in being on AvMA's panel remained strong. We received 13 new accreditation applications and made 4 new appointments to the panel during the year and reaccruited 15 panel members. We also had 4 panel members retire during the year and we are always very conscious of the need to bring on the next generation of specialist lawyers. However, we are re-assured by feedback suggesting the AvMA panel accreditation is still held in very high regard.

One of the key aims in the operation of the AvMA Panel is improving standards of clinical negligence practice by sharing best practice. Best practice benchmarks are drawn from applications to the panel, particularly from the most experienced senior lawyers, as well as the contribution of external interviewers, but always with a focus on what is in clients' best interests. Those benchmarks are continually changing as standards improve. We always interview new applicants, including those who have been advised they do not meet the required standard, as this enables us to offer advice on how they can improve. We do this as they will be providing clinical negligence advice with or without us, so we wish to ensure that their clients receive the best service. We are very grateful to David Kerry, an experienced former panel member, who has helped us on a voluntary basis with assessing and interviewing applicants for a number of years. David retired at the end of the year, and we thank him for his invaluable contribution and all of his support to AvMA during his tenure.

IMPACT: Our panel, and the quality mark denoting membership of it, makes it easier for our beneficiaries who need to take legal action to find a genuinely specialist solicitor with the

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appropriate qualities, knowledge and skills. This results in our beneficiaries receiving more expert advice and representation and, in our opinion, greater likelihood of a successful outcome.

AvMA's work in Scotland

As a charity registered in Scotland (as well as England and Wales) our activities north of the border include our Helpline and Casework Service, which can be accessed by people in Scotland. We continued to liaise with bodies such as Scottish Government, NHS Improvement Scotland, the Scottish Public Services Ombudsman and the Patient Advice and Support Service Scotland and contributed to discussions about patient safety and justice. In particular, we continued to engage about implementation of the Duty of Candour in Scotland.

Public Benefit

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

Fundraising

AvMA is a member of the Fundraising Regulator Scheme and follows its code of conduct. AvMA's main fundraising comes from donations from supporters; fundraising events held by other organisations benefiting AvMA; our own fundraising events; corporate sponsorship; and occasional bequests. AvMA does not employ or commission external fundraising professionals or companies. AvMA does not make unsolicited approaches to individuals. No complaints have been received about AvMA's fundraising.

Assuring the quality of our work

The charity has a Quality and Outcomes sub-committee to help take forward its work on quality and impact measurement. Part of its remit is to review any complaints made about AvMA's work and be sure that any learning points are acted upon. We received no formal complaints about AvMA during the year. However, we continue to monitor feedback and look into any concerns expressed.

We have developed a range of different ways in which people can give us feedback on our services and all comments, positive and negative, are reviewed regularly. Where possible, we contact people who leave negative feedback to see if we can resolve the problem they raise.

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Plans for the future

Our five-year strategic plan sets out our strategic objectives for five years from 2019–2024 and our plans for achieving them. We held a mid-term review of our strategy in October 2021.

AvMA's plans for 2023–24 include:

- Full implementation of a new CRM (database) – the biggest infrastructure investment AvMA has ever made, which will greatly improve our efficiency
- Further development of a 'Harmed Patient Pathway', seeking to ensure a consistent approach is taken to meet the needs of harmed patients and their families
- Intensive policy and influencing work around the Government's expected legal reforms, including proposals for 'fixed recoverable costs' in clinical negligence and other legal reforms which we fear may be injurious to access to justice and patient safety.
- The launch of the Certificates of Competence Scheme (CCS), an initiative which aims to enable AvMA to better engage with paralegals as well as newly qualified and junior solicitors. CCS is a certification scheme comprised of three levels which intends to reflect progress and development of those participating in the scheme as they specialise in claimant clinical negligence work. It should act as an indicator that the applicants going through the scheme are on track to become full panel members in the future, however it is not a passport to AvMA Panel Accreditation. It will also offer the public some protection on low value claims in the event a FRC regime is introduced as lawyers who successfully complete the three stages of the CCS scheme will be able to demonstrate some level of expertise and advertise this fact. If a FRC scheme is introduced then increasingly low value work will be undertaken by junior staff, not AvMA Panel members, this simply reflects the existing trend in the clinical negligence market.
- Continuing to work hard to try to diversify income streams and generate new income to address the forecast operational deficit and enable maintenance of services and meeting charitable objectives long term.
- Engaging with Legal Think Tank to be more proactive in responding to government policies which threaten to introduce a no-fault compensation scheme as an alternative to litigation for injured claimants without providing sufficient funding for social care to support such a scheme.
- Considering ways in which we can meaningfully support our beneficiaries who are unable to secure legal representation now and in the event a FRC regime is introduced.
- Engaging with NHS Resolution and in particular the Maternity Voices Group (MVAG) which is part of the Early Notification Scheme (ENS) working party to influence the way in which the ENS is delivered by them and to ensure so far as possible that families with potentially complex claims involving babies brain injured at birth understand the process and their right to legal advice.
- Engaging with HSIB Maternity investigations to promote the best service to families and to assist them wherever we can in bringing down the number of obstetric injuries occurring by promoting learning.

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- Working with other stakeholders such as Society Clinical Injury Lawyers (SCIL), Association Personal Injury Lawyers (APIL) to name but two in bringing about objectives identified in this section.

“THANK YOU”

AvMA provides all of its services to the public for free and receives no State funding. It has to rely on its own fundraising and income generation activities to keep going. We are very grateful to all of our supporters; donors; paying customers; and business partners for making this happen. We would like to say a special thank you to the following companies who supported us in 2022–23:

- Beneficiaries and others who made a donation to us or left us a legacy
- Barristers and others who provided pro bono services to our beneficiaries such as through an inquest
- Partners in Costs (Our Platinum medico–legal sponsor and organiser of famous curry nights)
- BD (our Platinum ‘Partners for Patient Safety’ corporate member)
- Radar Healthcare (our Gold ‘Partners for Patient Safety’ corporate member)
- Pentland Medical (our Silver ‘Partners for Patient Safety’ corporate member)

We would also like to thank all of those who volunteer on our Helpline; without that support we could not provide a service that we know has such an important impact for so many of the beneficiaries who first come to us through that route.

STRUCTURE, GOVERNANCE & MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 4 April 1988 and registered as a charity on 17 April 1988. The organisation changed its name to Action against Medical Accidents (AvMA) on 3 December 2003.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustees collectively form the Board of Trustees.

Board of Trustees and appointment of Board members

Individual trustees (members of the Board) are appointed by the Board of Trustees. Not less than 6 nor more than 20 Board members may be appointed. The Board may co-opt persons to fill casual vacancies provided the maximum of 20 is not exceeded. Approximately one third of the Board must retire each year, those being the longest serving since their previous election. Retiring members are eligible for re-election, which takes place at the annual general meeting.

Recruitment of new trustees takes place as and when the Board believes this is necessary to add to or complement the experience, knowledge and skills available to the Board. Usually “vacancies” for new trustees are advertised. Potential new trustees are interviewed by at least two trustees usually including the Chair, and the Chief Executive. Based on objective criteria, the recommendations to appoint a new trustee are put to the full Board together with the candidate’s background details

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for a decision. We also have the role of ‘associate trustees’ to help attract new talent without formal board experience so that they can gain governance experience before taking on the full trustee role. They are not legally full trustees and so are not registered with Companies House or the Charity Commission.

During 2022–23 two trustees resigned, bringing the total number of trustees to seven at the year end. Three new trustees have been appointed since the year end and one associate trainee.

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

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. Trustees continue to be guarantors for a year following resignation. The total number of such guarantees at 31 March 2023 was 9 (2022 – 12). Members of the Board of Trustees have no beneficial interest in the charitable company.

The Board of Trustees met four times during the year. AvMA has adopted a five year strategic plan for 2019–20 onwards. A new plan for 2024–25 onwards is being drawn up. This is accompanied by annual operational plan. Progress on meeting strategic objectives is reviewed regularly. The Finance and Investment Committee, Quality & Outcomes Committee, Income Generation Working Group and IT and Digital Support Group all meet between Board meetings.

AvMA has a trading company, AvMA Services Ltd, which is used when there has been non-charitable trading beyond the amount permissible by the Charity Commission. AvMA Services Ltd has been inactive in 2022–23.

Honorary Officers

The charity has adopted the practice of electing a Chair, Vice-Chair and Treasurer for a one year term at the charity’s AGM. December 2022 saw the re-appointment of Jocelyn Cornwell as Chair, Nigel Holland as Treasurer and Caroline Browne as Senior Independent Director.

Delegation of day to day running of the charity

Trustees delegate the day to day running of the charity to the Chief Executive. Paul Whiteing was appointed as new Chief Executive in January 2023 on the retirement of Peter Walsh.

Patrons

The role of patron does not involve any legal or governance responsibilities. Patrons act as ambassadors for the charity and help by providing advice, taking part in events, making introductions and generally spreading the word about AvMA and its work.

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Remuneration of key management personnel

The Board of Trustees has a remuneration policy covering all employees. Salary levels are set and reviewed through trustees' review of salaries available in comparable organisations (for example by reviewing job advertisements and/or speaking to recruitment agencies) and by reference to the NJC and NHS Pay Scales. Annual cost of living increments are awarded at the discretion of the Board of Trustees, with reference to the Consumer Price Index for the previous calendar year and bearing in mind the charity's finances and the financial climate generally. AvMA's full remuneration policy is published on the charity's website.

Financial Review

Our Medico-Legal department made a contribution (calculated by income less direct costs from note 6) of £218,399 in the year, Other Charitable Trading generated £141,270 and Conferences and Training generated £109,692. Fundraising generated a contribution of £35,855, in addition to the final payment of the very generous legacy from the estate of K Jones of £121,938. Overall this covered the net cost of our public-facing Advice and Information Service of £210,242, our Policy & External Relations costs of £43,553 and our support costs, giving an overall net income of £63,431 for the year. This contributed to the unrealised losses on investments of £80,501 in a challenging year.

AvMA receives no ongoing funding from NHS or government agencies and is therefore very reliant on its own income generation activities and the generosity of the people we have helped, other supporters and sponsors. For this we are extremely grateful.

The receipt of the Judith Freedman legacy in 2011 means that the charity was able to invest for its future. The single most significant use of the legacy was the purchase of "Freedman House" on a 999 year lease. This was valued at £1,620,000 as at 31 March 2023, which is £160,000 lower than the valuation at 31/3/22 and £413,341 higher than the original cost. We also currently hold £1,121,425 in an investment portfolio (see note 14).

Principal risks and uncertainties

The main risk facing the charity continues to be the uncertainty facing the future of clinical negligence litigation. Most of the charity's income is generated through the provision of services to clinical negligence lawyers, both through the Lawyers' Service and the provision of conferences and training. Recent legal reforms including the removal of legal aid for the vast majority of clinical negligence cases have already created difficulties for law firms wishing to practice in clinical negligence, which is beginning to see mergers or firms dropping out of clinical negligence work. This is putting increasing pressure on our abilities to generate income. Government proposals for the introduction of a 'fixed recoverable costs' regime could have a much larger impact (as well as threatening access to justice for AvMA's beneficiaries and the likelihood of the NHS learning from errors). The charity is addressing this risk by attempting to diversify and develop new sources of income and also planning for managing an anticipated fall in income in a carefully planned and staged way. The situation is kept under constant review.

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Another principal risk facing the charity is the impact of the current high levels of inflation. The charity may not be able to increase income in all areas sufficient to cover higher costs. Also, using estimates of future inflation poses a challenge to the accuracy of the financial planning process. The charity is addressing this risk by keeping it under constant review and remaining flexible in its financial planning, together with analysing inflation information from the best sources, to include the most appropriate rates in the planning.

A further principal risk is the uncertainty in financial markets which may affect the charity's investments. In the light of this, the trustees have continued with the charity's investment strategy of de-risking the short-term element of the portfolio and assuming medium risk for the long-term part.

AvMA relies on part of its income coming from rent and service charges received for three floors of Freedman House. The economic situation means that that office space has become harder to let. There is therefore a significant risk income from this source will drop. The third floor has been leased for ten years, we have received notice that the tenant will be leaving at the break date of March 2024; the second floor is empty and being marketed; the first floor has been vacated by AvMA and is being marketed for lease.

Trustees consider known significant risks and strategies for mitigating them through a risk register which is reviewed regularly by the Board and its committees.

Reserves and Investment Policy

Background and financial strategy

As set out above, we are in a period when income from our traditional revenue sources is declining significantly, against a background of the current deliberate deficit budget. Current trends and uncertainties lead us to expect this fall to continue in the coming few years.

The trustees have worked hard to develop a long-range financial strategy to address the situation on a timely and considered basis. Our financial strategy is to move to a sustainable balanced budget over a period of time, against the background of anticipated contraction of our traditional revenue streams, through developing new sources of income and making cost efficiencies in a carefully planned manner. This is reviewed each year on a rolling basis.

We plan to utilise our current reserves to fund the (reducing) operating shortfall each year, to continue to provide maximum impact to our beneficiaries, and also to continue to invest carefully in new development activities as appropriate. This is expected to reduce reserves to the target level by the end of the strategy period. These reserves are held as a separate designated fund, and 1/10 is released each year to general funds, as per note 20.

The long-term financial strategy is currently under review as part of the strategic planning work,

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Reserves policy

We own our office building, Freedman House, outright. This provides cover for catastrophic events, and also for an orderly wind down should this ever be necessary, as well as generating an income and savings on what would be spent on rent.

The trustees have a policy to retain sufficient free reserves to cover working capital requirements and realistic contingencies. This is calculated as:

- Working capital: 3 months' running costs including salaries, and 75% of conference venue costs.
- Contingency reserve £100,000: to cover the risk of a short-term fall in income over committed expenditure, together with operational risks and exceptional costs.

At current activity levels this amounts to target reserves of £491,437.

Level of reserves

We have free reserves of £866,967 at the year end. This is an excess of £375,530 against the above year-end target, due primarily to the receipt of K Jones' legacy of £571,938 in total. Liquidity is carefully managed and the balance is in line with our long-range financial strategy as explained above.

Investment policy

The trustees have agreed to invest the reserves in an ethical investment portfolio, to achieve returns that enable the funding of AvMA's requirements both in the short and the long-term. Short-term requirements (up to 3 years) are placed on deposit to achieve some return whilst ensuring appropriate liquidity, using a specialist cash management service where possible. The remaining reserves are held within a long-term investment portfolio managed by Castlefield. The total investment portfolio including the cash is conservatively structured with an emphasis on capital preservation, but also with an overall target return in the region of 2.5%. This target has been exceeded overall since inception, although in the current market conditions the return is not being made in the short term.

Management and trustees monitor the financial plan, reserves levels and investment policy closely in the light of changing circumstances.

Statement of Responsibilities of the Board of Trustees

The Board of Trustees (whose members are also directors of Action against Medical Accidents for the purposes of company law) is 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 the group and of the

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incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the Board of Trustees are required to:

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

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

In so far as the Board of Trustees is aware:

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

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

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

Approved by the Board of Trustees on 5 December 2023 and signed on its behalf by

Paul Whiteing
Company Secretary

Opinion

We have audited the financial statements of Action against Medical Accidents (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 Action against Medical Accidents' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

Independent auditor's report

To the members of

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- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our 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

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misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, finance committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The

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risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable 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.

Noelia Serrano (Senior statutory auditor)

7 December 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

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

Action against Medical Accidents

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	2023 Total £	2022 Total £
Income from:			
Donations and legacies	2	183,456	72,277
Charitable activities			
Conferences and training	3	413,712	437,348
Medico-legal services	3	405,962	392,909
Advice, information and support	3	20,882	785
Other trading activities	4	167,658	162,630
Investments	5	81,669	56,096
Other		14,169	1
Total income		1,287,508	1,122,046
Expenditure on:			
Raising funds	6	30,684	46,937
Charitable activities			
Conferences and training	6	409,419	368,468
Medico-legal services	6	305,678	281,528
Advice, information and support	6	377,137	378,478
Policy and external relations	6	64,254	55,482
Charitable trading activities	6	36,905	39,954
Total expenditure		1,224,077	1,170,847
Net income/(expenditure) before net gains on investments		63,431	(48,801)
Net (losses)/gains on investments	14	(80,501)	8,224
Net (losses)/gains on investment property	13b	(80,000)	90,000
(Impairment loss)/Revaluation gain on leasehold property	13a	(80,000)	90,000
Net (expenditure)/income for the year	7	(177,070)	139,423
Reconciliation of funds:			
Total funds brought forward	20	4,030,223	3,890,800
Total funds carried forward	20	3,853,152	4,030,223

All funds are unrestricted. All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

Action against Medical Accidents

Balance sheet

Company no. 2239250

As at 31 March 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Intangible assets	12		175,551		141,338
Tangible assets: other	12		306		1,378
Tangible assets: leasehold property	13a		405,000		890,000
Investment property	13b		1,215,000		890,000
Investments	14		1,121,524		1,194,298
			<u>2,917,381</u>		<u>3,117,014</u>
Current assets:					
Debtors	15	122,840		147,244	
Cash at bank and in hand		<u>1,120,102</u>		<u>1,188,531</u>	
			<u>1,242,942</u>	<u>1,335,775</u>	
Liabilities:					
Creditors: amounts falling due within one year	16	<u>307,171</u>		<u>422,566</u>	
Net current assets			<u>935,771</u>		<u>913,209</u>
Total net assets			<u><u>3,853,152</u></u>		<u><u>4,030,223</u></u>
The funds of the charity:	20a				
Unrestricted income funds:					
Designated funds		2,986,185		3,157,483	
Fair value reserve		–		33,862	
General funds		<u>866,967</u>		<u>838,878</u>	
Total unrestricted funds			<u>3,853,152</u>		<u>4,030,223</u>
Total charity funds			<u><u>3,853,152</u></u>		<u><u>4,030,223</u></u>

Approved by the trustees on 5 December 2023 and signed on their behalf by

Dr Jocelyn Cornwell
Chair

Nigel Holland
Treasurer

Action against Medical Accidents

Statement of cash flows

For the year ended 31 March 2023

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

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(177,070)	139,423
Depreciation charges	1,072	2,984
Losses/(gains) on investments	80,501	(8,224)
Loss/(gain) on property revaluation	160,000	(180,000)
Dividends, interest and rent from investments	(81,669)	(56,096)
Decrease in debtors	24,403	458,010
(Decrease) in creditors	(115,395)	(118,510)
Net cash (used in)/provided by operating activities	(108,158)	237,587

	£	2023 £	£	2022 £
Cash flows from operating activities				
Net cash (used in)/provided by operating activities		(108,158)		237,587
Cash flows from investing activities:				
Dividends, interest and rents from investments	81,669		56,096	
Purchase of fixed assets	(34,213)		(141,338)	
Proceeds from sale of investments	-		1,016,152	
Purchase of fixed asset investments and cash invested into portfolio	(7,727)		(1,018,421)	
Net cash from investing activities		39,729		(87,511)
Change in cash and cash equivalents in the year		(68,429)		150,076
Cash and cash equivalents at the beginning of the year		1,188,531		1,038,455
Cash and cash equivalents at the end of the year		1,120,102		1,188,531

Analysis of cash and cash equivalents and of net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	451,006	(279,226)	171,780
Notice deposits (less than three months)	737,525	210,797	948,322
Total cash and cash equivalents	1,188,531	(68,429)	1,120,102
Total	1,188,531	(68,429)	1,120,102

1 Accounting policies

a) Statutory information

Action against Medical Accidents is a charitable company limited by guarantee and is incorporated in England.

The registered office address and principal place of business is Freedman House, Christopher Wren Yard, 117 High Street, Croydon CR0 1QG.

b) Basis of preparation

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

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

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

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, including the impact of covid on the charity within the year and going forward.

e) Income

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

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

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

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

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

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

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

g) 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.

h) Fund accounting

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

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

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

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

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

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

● Raising funds	3%
● Conferences and training	25%
● Medico-legal services	29%
● Advice, information and support	36%
● Policy and external relations	5%
● Charitable trading activities	3%

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

1 Accounting policies (continued)

k) Operating leases

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

l) Fixed assets

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

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

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

● Computer equipment and website development	3 years
● Office equipment and furniture	5 years
● Databases	10 years

The leasehold property is valued under the revaluation model. No depreciation is charged on the leasehold property on the grounds of immateriality due to a long expected life and high residual value.

m) Listed investments

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

Investments in subsidiaries

Investments in subsidiaries are at cost.

Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value will be stated in the notes to the accounts.

n) 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.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

p) 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.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)

q) 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.

r) Pensions

The charitable company offers all staff a stakeholder pension scheme in accordance with auto enrolment requirements. The charitable company pays an agreed contribution to this scheme on their behalf. The assets of the pension fund are independent from the company and the pension cost charge represents contributions payable. The charitable company has no additional liability other than for the payment of those contributions.

2 Income from donations and legacies

	2023 Total £	2022 Total £
Experts' donations	9,767	11,121
Corporate donations	38,452	7,315
Unclaimed clients' money	2,287	14,113
Legacies	123,938	–
Other donations	3,923	12,670
Other fundraising	5,089	6,756
	183,456	51,975

All funds for 2023 and 2022 were unrestricted.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2023

3 Income from charitable activities

	2023 Total £	2022 Total £
Delegate, sponsor and webinar income	413,712	437,348
Total: conferences and training	413,712	437,348
Subscription fees	392,745	379,709
Referral panel fees	13,217	13,200
Total: medico-legal services	405,962	392,909
Sponsored leaflets	20,120	15,552
Other	762	785
Total: advice, information and support	20,882	16,337
Total income from charitable activities	840,556	846,594

All funds for 2023 and 2022 were unrestricted.

4 Income from other trading activities

	2023 Total £	2022 Total £
AvMA events	4,655	2,230
Website subscriptions	115,881	108,230
Lawyers' service directory	14,152	10,502
Publications	12,455	12,512
Fees earned	10,871	29,156
Corporate sponsorship	9,644	4,750
	167,658	167,380

All funds for 2023 and 2022 were unrestricted.

5 Income from investments

	2023 Total £	2022 Total £
Dividends and interest	21,823	14,516
Rent	59,846	41,580
	81,669	56,096

All funds for 2023 and 2022 were unrestricted.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2023

6a Analysis of expenditure (current year)

	Charitable activities									
	Cost of raising funds £	Conferences and training £	Medico-legal services £	Advice, information and support £	Policy and external relations £	Charitable trading activities £	Governance costs £	Support costs £	2023 Total £	2022 Total £
Staff costs (Note 8)	19,469	139,085	182,633	221,425	44,792	22,265	32,220	233,252	895,141	851,412
Direct cost of events	-	170,835	819	762	-	4,123	-	-	176,540	155,261
Travel, subsistence and accommodation	-	-	-	82	48	-	589	586	1,304	2,247
Call handling	-	-	-	4,147	-	-	-	-	4,147	4,847
Investment management fees	-	-	-	-	-	-	-	9,377	9,377	11,137
Other professional fees	-	-	-	18	-	-	9,100	16,765	25,882	19,266
Office costs	294	(0)	3,126	4,691	-	-	990	58,949	68,050	65,911
Premises costs	-	-	-	-	-	-	-	37,262	37,262	52,300
Depreciation	-	-	-	-	-	-	-	1,072	1,072	2,984
Training and development	-	-	-	-	-	-	568	-	568	24
Major projects	-	-	-	-	-	-	-	4,180	4,180	3,493
Sundry	-	-	995	-	-	-	86	(526)	555	1,965
Direct expenditure	19,763	309,920	187,573	231,124	44,840	26,388	43,553	360,915	1,224,077	1,170,847
Support costs	9,745	88,785	105,387	130,290	17,324	9,384	-	(360,915)	-	-
Governance costs	1,176	10,714	12,718	15,723	2,091	1,132	(43,553)	-	-	-
Total expenditure 2023	30,684	409,419	305,678	377,137	64,254	36,905	-	-	1,224,077	1,170,847
Total expenditure 2022	46,937	368,468	281,528	378,478	55,482	39,954	-	-	-	1,170,847

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2023

6b Analysis of expenditure (prior year)

	Charitable activities								
	Cost of raising funds £	Conferences and training £	Medico-legal services £	Advice, information and support £	Policy and external relations £	Charitable trading activities £	Governance costs £	Support costs £	2022 Total £
Staff costs (Note 8)	31,976	131,229	167,484	220,952	37,692	20,058	29,315	212,706	851,412
Direct cost of events	-	144,544	-	247	-	10,470	-	-	155,261
Travel, subsistence and accommodation	-	-	-	-	-	-	1,503	744	2,247
Call handling	-	-	-	4,847	-	-	-	-	4,847
Investment management fees	-	-	-	-	-	-	-	11,137	11,137
Other professional fees	-	-	-	216	900	-	7,675	10,475	19,266
Office costs	428	-	2,888	4,140	-	-	-	58,455	65,911
Premises costs	-	-	-	-	-	-	-	52,300	52,300
Depreciation	-	-	-	-	-	-	-	2,984	2,984
Training and development	-	-	-	-	-	-	-	24	24
Major projects	-	-	-	-	-	-	-	3,493	3,493
Sundry	-	-	-	-	-	-	60	1,905	1,965
Direct expenditure	32,404	275,773	170,372	230,402	38,592	30,528	38,553	354,223	1,170,847
Support costs	13,106	83,597	100,245	133,542	15,232	8,501	-	(354,223)	-
Governance costs	1,427	9,098	10,911	14,534	1,658	925	(38,553)	-	-
Total expenditure 2022	46,937	368,468	281,528	378,478	55,482	39,954	-	-	1,170,847

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2023

7 Net incoming resources for the year

This is stated after charging / (crediting):

	2023 £	2022 £
Depreciation	1,072	2,984
Auditor's remuneration (excluding VAT):		
Audit – current year	8,850	7,675
Foreign exchange (gains)/losses	(71)	13
	<u>8,850</u>	<u>7,675</u>

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

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	802,790	760,479
Social security costs	74,482	73,229
Employer's contribution to defined contribution pension schemes	17,869	17,704
	<u>895,141</u>	<u>851,412</u>

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

	2023 No.	2022 No.
£70,000 – £79,999	1	2
£60,000 – £69,999	1	–
	<u>1</u>	<u>–</u>

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £200,731 (2022: £184,706). The increase is due to the handover period to the new chief executive.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel, subsistence and accommodation costs totalling £216 (2022: £970) incurred by 2 (2022: 6) members relating to attendance at trustee meetings and events and telephone costs.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2023

9 Staff numbers

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

	2023 No.	2022 No.
Raising funds	0.4	0.6
Conferences and training	3.6	3.8
Medico-legal services	4.3	4.6
Advice, information and support	5.3	6.1
Policy and external relations	0.7	0.7
Charitable trading activities	0.4	0.4
Support	5.4	5.5
Governance	0.5	0.5
	<u>20.6</u>	<u>22.2</u>

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

	2023 No.	2022 No.
Raising funds	0.4	0.6
Conferences and training	3.0	3.1
Medico-legal services	3.8	3.6
Advice, information and support	5.0	5.0
Policy and external relations	0.7	0.6
Charitable trading activities	0.3	0.3
Support	4.6	4.8
Governance	0.5	0.5
	<u>18.3</u>	<u>18.5</u>

10 Related party transactions

There are no related party transactions to disclose for 2023 (2022: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties (2022: none).

11 Taxation

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

12 Tangible and intangible fixed assets

	Computer equipment and website (Tangible) £	Office equipment and furniture (Tangible) £	EMIS database (Intangible) £	MS Dynamics CRM database (Intangible) £	Total £
Cost or valuation					
At the start of the year	93,069	61,372	20,000	141,338	315,779
Additions in year	–	–	–	34,213	34,213
At the end of the year	93,069	61,372	20,000	175,551	349,992
Depreciation					
At the start of the year	92,306	60,757	20,000	–	173,063
Charge for the year	763	309	–	–	1,072
At the end of the year	93,069	61,066	20,000	–	174,135
Net book value					
At the end of the year	–	306	–	175,551	175,857
At the start of the year	763	615	–	141,338	142,716

All of the above assets are used for charitable purposes. The leasehold property is disclosed separately, see note 13. The Microsoft Dynamics CRM database was still in development at the year end and so no depreciation has been charged in the year.

13 Property

The charity owns the leasehold to Freedman House which comprises 4 floors. Up until the year end the ground and first floor were occupied by the charity and disclosed as tangible fixed assets. The second and third floors are rental and disclosed as investment property. Since the year end the first floor has been marketed to rent. The first floor has been transferred to investment property as at the year end. The original total cost in 2013 was £1,206,659. The value for the total property was £1,620,000 based on a formal valuation from Elliott & Company, chartered surveyors. This value is £160,000 lower than the the value at 31/3/22 and £413,341 higher than the original cost.

13a Tangible fixed assets: Leasehold property

	2023 £	2022 £
Valuation		
At the start of the year (ground and first floors)	1,025,000	1,025,000
Transfer to investment property (first floor)	(512,500)	–
	<u>512,500</u>	<u>1,025,000</u>
At the end of the year (ground floor only)		
Depreciation		
At the start of the year (ground	135,000	225,000
Impairment gains /(losses written back)	80,000	(90,000)
Transfer to investment property (first floor)	(107,500)	–
	<u>107,500</u>	<u>135,000</u>
At the end of the year (ground floor only)		
Net book value		
At the end of the year (ground floor only)	<u><u>405,000</u></u>	<u><u>890,000</u></u>

13b Investment property

	2023 £	2022 £
Fair value at the start of the year (second and third floors)	890,000	800,000
Revaluation during the year	(80,000)	90,000
Transfer from investment property (first floor)	405,000	–
	<u>1,215,000</u>	<u>890,000</u>
Fair value at the end of the year (first, second and third floors)		

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2023

14 Investments

	2023 £	2022 £
Fair value at the start of the year	1,194,199	1,183,707
Additions at cost	–	1,042,575
Disposal proceeds	–	(1,016,152)
Net (loss)/gain on change in fair value	(80,501)	8,224
Movements in cash element of portfolio	7,727	(24,155)
Fair value at the end of the year	<u>1,121,425</u>	<u>1,194,199</u>
Historic cost at the end of the year	<u>1,330,728</u>	<u>1,160,337</u>
Investments comprise:		
Investment Trusts/OEICs/REITs/SICAVs	1,105,008	1,185,509
Cash	16,417	8,690
	<u>1,121,425</u>	<u>1,194,199</u>
Share in subsidiary undertaking (see below)	99	99
	<u>1,121,524</u>	<u>1,194,298</u>

The total value of the investments have reduced to £1,015,282 as at 25/10/23, partly as a result of the effect on the global downturn and volatility of the markets. There is no immediate requirement for the investments, so they will be held until value recovers.

Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of AVMA Services Limited, a company registered in England. The company did not trade in this or the prior financial year. The subsidiary's net assets are £99 (2022: £99).

15 Debtors

	2023 £	2022 £
Trade debtors	65,161	87,189
Other debtors	28,065	22,028
Prepayments	23,364	30,815
Accrued income	6,250	7,212
	<u>122,840</u>	<u>147,244</u>

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Taxation and social security	36,709	40,902
Other creditors	19,853	39,895
Accruals	76,640	39,113
Deferred income (note 17)	173,969	302,656
	<u>307,171</u>	<u>422,566</u>

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2023

17 Deferred income

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

	2023 £	2022 £
Balance at the beginning of the year	302,656	434,210
Amount released to income in the year	(302,656)	(434,210)
Amount deferred in the year	173,969	302,656
Balance at the end of the year	173,969	302,656

18 Pension scheme

The charity contributes to a defined contribution stakeholder pension scheme for its employees. Contributions are set out in note 8 above. There were no amounts owed at 31 March 2023 (2022: £nil).

19a Analysis of net assets between funds (current year)

	Restricted £	General unrestricted £	Fair value reserve £	Designated £	Total funds £
Intangible fixed assets – database	–	–	–	175,551	175,551
Tangible fixed assets – other	–	–	–	306	306
Tangible fixed assets – leasehold	–	–	–	810,000	810,000
Investment property	–	–	–	810,000	810,000
Fixed asset investments	–	–	–	1,121,524	1,121,524
Net current assets	–	866,967	–	68,804	935,771
Net assets at 31 March 2023	–	866,967	–	2,986,185	3,853,152

19b Analysis of net assets between funds (prior year)

	Restricted £	General unrestricted £	Fair value reserve £	Designated £	Total funds £
Intangible fixed assets – database	–	–	–	141,338	141,338
Tangible fixed assets – other	–	–	–	1,378	1,378
Tangible fixed assets – leasehold	–	–	–	890,000	890,000
Investment property	–	–	–	890,000	890,000
Fixed asset investments	–	–	33,862	1,160,436	1,194,298
Net current assets	–	838,878	–	74,331	913,209
Net assets at 31 March 2022	–	838,878	33,862	3,157,483	4,030,223

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2023

20a Movements in funds (current year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Unrestricted funds:					
Designated funds:					
Fixed assets – property	1,780,000	–	–	(160,000)	1,620,000
Fixed assets – CRM database	141,338	–	–	34,213	175,551
Fixed assets – other	1,378	–	–	(1,072)	306
Major repairs and maintenance	200,000	–	–	–	200,000
ICT replacement	10,328	–	–	–	10,328
Transitional fund	700,000	–	–	(100,000)	600,000
CRM replacement	58,812	–	(34,213)	50,401	75,000
Business development projects	175,000	–	–	(65,000)	110,000
New website and finance software	65,627	–	(4,180)	58,553	120,000
Laptop replacement	25,000	–	–	–	25,000
Digital strategy	–	–	–	10,000	10,000
Patient safety campaign	–	–	–	10,000	10,000
Property update and file clearing	–	–	–	30,000	30,000
Total designated funds	3,157,483	–	(38,393)	(132,905)	2,986,185
Fair value reserve	33,862	–	–	(33,862)	–
General funds	838,878	1,287,508	(1,426,185)	166,767	866,967
Total unrestricted funds	4,030,223	1,287,508	(1,464,578)	–	3,853,152
Total funds	4,030,223	1,287,508	(1,464,578)	–	3,853,152

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2023

20b Movements in funds (prior year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Unrestricted funds:					
Designated funds:					
Fixed assets – property	1,600,000	–	–	180,000	1,780,000
Fixed assets – CRM database	–	–	–	141,338	141,338
Fixed assets – other	4,362	–	(2,984)	–	1,378
Major repairs and maintenance	200,000	–	–	–	200,000
ICT replacement	10,328	–	–	–	10,328
Transitional fund	500,000	–	–	200,000	700,000
CRM replacement	202,000	–	(1,850)	(141,338)	58,812
Business development projects	175,000	–	–	–	175,000
New website and finance software	70,000	–	(4,373)	–	65,627
Laptop replacement	25,000	–	–	–	25,000
Total designated funds	2,786,690	–	(9,207)	380,000	3,157,483
Fair value reserve	304,417	–	–	(270,555)	33,862
General funds	799,693	1,310,270	(1,161,640)	(109,445)	838,878
Total unrestricted funds	3,890,800	1,310,270	(1,170,847)	–	4,030,223
Total funds	3,890,800	1,310,270	(1,170,847)	–	4,030,223

Purposes of designated funds

Fixed asset – property: the charity purchased the leasehold to Freedman House on 2 May 2013 for £1.2 million. This has been carried at valuation since 31 March 2018, and as at 31/3/23 is split 25:75 between functional fixed assets (ground floor) and investment property (1st, 2nd & 3rd floors).

Fixed asset – CRM database: reflects the development cost to date of the new CRM database, Microsoft Dynamics. The development was not complete by the year end. Depreciation will be charged to this fund in future years.

Other fixed assets: reflects the reducing net book value of the ICT, website, furniture and office equipment. The transfer represents the cost of assets purchased in the year.

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

ICT replacement: to cover programme of ICT replacement. Transfers reflect ICT equipment which has been purchased during the year.

Transitional fund: to allow the charity to continue to meet its charitable objects at as near as possible the level of activity and impact as the year 2015/16 whilst new sources of income are explored and where necessary expenditure reduced, moving toward a sustainable balanced budget in 2026/27 in accordance with our long range financial plan. The funds are released on a straight line basis over 10 years. This has been rolled forward for a further 3 years to 2029/30.

CRM replacement: to complete the project to replace our legacy CRM system Seneca. Includes development costs and project management.

Business development projects: to invest in projects to develop new recurring income streams for the future.

New website and finance software: to implement new finance software Iplacit and develop new website for the organisation.

Laptop replacement: one-off project to replace the laptops used by all staff.

Digital strategy: to commission consultancy for production of an overarching digital strategy for the charity.

Patient safety campaign: costs associated with developing new patient safety campaign.

Property update and file clearing: to smarten up Freedman House and clear/digitise stored documents.

Fair value reserve: this represents any unrealised gains/losses on fixed asset investments.

21 Capital commitments

At the balance sheet date, the charity had capital commitments of £4,725 for further work on development of the CRM (2022: £12,729).

22 Contingent assets and liabilities

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

23 Legal status of the charity

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

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2023

Accounts

Company number: 2239250
Charity number: 299123
OSCR number: SC039683

Action against Medical Accidents

Report and financial statements
For the year ended 31 March 2022

Action against Medical Accidents

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Action against Medical Accidents

Reference and administrative details

For the year ended 31 March 2022

Action against Medical Accidents (also known as “AvMA”)

Company number	2239250	
Country of incorporation	United Kingdom	
Charity number	299123	
Country of registration	England & Wales	
OSCR number	SCO39683	
Registered and principal office address	Freedman House Christopher Wren Yard, 117 High Street CROYDON, CR0 1QG	
Patrons	Peter Ransley (Honorary President) Baroness Masham of Ilton Umesh Prabhu James Badenoch QC Dame Professor Donna Kinnair	
Honorary officers	Jocelyn Cornwell Nigel Holland Caroline Browne	Chair (elected December 2021) Treasurer (elected December 2021) Senior Independent Director (July 2022)
Trustees	Moi Ali Michael Andersson Angela Brown Caroline Browne Janine Collier Jocelyn Cornwell Maggie Davies Jonathan Hazan Nigel Holland Linda Kenward Amrat Khorana Bill Kilvington Mary Smith	(resigned December 2021) (retired October 2021) (resigned December 2021) (resigned October 2021) (appointed December 2021) (appointed December 2021)
Key management personnel	Peter Walsh Nathan Bacon Nicky Rushden	Chief Executive Internal Resources Manager Finance Manager

Action against Medical Accidents

Reference and administrative details

For the year ended 31 March 2022

Bankers	Co-operative Bank plc Delf House, Southway SKELMERSDALE, WN8 6NY Tavistock Private Client Ltd The Barn, Downing Park Station Rd, Swaffham Bulbeck CAMBRIDGE, CB25 0NW
Independent financial advisors	Castlefield Advisory Partners Ltd 4-6 Staple Inn, High Holborn LONDON, WC1V 7QH
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House, 108-114 Golden Lane LONDON, EC1Y 0TL
Solicitors	Tees Law Tees House 95 London Road Bishop's Stortford HERTFORDSHIRE, CM23 3GW

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2022

The Board of Trustees presents its report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and Activities

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

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

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

In ordinary language trustees believe our purpose can best be described as “to support people affected by avoidable harm in healthcare; to help them achieve justice; and to promote better patient safety for all”.

Our beneficiaries

AvMA’s beneficiaries are people who have been affected by avoidable harm in healthcare and who are directly helped by our services; and others who benefit from the changes in policy and practice we bring about through our public education and influencing work. Below we describe how we help our beneficiaries through our main activities.

2021–22 in a nutshell – Our key activities, including achievements and performance in 2021 – 2022

The achievements of particular note during the year were:

- We started 2021–22 with a refreshed board of trustees with four new trustees with impressive backgrounds appointed in March 2021. We also took the innovative step of recruiting two ‘trainee trustees’ to help attract new talent without formal board experience so that they can gain governance experience before taking on the full trustee role. Both went on to be appointed as full trustees in December 2021, when we also appointed a new Chair, Jocelyn Cornwell.
- We took the lead in making the case for the ‘Independent Senior Advocates’ (recommended by Donna Ockenden in her review of Shrewsbury and Telford NHS Trust maternity failures) needing to be genuinely independent, rather than employed by the NHS itself.
- We continued to get excellent feedback on the quality of advice provided to people affected by healthcare harm and increased the number of people we helped directly

Action Against Medical Accidents

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For the year ended 31 March 2022

- Our work on the 'Harmed Patient Care Pathway' received widespread recognition, with several NHS trusts offering to pilot the approach and elements of the Pathway being adopted by the Patient Safety Incident Response Framework.

Advice, Information and Support

The advice and support we provide to people affected by avoidable harm in healthcare is at the very heart of what AvMA does, and the experience of our clients informs everything we do. In 2021–22 we directly helped 2,717 people (up from 2,590 in 2020–21), with many others benefitting from our self-help guides and online information. There were 13,705 downloads of these (up from 11,500 in 2020–21).

Our Helpline provides specialist, sympathetic support to people when they are coping with the trauma of their experience. It reassures them that an organisation exists which understands their plight and is here to help them. Our helpline staff and volunteers explain people's rights, how different medico-legal processes and procedures work, and they put people in touch with other specialist support where needed. We trained 50 new volunteers in the year. We are grateful to our team of 97 trained volunteers who enable us to make this service available Monday to Friday 10am–3.30pm. In 2021–22 we advised on 2,052 calls (up from 1,894 in 2020–21). These are often extremely serious and complex cases. AvMA is the only charity providing a specialist medico-legal helpline in the UK and it can get very busy.

AvMA's caseworkers, who are all experienced professionals and are either medically and/or legally qualified, often provide in-depth advice that would not be available from any other agency. Sometimes, the referral of a healthcare professional to their regulator may be recommended, or the case may have broader lessons for patient safety, or link with one of AvMA's campaign priorities. In 2021–22 we opened 555 new casework files.

IMPACT: Callers to our helpline and recipients of our written casework service feel understood and supported at a time of extreme stress and anxiety. They are enabled to make better informed decisions about what to do next through our specialist advice and are better equipped to make use of the procedures available to them. Often, this enables them to access a specialist solicitor and eventually obtain compensation; and/or, to have their complaints or concerns properly addressed and resolved; and/or to achieve measures to protect other patients/improve patient safety.

An important part of our casework is the support we provide to families involved in healthcare related inquests. This empowers families and maximises the opportunity for the right questions to be asked and learning to come from the inquest. Whereas NHS bodies and individual health professionals are usually legally represented at inquests, bereaved families are often not. We try to address this uneven playing field through our inquest support service. Often this involves AvMA in intensive work instructing counsel to represent the family. This service is made possible by barristers' giving their time, advocacy skills and expertise freely. It also involves a huge investment of time and effort in our caseworkers considering, researching and investigating the

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2022

issues (medical and circumstantial) believed to be related to the death and where appropriate instructing the barrister, supporting the family, and attending the inquests. We helped five families in this way over the year, involving multiple hearings. A number of important conclusions have been arrived at in inquests where we arranged representation for families, including recommendations for improving patient safety, via Prevention Future Death (PFD) reports which may not have been achieved had we not been involved. In some circumstances Serious Investigation Reports (SIR) or equivalent processes were instigated as a direct result of AvMA's involvement, these processes would likely have been avoided without that involvement. Some of the SIR offered up Action Plans which may obviate the need for a PFD. Arguably where a trust offers up its own action plan it may be just as influential for improving patient safety as a PFD. This is because the impetus for change comes from the trust itself, it is not imposed on it by direction of the coroner. Families gained a better insight into the circumstances leading to their family member's death. In addition we gave advice and information to a further 95 families who were facing a forthcoming inquest, to help them prepare and/or to get legal representation at the inquest (up from 76 in 2020–21). Some of these cases are very complex and time consuming.

Supporting families at inquests was made more challenging due to the pandemic, as coroners' courts closed for a period; travel was not always possible; and some hearings and pre inquest reviews had to be held online (via Teams/Zoom/Similar) or phone, this approach was referred to as remote or partial remote hearings. Demand for the inquest service exceeds what we can supply by way of representation so we have written criteria for the cases we will take on, all applications for representation are judged against these criteria, which ensures equality and fairness in the process. All applications are read by caseworkers and then discussed at a weekly allocation meeting where views on the merits of the case are shared. We have noticed a trend in inquests becoming more complex and taking more time (more often than not being listed for a minimum of 3 days, and in one of our inquests lasting 6 days). This reduces the number of inquests we can take on with existing resources. We assisted through the pandemic by preparing families and helping to manage their expectations about remote and partial remote hearings as well as the coronial process more generally. Remote/partial remote hearings are likely to be part of the future. We were able to do this because our IT was able to facilitate participation in remote hearings and our professionally qualified caseworkers were able to accommodate the challenge and uncertainty created by this change in process.

IMPACT: Families who have lost a family member as a result of avoidable harm are all given information and advice on the coronial process, on limitation and on the terms of the pro bono inquest service. The beneficiaries we are able to provide assistance to at the healthcare inquest hearing are represented by qualified barristers and feel empowered by having a legal representative raise relevant points of law (for example, Article 2 arguments; neglect as a rider to a conclusion) and pose questions to the coroner and other witnesses attending to give evidence at inquests. The coroner is sometimes helped to recognise issues that need to be addressed to protect future patients/improve patient safety and to issue a 'prevention of future deaths' letter. It can also encourage the coroner to seek independent medical expert evidence before the full hearing thereby contributing to the coroner holding a full and fearless enquiry and ensuring that the evidence is available to be considered when the coroner arrives at their conclusion. Early

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Report of the Board of Trustees

For the year ended 31 March 2022

involvement before the full hearing can enable families to invite the coroner to call relevant witnesses to give evidence at the hearing which they may have omitted to do without our involvement.

Policy and external relations (Influencing Policy & Practice)

Whilst the direct support we provide to our beneficiaries – people whose lives have been affected by safety failures – is vitally important in its own right, it also informs our policy and campaigns work. It fuels our passion to bring about changes that will benefit many more people than we can ever reach ourselves. 2021–22 was another busy year for AvMA in contributing to important policy initiatives and debates, which fell full-square in our area of concern and expertise. Increasingly AvMA is expected to take a lead on issues around patient safety and access to justice on behalf of patients due to its unique role.

The initial report by Donna Ockenden in 2021 into maternity service failures at Shrewsbury and Telford NHS Trust included a recommendation for the role of Independent Senior Advocates to be developed. The advocates would support women and families who experience adverse incidents and face investigations. We participated in a ‘stakeholder group’ to advise NHS England/Improvement on taking this forward but the group only met once before the group was suddenly informed in November 2021 that a decision had been taken that the ‘Independent Advocates’ would be employed by the NHS. We worked with other stakeholders to try to persuade NHS England that this would not be ‘independent’ or enjoy the confidence of harmed women or their families. We continue to try to find a solution and avoid what would be a missed opportunity to provide much needed support to these people.

Our work around ‘just culture’ in healthcare and the work we did with our beneficiaries on understanding the harmed patient’s journey led us to recognise the need to look at how the NHS should deal with the holistic needs of harmed patients and their families. Together with colleagues in the new organisation Harmed Patients Alliance, we developed the concept of a ‘Harmed Patient Care Pathway’ – an acknowledgement of a specific duty of care for patients who experience harm, and their families, and a set of different kinds of support which should be made available to them. This has been very well received by many stakeholders in healthcare and our beneficiaries. Our hope is that following further development of the concept and piloting of the approach this will lead to a much better defined and resourced approach to supporting harmed patients and their families.

Government proposals for fixed recoverable costs in clinical negligence continued to be a key area of concern. Proposals from Government have been delayed, probably due to the pandemic, but are expected to emerge in 2022–23 and may now include even more radical proposals. We continued to make the case for full access to justice for harmed patients/their families; that this is a vital part of a ‘just culture’, and also important for ensuring lessons are learnt for patient safety. In particular, we gave evidence to the Health and Social Care Committee investigation looking at NHS Litigation Reform and developed a comprehensive response to the formal consultation on fixed

Action Against Medical Accidents

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For the year ended 31 March 2022

recoverable cost in clinical negligence. We also convened a ‘Legal Think Tank’ of lawyers to help plan and prepare for further expected legal reform proposals for clinical negligence.

We were pleased that the Justice Committee’s review of the Coroners’ service took on board evidence from ourselves and others and made a recommendation for legal aid to be available for families who face inquests into public disasters or deaths where public bodies are legally represented. Sadly, the Ministry of Justice is still not accepting this recommendation, but our work goes on to try to address this clear injustice.

We continued to work with NHS Resolution and others building on the successful co-operation over a legal protocol for clinical negligence cases during the covid pandemic.

As well as work that grabs the headlines, AvMA continued to bring an expert patient perspective to patient safety and justice issues through ongoing relationships with public bodies, policy makers and fellow patients’ groups and participation in various meetings and working groups. Staff and trustees were also represented on several advisory groups for relevant research projects. In 2021–22 we also made formal responses to the following consultations:

- “Regulating Health Professionals; protecting the Public” – Department of Health & Social Care
- “Duty of Candour in Northern Ireland” – Department of Health, Northern Ireland
- “Review of the Parliamentary and Health Service Ombudsman” – the Public Administration & Constitutional Affairs Committee
- “NHS Litigation Reform – evidence to Health & Social Care Committee
- “Pre-Action Protocol” – Civil Justice Council

IMPACT:

- Our work on the duty of candour will mean that more people get to hear the truth about what happened and are told in a compassionate way.
- Our work on ‘fixed recoverable costs’/access to justice should mean that more people retain the ability to access justice and ensure health providers recognise they have made a mistake.

Conferences and training (Spreading Awareness and Good Practice)

In spite of disruption due to the covid pandemic continuing to disrupt events in 2021 a total of 788 delegates attended AvMA’s four physical ‘face to face’ events in 2021–22 (Court of Protection, Panel Meeting, Christmas Drinks Reception, and our Annual Clinical Negligence Conference). A further 469 joined the two online conferences live, with 258 accessing the content on demand after the event. 262 delegates joined our live webinars, with a further 201 accessing the content on demand. This means a total of 2,040 people benefitted from our training and events in 2021–22 compared with 740 in 2020–21 and 1,123 in 2019–20. Despite having to postpone some events due to Covid during the 2021–22 financial year we still comfortably surpassed budget due to the success of the Annual Conference and the three other physical events that we were able to run in September and December and the popularity of two online events earlier in the financial

Action Against Medical Accidents

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year. The 32nd Annual Clinical Negligence Conference (ACNC) took place on 24–25 March 2022 in Leeds, after a three-year hiatus due to Covid. The event was a great success, with delegate bookings nearly reaching the same levels as 2019, a record number of exhibition bookings and a healthy profit well ahead of budget.

100% of attendees who completed evaluation forms for our events replied “Yes” when asked “Do you expect that you will use the learning from this conference in your work?”.

IMPACT: Enhancing the skills and knowledge of legal and health professionals results in our beneficiaries receiving good quality advice and representation from them.

Medico-legal services

Although the majority of people AvMA helps do not take legal action, some of the most vulnerable people AvMA serves rely on the services of solicitors. In addition to awarding our quality mark where appropriate, AvMA continued to run a Lawyers’ Service which helps law firms provide the best possible services in this specialist area. We recommend medical experts from our comprehensive database, keep lawyers up to date on case law and policy, and help with interpreting medical issues. Law firms subscribe to this service, which provides AvMA’s single biggest income stream. Most of the services continued to be provided uninterrupted by the pandemic, with staff working from home. However, our regional Lawyers’ Service Group meetings had to move to an online format. These meetings usually involve a medical and a legal speaker as well as an AvMA update and provide an opportunity for networking. The online meetings were well received in the circumstances, but we are exploring how best to arrange these meetings going forward.

IMPACT: Our support services for solicitors practising in clinical negligence means that our beneficiaries are more likely to experience a good service and successful result.

We continued to assess and accredit clinical negligence solicitors for our specialist clinical negligence panel. AvMA’s quality mark is the best indicator available that the solicitors have the necessary expertise, experience and integrity to do a good job for people affected by clinical negligence. Our panel members also usually have supervisory responsibilities in their firms, thereby helping assure quality in the firms as a whole. We see the importance of being able to recognise a genuine specialist as all the more important as a result of current upheaval of the legal system. In spite of the difficult environment for clinical negligence solicitors, interest in being on AvMA’s panel remained strong. We made 5 new appointments to the panel during the year and reaccredited 15 panel members. These figures are down from 11 and 29 respectively in 2020–21, which may be a reflection of the pandemic. We also had 5 panel members retire during the year, so we are conscious of the need to recruit more. However, we are re-assured by feedback suggesting the AvMA panel accreditation is still held in very high regard.

One of the key aims in the operation of the AvMA Panel is improving standards of clinical negligence practice by sharing best practice. Best practice benchmarks are drawn from applications to the panel, particularly from the most experienced senior lawyers, as well as the

Action Against Medical Accidents

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For the year ended 31 March 2022

contribution of external interviewers, but always with a focus on what is in clients' best interests. Those benchmarks are continually changing as standards improve. We always interview new applicants, including those who have been advised they do not meet the required standard, as this enables us to offer advice on how they can improve. We do this as they will be providing clinical negligence advice with or without us, so we wish to ensure that their clients receive the best service. We are very grateful to David Kerry, an experienced former panel member, who helps us on a voluntary basis with assessing and interviewing applicants.

IMPACT: Our panel, and the quality mark denoting membership of it, makes it easier for our beneficiaries who need to take legal action to find a genuinely specialist solicitor with the appropriate qualities, knowledge and skills. This results in our beneficiaries receiving more expert advice and representation and, in our opinion, greater likelihood of a successful outcome.

AvMA's work in Scotland

As a charity registered in Scotland (as well as England and Wales) our activities north of the border include our Helpline and Casework Service, which can be accessed by people in Scotland. We continued to liaise with bodies such as Scottish Government, NHS Improvement Scotland, the Scottish Public Services Ombudsman and the Patient Advice and Support Service Scotland and contributed to discussions about patient safety and justice. In particular, we continued to engage about implementation of the Duty of Candour in Scotland.

Public Benefit

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

Fundraising

AvMA is a member of the Fundraising Regulator Scheme and follows its code of conduct. Chief fundraising responsibility is held by the Marketing & Communications Manager, in conjunction with the Chief Executive. However, other departments also source sponsorship for events and may hold a fundraising activity at events. AvMA's main fundraising comes from donations from supporters; fundraising events held by other organisations benefitting AvMA; our own fundraising events; corporate sponsorship; and occasional bequests. AvMA does not employ or commission external fundraising professionals or companies. AvMA does not make unsolicited approaches to individuals. No complaints have been received about AvMA's fundraising.

Assuring the quality of our work

The charity has a Quality and Outcomes sub-committee to help take forward its work on quality and impact measurement. Part of its remit is to review any complaints made about AvMA's work and be sure that any learning points are acted upon. We received no formal complaints about AvMA during the year. However, we continue to monitor feedback and look into any concerns

Action Against Medical Accidents

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For the year ended 31 March 2022

expressed. We introduced a “you said, we did” section to our Newsletter to demonstrate we take such feedback seriously.

We have developed a range of different ways in which people can give us feedback on our services and all comments, positive and negative, are reviewed regularly. Where possible, we contact people who leave negative feedback to see if we can resolve the problem they raise.

Plans for the future

Our five-year strategic plan sets out our strategic objectives for five years from 2019–2024 and our plans for achieving them. We held a mid-term review of our strategy in October 2021.

AvMA’s plans for 2022–23 include:

- Full implementation a new CRM (database) – the biggest infrastructure investment AvMA has ever made, which will greatly improve our efficiency
- The recruitment and Induction of our new chief executive. Peter Walsh retires at the end of 2022 and is being replaced by Paul Whiteing.
- Further development of a ‘Harmed Patient Care Pathway’, seeking to ensure a consistent approach is taken to meet the needs of harmed patients and their families
- Renting out three floors of our property, retaining just one for our own use
- Intensive policy and influencing work around the Government’s expected legal reforms, including proposals for ‘fixed recoverable costs’ in clinical negligence and other legal reforms which we fear may be injurious to access to justice and patient safety.
- The launch of a new ‘junior solicitor’ certification scheme to acknowledge and develop solicitors to become full panel members in the future.
- Continuing to work hard to try to diversify income streams and generate new income to address the forecast operational deficit and enable maintenance of services and meeting charitable objectives long term.
- Obtaining accreditation of our advice services.
- Commissioning a new website

“THANK YOU”

AvMA provides all of its services to the public for free and receives no State funding. It has to rely on its own fundraising and income generation activities to keep going. We are very grateful to all of our supporters; donors; paying customers; and business partners for making this happen. We would like to say a special thank you to the following companies who Supported us in 2021–22:

- **Partners in Costs** (Our Platinum medico-legal sponsor and organiser of famous curry nights))
- **BD** (our Platinum ‘Partners for Patient Safety’ corporate member)
- **Radar Healthcare** (our Gold ‘Partners for Patient Safety’ corporate member)
- **Pentland Medical** (our Silver ‘Partners for Patient Safety’ corporate member)

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2022

STRUCTURE, GOVERNANCE & MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 4 April 1988 and registered as a charity on 17 April 1988. The organisation changed its name to Action against Medical Accidents (AvMA) on 3 December 2003.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustees collectively form the Board of Trustees.

Board of Trustees and appointment of Board members

Individual trustees (members of the Board) are appointed by the Board of Trustees. Not less than 6 nor more than 20 Board members may be appointed. The Board may co-opt persons to fill casual vacancies provided the maximum of 20 is not exceeded. Approximately one third of the Board must retire each year, those being the longest serving since their previous election. Retiring members are eligible for re-election, which takes place at the annual general meeting.

Recruitment of new trustees takes place as and when the Board believes this is necessary to add to or complement the experience, knowledge and skills available to the Board. Usually “vacancies” for new trustees are advertised. Potential new trustees are interviewed by at least two trustees usually including the Chair, and the Chief Executive. Based on objective criteria, the recommendations to appoint a new trustee are put to the full Board together with the candidate’s background details for a decision. During 2021–22 four trustees resigned or retired and our two ‘trainee trustees’ were appointed as full trustees, bringing the total number of trustees to nine at the year end. There have been no changes since the year end.

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

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2022 was 9 (2021 – 11). Members of the Board of Trustees have no beneficial interest in the charitable company.

The Board of Trustees met four times during the year. AvMA has adopted a five year strategic plan for 2019–20 onwards. This is accompanied by annual operational plan. Progress on meeting strategic objectives is reviewed regularly. A ‘Finance and Investment Committee’ and ‘Quality & Outcomes Committee’ meet between Board meetings.

AvMA has a trading company, AvMA Services Ltd, which is used when there has been non-charitable trading beyond the amount permissible by the Charity Commission. AvMA Services Ltd has been inactive in 2021–22.

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2022

Honorary Officers

The charity has adopted the practice of electing a Chair, Vice-Chair and Treasurer for a one year term at the charity's AGM. December 2021 saw the appointment of Jocelyn Cornwell as Chair and Nigel Holland as Treasurer. The charity has decided not to continue to elect a vice-chair and instead to create a position of Senior Independent Director, to which Caroline Browne was appointed in July 2022.

Delegation of day to day running of the charity

Trustees delegate the day to day running of the charity to the Chief Executive (currently Peter Walsh). Peter Walsh is due to retire in December 2022.

Patrons

The role of patron does not involve any legal or governance responsibilities. Patrons act as ambassadors for the charity and help by providing advice, taking part in events, making introductions and generally spreading the word about AvMA and its work.

Remuneration of key management personnel

The Board of Trustees has a remuneration policy covering all employees. All personnel are paid within a defined salary band with annual increments until the top of the band is reached. Salary bands are set and reviewed through trustees' review of pay scales available in comparable organisations (for example by reviewing job advertisements and/or speaking to recruitment agencies) and by reference to the NJC and NHS Pay Scales. Annual cost of living increments are awarded at the discretion of the Board of Trustees, with reference to the Consumer Price Index for the previous calendar year and bearing in mind the charity's finances and the financial climate generally. AvMA's full remuneration policy is published on the charity's website.

Financial Review

Our Medico-Legal department made a contribution (calculated by income less direct costs from note 6) of £222,537 in the year, Other Charitable Trading generated £132,102 and Conferences and Training recovered after Covid-19 to generate £164,618. Fundraising was still subdued and generated a contribution of £36,830. Overall this covered the net cost of our public-facing Advice and Information Service of £229,617, our Policy & External Relations costs of £38,592 and our support costs, giving an overall net expenditure of £48,801 for the year. In addition, we had unrealised gains on investments of £8,224 in a challenging year.

AvMA receives no ongoing funding from NHS or government agencies and is therefore very reliant on its own income generation activities and the generosity of the people we have helped, other supporters and sponsors. For this we are extremely grateful.

The receipt of the Judith Freedman legacy in 2011 means that the charity has been able to invest for its future. The single most significant use of the legacy was the purchase of "Freedman House" on a 999 year lease. This was revalued at £1,780,000 as at 31 March 2022, an increase of

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2022

£180,000 in the year; this is £573,341 higher than the original cost. We also currently hold £1,194,199 in an investment portfolio (see note 14).

As well as no longer paying rent, we are letting out some of the office space to provide us with additional income. We have also been able to operate a deliberate deficit operating budget in order to provide maximum impact to our beneficiaries from our services and operations and invest in new ideas for business development.

Principal risks and uncertainties

The main risk facing the charity continues to be the uncertainty facing the future of clinical negligence litigation. Most of the charity's income is generated through the provision of services to clinical negligence lawyers, both through the Lawyers' Service and the provision of conferences and training. Recent legal reforms including the removal of legal aid for the vast majority of clinical negligence cases have already created difficulties for law firms wishing to practice in clinical negligence, which is beginning to see mergers or firms dropping out of clinical negligence work. This is resulting in a decline in income from lawyers' service subscriptions and conference delegate places. Government proposals for the introduction of a 'fixed recoverable costs' regime could have a much larger impact (as well as threatening access to justice for AvMA's beneficiaries and the likelihood of the NHS learning from errors). The charity is addressing this risk by attempting to diversify and develop new sources of income and also planning for managing an anticipated fall in income by reducing expenditure in a carefully planned and staged way. The situation is kept under constant review.

Another principal risk facing the charity is the impact of the current high levels of inflation. The charity may not be able to increase income in all areas sufficient to cover higher costs. Also, using estimates of future inflation poses a challenge to the accuracy of the financial planning process. The charity is addressing this risk by keeping it under constant review and remaining flexible in its financial planning, together with analysing inflation information from the best sources, to include the most appropriate rates in the planning.

A further principal risk is the uncertainty in financial markets which may affect the charity's investments. In the light of this, the trustees have reviewed the charity's investment strategy, de-risking the short-term element of the portfolio and assuming medium risk for the long-term part.

AvMA relies on part of its income coming from rent and service charges received for two floors of Freedman House. The economic situation means that that office space has become harder to let. There is therefore a significant risk income from this source will drop. One floor has been leased for ten years, one floor has been leased since the year end and one further floor is being vacated by AvMA and marketed for lease.

Trustees consider known significant risks and strategies for mitigating them through a risk register which is reviewed regularly by the Finance & Investment Committee and Quality & Outcomes Committee, which report to the Board of Trustees. The risk register is also reviewed annually by the full Board at the charity's AGM.

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2022

Reserves and Investment Policy

Background and financial strategy

As set out above, we are in a period when income from our traditional revenue sources is declining significantly, against a background of the current deliberate deficit budget. Current trends and uncertainties lead us to expect this fall to continue in the coming few years.

The trustees have worked hard to develop a long-range financial strategy to address the situation on a timely and considered basis. Our financial strategy is to move to a sustainable balanced budget over a period of 10 years to 2026/27, against the background of anticipated contraction of our traditional revenue streams, through developing new sources of income and making cost efficiencies in a carefully planned manner. This is reviewed each year on a rolling basis, and this year was extended by a further 3 years to 2029/30.

We plan to utilise our current reserves to fund the (reducing) shortfall each year, to continue to provide maximum impact to our beneficiaries, and also to continue to invest carefully in new development activities as appropriate. This is expected to reduce reserves to the target level by the end of the strategy period. These reserves are held as a separate designated fund, and 1/10 is released each year to general funds, as per note 20.

Reserves policy

We own our office building, Freedman House, outright. This provides cover for catastrophic events, and also for an orderly wind down should this ever be necessary, as well as generating an income and savings on what would be spent on rent.

The trustees have a policy to retain sufficient free reserves to cover working capital requirements and realistic contingencies. This is calculated as:

- Working capital: 3 months' running costs including salaries, and 75% of conference venue costs.
- Contingency reserve £100,000: to cover the risk of a short-term fall in income over committed expenditure, together with operational risks and exceptional costs.

At current activity levels this amounts to target reserves of £464,984.

Level of reserves

We have free reserves of £838,878 at the year end. This is an excess of £373,894 against the above year-end target, due primarily to the receipt of the legacy of £450,000 in the year (which was accrued at 31/3/21). Liquidity is carefully managed and the balance is in line with our long-range financial strategy as explained above.

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2022

Investment policy

The trustees have agreed to invest the reserves in an ethical investment portfolio, to achieve returns that enable the funding of AvMA's requirements both in the short and the long-term. Short-term requirements (up to 3 years) are placed on deposit to achieve some return whilst ensuring appropriate liquidity, using a specialist cash management service where possible. The remaining reserves are held within a long-term investment portfolio managed by Castlefield. The total investment portfolio including the cash is conservatively structured with an emphasis on capital preservation, but also likely to achieve an overall return in the region of 2.5%.

Management and trustees monitor the financial plan, reserves levels and investment policy closely in the light of changing circumstances.

Statement of Responsibilities of the Board of Trustees

The Board of Trustees (whose members are also directors of Action against Medical Accidents for the purposes of company law) is 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the Board of Trustees are required to:

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

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

In so far as the Board of Trustees is aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and

Action Against Medical Accidents

Report of the Board of Trustees

For the year ended 31 March 2022

- The Board's members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

Approved by the Board of Trustees on 13 December 2022 and signed on its behalf by

Peter Walsh
Company Secretary

Independent auditor's report

To the members of

Action Against Medical Accidents

Opinion

We have audited the financial statements of Action against Medical Accidents (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 Action against Medical Accidents' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Independent auditor's report

To the members of

Action Against Medical Accidents

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

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Independent auditor's report

To the members of

Action Against Medical Accidents

- The directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, finance committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report

To the members of

Action Against Medical Accidents

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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable 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.

Noelia Serrano (Senior statutory auditor)

Date 15 December 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

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

Action against Medical Accidents

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Restricted £	Unrestricted £	2022 Total £	Restricted £	Unrestricted £	2021 Total £
Income from:							
Donations and legacies	2	–	72,277	72,277	–	518,898	518,898
Charitable activities							
Conferences and training	3	–	437,348	437,348	–	82,675	82,675
Medico-legal services	3	–	392,909	392,909	–	394,370	394,370
Advice, information and support	3	–	785	785	–	796	796
Other trading activities	4	–	162,630	162,630	–	140,353	140,353
Investments	5	–	56,096	56,096	–	50,391	50,391
Other		–	1	1	–	228	228
Total income		–	1,122,046	1,122,046	–	1,187,711	1,187,711
Expenditure on:							
Raising funds	6	–	46,937	46,937	–	46,619	46,619
Charitable activities							
Conferences and training	6	–	368,468	368,468	–	236,766	236,766
Medico-legal services	6	–	281,528	281,528	–	317,979	317,979
Advice, information and support	6	–	378,478	378,478	162	403,290	403,452
Policy and external relations	6	–	55,482	55,482	–	62,743	62,743
Charitable trading activities	6	–	39,954	39,954	–	34,646	34,646
Total expenditure		–	1,170,847	1,170,847	162	1,102,043	1,102,205
Net (expenditure) /income before net gains on investments		–	(48,801)	(48,801)	(162)	85,668	85,506
Net gains on investments	14	–	8,224	8,224	–	214,533	214,533
Net gains/(losses) on investment property	13b	–	90,000	90,000	–	(150,000)	(150,000)
Revaluation gain/(impairment loss) on leasehold property	13a	–	90,000	90,000	–	(150,000)	(150,000)
Net income / (expenditure) for the year	7	–	139,423	139,423	(162)	201	39
Reconciliation of funds:							
Total funds brought forward	20	–	3,890,800	3,890,800	162	3,890,599	3,890,761
Total funds carried forward	20	–	4,030,223	4,030,223	–	3,890,800	3,890,800

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

Action against Medical Accidents

Balance sheet

Company no. 2239250

As at 31 March 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets: other	12		142,716		4,362
Tangible assets: leasehold property	13a		890,000		800,000
Investment property	13b		890,000		800,000
Investments	14		1,194,298		1,183,806
			<u>3,117,014</u>		<u>2,788,168</u>
Current assets:					
Debtors	15	147,244		605,254	
Cash at bank and in hand		1,188,531		1,038,455	
			<u>1,335,775</u>	<u>1,643,709</u>	
Liabilities:					
Creditors: amounts falling due within one year	16	422,566		541,077	
				<u></u>	
Net current assets			<u>913,209</u>		<u>1,102,632</u>
Total net assets			<u><u>4,030,223</u></u>		<u><u>3,890,800</u></u>
The funds of the charity:	20a				
Restricted income funds			-		-
Unrestricted income funds:					
Designated funds		3,157,483		2,786,690	
Fair value reserve		33,862		304,417	
General funds		838,878		799,693	
			<u></u>	<u></u>	
Total unrestricted funds			<u>4,030,223</u>		<u>3,890,800</u>
Total charity funds			<u><u>4,030,223</u></u>		<u><u>3,890,800</u></u>

Approved by the trustees on 13 December 2022 and signed on their behalf by

Dr Jocelyn Cornwell
Chair

Nigel Holland
Treasurer

Action against Medical Accidents

Statement of cash flows

For the year ended 31 March 2022

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

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	139,423	39
Depreciation charges	2,984	11,930
(Gains) on investments	(8,224)	(214,533)
(Gain)/loss on property revaluation	(180,000)	300,000
Dividends, interest and rent from investments	(56,096)	(50,391)
Decrease/ (Increase) in debtors	458,010	(509,977)
(Decrease)/increase in creditors	(118,510)	203,856
Net cash from/(used in) used in operating activities	237,587	(259,076)

	£	2022 £	£	2021 £
Cash flows from operating activities				
Net cash provided by/ (used in) operating activities		237,587		(259,076)
Cash flows from investing activities:				
Dividends, interest and rents from investments	56,096		50,391	
Purchase of fixed assets	(141,338)		(2,290)	
Proceeds from sale of investments	1,016,152		99,980	
Purchase of fixed asset investments and cash invested into portfolio	(1,018,421)		2,191	
Net sale of current asset investments	–		240,000	
Net cash from investing activities		(87,511)		390,272
Change in cash and cash equivalents in the year		150,076		131,196
Cash and cash equivalents at the beginning of the year		1,038,455		907,259
Cash and cash equivalents at the end of the year		1,188,531		1,038,455

Analysis of cash and cash equivalents and of net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	301,962	149,044	451,006
Notice deposits (less than three months)	736,493	1,032	737,525
Total cash and cash equivalents	1,038,455	150,076	1,188,531
Total	1,038,455	150,076	1,188,531

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies

a) Statutory information

Action against Medical Accidents is a charitable company limited by guarantee and is incorporated in England.

The registered office address and principal place of business is Freedman House, Christopher Wren Yard, 117 High Street, Croydon CR0 1QG.

b) Basis of preparation

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

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

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

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, including the impact of covid on the charity within the year and going forward.

e) Income

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

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

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

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

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

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

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

g) 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.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Restricted funds are set out in note 20 below.

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

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

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

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

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

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

● Raising funds	4%
● Conferences and training	24%
● Medico-legal services	28%
● Advice, information and support	38%
● Policy and external relations	4%
● Charitable trading activities	2%

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

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

k) Operating leases

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

l) Tangible fixed assets

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

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

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

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

The leasehold property is valued under the revaluation model. No depreciation is charged on the leasehold property on the grounds of immateriality due to a long expected life and high residual value.

m) Listed investments

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

Investments in subsidiaries

Investments in subsidiaries are at cost.

Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value will be stated in the notes to the accounts.

n) 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.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

p) 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.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

q) 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.

r) Pensions

The charitable company offers all staff a stakeholder pension scheme in accordance with auto enrolment requirements. The charitable company pays an agreed contribution to this scheme on their behalf. The assets of the pension fund are independent from the company and the pension cost charge represents contributions payable. The charitable company has no additional liability other than for the payment of those contributions.

2 Income from donations and legacies

	2022 Total £	2021 Total £
Experts' donations	11,121	11,496
Corporate donations	7,315	556
Unclaimed clients' money	14,113	19,242
Legacies	-	456,327
Other donations	12,670	9,185
Corporate sponsorship	4,750	7,500
Sponsored leaflets	15,552	13,605
Other fundraising	6,756	987
	72,277	518,898

All funds for 2022 and 2021 were unrestricted.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

3 Income from charitable activities

	2022 Total £	2021 Total £
Delegate, sponsor and webinar income	437,348	82,675
Total: conferences and training	437,348	82,675
Subscription fees	379,709	381,920
Referral panel fees	13,200	12,450
Total: medico-legal services	392,909	394,370
Other	785	796
Total: advice, information and support	785	796
Total income from charitable activities	831,042	477,841

All funds for 2022 and 2021 were unrestricted.

4 Income from other trading activities

	2022 Total £	2021 Total £
AvMA events	2,230	–
Website subscriptions	108,230	101,532
Lawyers' service directory	10,502	11,040
Publications	12,512	12,714
Fees earned	29,156	15,066
	162,630	140,353

All funds for 2022 and 2021 were unrestricted.

5 Income from investments

	2022 Total £	2021 Total £
Dividends and interest	14,516	8,811
Rent	41,580	41,580
	56,096	50,391

All funds for 2022 and 2021 were unrestricted.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

6a Analysis of expenditure (current year)

	Charitable activities							2021 Total £		
	Cost of raising funds £	Conferences and training £	Medico-legal services £	Advice, information and support £	Policy and external relations £	Charitable trading activities £	Governance costs £		Support costs £	2022 Total £
Staff costs (Note 8)	31,976	131,229	167,484	220,952	37,692	20,058	29,315	212,706	851,412	872,132
Direct cost of events	-	144,544	-	247	-	10,470	-	-	155,261	16,442
Travel, subsistence and accommodation	-	-	-	-	-	-	1,503	744	2,247	97
Call handling	-	-	-	4,847	-	-	-	-	4,847	4,792
Investment management fees	-	-	-	-	-	-	-	11,137	11,137	9,629
Other professional fees	-	-	-	216	900	-	7,675	10,475	19,266	14,201
Office costs	428	-	2,888	4,140	-	-	-	58,455	65,911	55,830
Premises costs	-	-	-	-	-	-	-	52,300	52,300	56,250
Depreciation	-	-	-	-	-	-	-	2,984	2,984	11,930
Training and development	-	-	-	-	-	-	-	24	24	1,809
Major projects	-	-	-	-	-	-	-	3,493	3,493	52,759
Sundry	-	-	-	-	-	-	60	1,905	1,965	6,334
Direct expenditure	32,404	275,773	170,372	230,402	38,592	30,528	38,553	354,223	1,170,847	1,102,204
Support costs	13,106	83,597	100,245	133,542	15,232	8,501	-	(354,223)	-	-
Governance costs	1,427	9,098	10,911	14,534	1,658	925	(38,553)	-	-	-
Total expenditure 2022	46,937	368,468	281,528	378,478	55,482	39,954	-	-	1,170,847	1,102,204
Total expenditure 2021	46,619	236,766	317,979	403,452	62,743	34,646	-	-	-	1,136,851

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

6b Analysis of expenditure (prior year)

	Charitable activities								2021 Total £
	Cost of raising funds £	Conferences and training £	Medico-legal services £	Advice, information and support £	Policy and external relations £	Charitable trading activities £	Governance costs £	Support costs £	
Staff costs (Note 8)	31,553	126,122	170,877	219,203	42,333	19,877	31,476	230,690	872,132
Direct cost of events	-	10,159	1,507	796	-	3,980	-	-	16,442
Travel, subsistence and accommodation	-	-	-	42	-	-	55	-	97
Call handling	-	-	-	4,792	-	-	-	-	4,792
Investment management fees	-	-	-	-	-	-	-	9,629	9,629
Other professional fees	-	-	-	-	-	600	7,300	5,851	14,201
Office costs	246	449	2,867	3,094	45	-	23	49,106	55,830
Premises costs	-	-	-	-	-	-	-	56,250	56,250
Depreciation	-	-	-	-	-	-	-	11,930	11,930
Training and development	-	-	-	-	-	-	-	1,809	1,809
Major projects	-	-	-	-	-	-	-	52,759	52,759
Sundry	-	-	85	-	-	-	143	6,106	6,334
Direct expenditure	31,799	136,730	175,336	227,927	42,828	24,457	38,997	424,130	1,102,204
Support costs	13,572	91,612	130,632	160,745	18,238	9,331	-	(424,130)	-
Governance costs	1,248	8,423	12,011	14,780	1,677	858	(38,997)	-	-
Total expenditure 2021	46,619	236,766	317,979	403,452	62,743	34,646	-	-	1,102,204

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

7 Net incoming resources for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Depreciation	2,984	11,930
Auditor's remuneration (excluding VAT):		
Audit – current year	7,675	7,300
Foreign exchange losses/(gains)	13	102
	<u> </u>	<u> </u>

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

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	760,479	786,315
Social security costs	73,229	68,506
Employer's contribution to defined contribution pension schemes	17,704	17,311
	<u>851,412</u>	<u>872,132</u>

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

	2022 No.	2021 No.
£70,000 – £79,999	2	1
£60,000 – £69,999	–	1
	<u> </u>	<u> </u>

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £184,706 (2021: £141,628). The increase is due to a change in staff responsibilities since the retirement of the deputy chief executive.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel, subsistence and accommodation costs totalling £970 (2021: £55) incurred by 6 (2021: 1) members relating to attendance at trustee meetings and events and telephone costs.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

9 Staff numbers

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

	2022 No.	2021 No.
Raising funds	0.6	0.6
Conferences and training	3.8	4.0
Medico-legal services	4.6	5.7
Advice, information and support	6.1	7.0
Policy and external relations	0.7	0.8
Charitable trading activities	0.4	0.4
Support	5.5	5.5
Governance	0.5	0.6
	<u>22.2</u>	<u>24.6</u>

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

	2022 No.	2021 No.
Raising funds	0.6	0.6
Conferences and training	3.1	3.0
Medico-legal services	3.6	3.8
Advice, information and support	5.0	4.9
Policy and external relations	0.6	0.7
Charitable trading activities	0.3	0.3
Support	4.8	4.2
Governance	0.5	0.5
	<u>18.5</u>	<u>18.0</u>

10 Related party transactions

There are no related party transactions to disclose for 2022 (2021: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties (2021: none).

11 Taxation

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

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

12 Tangible fixed assets

	Computer equipment and website £	Office equipment and furniture £	EMIS database £	MS Dynamics CRM database £	Total £
Cost or valuation					
At the start of the year	93,069	61,372	20,000	–	174,441
Additions in year	–	–	–	141,338	141,338
At the end of the year	93,069	61,372	20,000	141,338	315,779
Depreciation					
At the start of the year	89,726	60,353	20,000	–	170,079
Charge for the year	2,580	404	–	–	2,984
At the end of the year	92,306	60,757	20,000	–	173,063
Net book value					
At the end of the year	763	615	–	141,338	142,716
At the start of the year	3,343	1,019	–	–	4,362

All of the above assets are used for charitable purposes. The leasehold property is disclosed separately, see note 13. The Microsoft Dynamics CRM database was still in development at the year end and so no depreciation has been charged in the year.

13 Property

The charity owns the leasehold to Freedman House which comprises 4 floors. The ground and first floor are currently occupied by the charity and disclosed as tangible fixed assets. The second and third floors are rental and disclosed as investment property. The original cost in 2013 was £1,206,659.

The value for the total property was £2,050,000 at 31/3/18, £1,900,000 at 31/3/19 and 31/3/20, £1,600,000 at 31/3/21. The trustees obtained an informal valuation at 31 March 2022 from a property consultant, Ovingtons, based on potential resale value. The value has increased by £180,000 to £1,780,000 in the year as a result of adjustments in the market. This is £573,341 higher than the original cost.

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

13a Tangible fixed assets: Leasehold property (ground and first floors)

	2022 £	2021 £
Valuation		
At the start of the year	1,025,000	1,025,000
At the end of the year	1,025,000	1,025,000
Depreciation		
At the start of the year	225,000	75,000
Impairment gains /(losses written back)	(90,000)	150,000
At the end of the year	135,000	225,000
Net book value		
At the end of the year	890,000	800,000

13b Investment property (second and third floors)

	2022 £	2021 £
Fair value at the start of the year	800,000	950,000
Revaluation during the year	90,000	(150,000)
Fair value at the end of the year	890,000	800,000

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

14 Investments

	2022 £	2021 £
Fair value at the start of the year	1,183,707	1,071,345
Additions at cost	1,042,575	–
Disposal proceeds	(1,016,152)	(99,980)
Net gain on change in fair value	8,224	214,533
Movements in cash element of portfolio	(24,155)	(2,191)
Fair value at the end of the year	1,194,199	1,183,707
Historic cost at the end of the year	1,160,337	879,290
Investments comprise:		
Investment Trusts/OEICs/REITs/SICAVs	1,185,509	1,150,863
Cash	8,690	32,844
	1,194,199	1,183,707
Share in subsidiary undertaking (see below)	99	99
	1,194,298	1,183,806

The total value of the investments have reduced to £1,114,471 as at 25/11/22, partly as a result of the effect on the global downturn and volatility of the markets. There is no immediate requirement for the investments, so they will be held until value recovers.

Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of AVMA Services Limited, a company registered in England. The company did not trade in this or the prior financial year. The subsidiary's net assets are £99 (2021: £99).

15 Debtors

	2022 £	2021 £
Trade debtors	87,189	47,467
Other debtors	22,028	17,686
Prepayments	30,815	84,729
Accrued income	7,212	455,372
	147,244	605,254

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Taxation and social security	40,902	50,038
Other creditors	39,895	18,908
Accruals	39,113	37,921
Deferred income (note 17)	302,656	434,210
	422,566	541,077

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

17 Deferred income

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

	2022 £	2021 £
Balance at the beginning of the year	434,210	270,335
Amount released to income in the year	(434,210)	(270,335)
Amount deferred in the year	302,656	434,210
Balance at the end of the year	302,656	434,210

18 Pension scheme

The charity contributes to a defined contribution stakeholder pension scheme for its employees. Contributions are set out in note 8 above. There were no amounts owed at 31 March 2022 (2021: £nil).

19a Analysis of net assets between funds (current year)

	Restricted £	General unrestricted £	Fair value reserve £	Designated £	Total funds £
Tangible fixed assets – other	–	–	–	1,378	1,378
Tangible fixed assets – database	–	–	–	141,338	141,338
Tangible fixed assets – leasehold	–	–	–	890,000	890,000
Investment property	–	–	–	890,000	890,000
Fixed asset investments	–	–	33,862	1,160,436	1,194,298
Net current assets	–	838,878	–	74,331	913,209
Net assets at 31 March 2022	–	838,878	33,862	3,157,483	4,030,223

19b Analysis of net assets between funds (prior year)

	Restricted £	General unrestricted £	Fair value reserve £	Designated £	Total funds £
Tangible fixed assets – other	–	–	–	4,362	4,362
Tangible fixed assets – leasehold	–	–	–	800,000	800,000
Investment property	–	–	–	800,000	800,000
Fixed asset investments	–	175,408	304,417	703,981	1,183,806
Accrued income	–	455,372	–	–	455,372
Other net current assets	–	168,913	–	478,347	647,260
Net assets at 31 March 2021	–	799,693	304,417	2,786,690	3,890,800

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

20a Movements in funds (current year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Unrestricted funds:					
Designated funds:					
Fixed assets – property	1,600,000	–	–	180,000	1,780,000
Fixed assets – CRM database	–	–	–	141,338	141,338
Fixed assets – other	4,362	–	(2,984)	–	1,378
Major repairs and maintenance	200,000	–	–	–	200,000
ICT replacement	10,328	–	–	–	10,328
Transitional fund	500,000	–	–	200,000	700,000
CRM replacement	202,000	–	(1,850)	(141,338)	58,812
Business development projects	175,000	–	–	–	175,000
New website and finance software	70,000	–	(4,373)	–	65,627
Laptop replacement	25,000	–	–	–	25,000
Total designated funds	2,786,690	–	(9,207)	380,000	3,157,483
Fair value reserve	304,417	–	–	(270,555)	33,862
General funds	799,693	1,310,270	(1,161,640)	(109,445)	838,878
Total unrestricted funds	3,890,800	1,310,270	(1,170,847)	–	4,030,223
Total funds	3,890,800	1,310,270	(1,170,847)	–	4,030,223

Action against Medical Accidents

Notes to the financial statements

For the year ended 31 March 2022

20b Movements in funds (prior year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Access audit	162	–	(162)	–	–
Total restricted funds	162	–	(162)	–	–
Unrestricted funds:					
Designated funds:					
Fixed assets – property	1,900,000	–	–	(300,000)	1,600,000
Fixed assets – other	14,002	–	(11,930)	2,290	4,362
Major repairs and maintenance	200,000	–	–	–	200,000
ICT replacement	12,618	–	–	(2,290)	10,328
Transitional fund	600,000	–	–	(100,000)	500,000
Connect Assist project	6,055	–	(3,250)	(2,805)	–
CRM replacement	–	–	–	202,000	202,000
Business development projects	–	–	–	175,000	175,000
New website and finance software	–	–	–	70,000	70,000
Laptop replacement	–	–	–	25,000	25,000
Total designated funds	2,732,675	–	(15,180)	69,195	2,786,690
Fair value reserve	77,363	–	–	227,054	304,417
General funds	1,080,561	1,402,244	(1,386,863)	(296,249)	799,693
Total unrestricted funds	3,890,599	1,402,244	(1,402,043)	–	3,890,800
Total funds	3,890,761	1,402,244	(1,402,205)	–	3,890,800

Purposes of restricted funds

Access audit: received from City Bridge Trust to carry out an access audit of Freedman House. The balance was spent on similar work in 2020/21.

Purposes of designated funds

Fixed asset – property: the charity purchased the leasehold to Freedman House on 2 May 2013 for £1.2 million. This has been carried at valuation since 31 March 2018, and is split 50:50 between functional fixed assets (ground & 1st floors) and investment property (2nd & 3rd floors).

Fixed asset – CRM database: reflects the development cost to date of the new CRM database, Microsoft Dynamics. The development was not complete by the year end. Depreciation will be charged to this fund in future years.

Other fixed assets: reflects the reducing net book value of the ICT, website, furniture and office equipment. The transfer represents the cost of assets purchased in the year.

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

ICT replacement: to cover programme of ICT replacement. Transfers reflect ICT equipment which has been purchased during the year.

Transitional fund: to allow the charity to continue to meet its charitable objects at as near as possible the level of activity and impact as the year 2015/16 whilst new sources of income are explored and where necessary expenditure reduced, moving toward a sustainable balanced budget in 2026/27 in accordance with our long range financial plan. The funds are released on a straight line basis over 10 years. This has been rolled forward for a further 3 years to 2029/30.

Connect Assist project: to implement recommendations of Connect Assist report on data, website and helpline, including employment of temporary IT worker and software/website development costs. The balance was spent in 2020/21 on helpline and CRM development.

CRM replacement: to complete the project to replace our legacy CRM system Seneca. Includes development costs and project management.

Business development projects: to invest in projects to develop new recurring income streams for the future.

New website and finance software: to implement new finance software Iplacit and develop new website for the organisation.

Laptop replacement: one-off project to replace the laptops used by all staff.

Fair value reserve: this represents the unrealised gains/losses on fixed asset investments.

21 Capital commitments

At the balance sheet date, the charity had capital commitments of £12,729 for the balance of the CRM development work (2021: £nil).

22 Contingent assets and liabilities

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

23 Legal status of the charity

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

24 Post Balance Sheet events

As stated in note 13 above, the ground and first floor are currently occupied by the charity, the second and third floors are rental. This gives a 50:50 split between tangible fixed assets and investment property. Due to the impact of the pandemic and the uptake in remote working, since the year end it has been decided to free up the first floor which we currently occupy and market it for rental. This will make the split 25:75, and this will be reflected in the 2023 accounts.

Accounts

Action against Medical Accidents

Report and financial statements

For the year ended 31 March 2021

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Reference and administrative details

Action against Medical Accidents
(also known as "AvMA")

Company number
2239250

Country of incorporation
England

Charity number
299123

Country of registration
England

OSCR number
SCO39683

Registered and principal office address
Freedman House
Christopher Wren Yard
117 High Street
CROYDON, CR0 1QG

Patrons
Peter Ransley
(Honorary President)
Baroness Masham of Ilton
Umesh Prabhu
James Badenoch QC
Dame Professor Donna Kinnair

Honorary officers
Moi Ali
Chair (from December 2020)
Caroline Browne
Vice-Chair
Jonathan Hazan
Treasurer (from October 2021)

Trustees
Moi Ali
Michael Andersson
Angela Brown
(retired October 2021)
Caroline Browne
Janine Collier
(appointed March 2021)
Jocelyn Cornwell
(appointed March 2021)
Maggie Davies
(appointed March 2021)
Jonathan Hazan
Nigel Holland
Linda Kenward
(resigned October 2021)
Bill Kilvington
(appointed March 2021)
Suzanne Shale
(resigned December 2020)
Rachael Vasmer
(resigned December 2020)

Trainee trustees (non-voting)
Amrat Khorana (appointed March 2021)
Mary Smith (appointed March 2021)

Key management personnel
Peter Walsh
Chief Executive
Nicky Rushden
Finance Manager

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Report of the Council of Management

The Council of Management presents its report and the audited financial statements for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

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

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

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

In ordinary language trustees believe our purpose can best be described as “to support people affected by avoidable harm in healthcare; to help them achieve justice; and to promote better patient safety for all”.

Our beneficiaries

AvMA’s beneficiaries are people who have been affected by avoidable harm in healthcare and who are directly helped by our services; and others who benefit from the changes in policy and practice we bring about through our public education and influencing work. Below we describe how we help our beneficiaries through our main activities.

2020-21 in a nutshell:

Our key activities, including achievements and performance in 2020 – 2021

The achievements of particular note during the year were:

- We maintained our core services to people affected by avoidable harm in healthcare, and other activities, in spite of the challenges posed by the Covid-19 pandemic and adapted to staff working from home remarkably well
- We suffered large financial losses due to not being able to hold face to face conferences or fundraising events due to the pandemic, including our flagship Annual Clinical Negligence Conference. However, we reacted to the changed circumstances well by running successful online events
- We launched a campaign together with the Harmed Patients Alliance and other stakeholders for a ‘Harmed Patient Care Pathway’ and engaged with key stakeholders over the need for a common understanding of what is meant by a ‘Just Culture’ in healthcare and seeking to ensure that it embraces the needs of patients and families and applies to policy making as well as how staff are dealt with.
- We continued to improve the systems we use to collect feedback from our beneficiaries and developing our programme of work on engaging with and better understanding the needs of our beneficiaries.
- We continued to make the case to a wide range of stakeholders including the Department of Health and Social Care for funding of specialist independent advice for patients/families who experience avoidable harm in healthcare and building support for this
- We took a lead in speaking up for patients with conditions other than Covid-19 affected by disruption to health services and calling for urgent action to address this
- We started 2021-22 with a refreshed board of trustees with four new trustees with impressive backgrounds appointed in March 2021 and with Moi Ali having succeeded Suzanne Shale as chair in December 2020. We also took the innovative step of recruiting two ‘trainee trustees’ to help attract new talent without formal board experience so that they can gain governance experience before taking on the full trustee role

Advice, information and support

The advice and support we provide to people affected by avoidable harm in healthcare is at the very heart of what AvMA does, and the experience of our clients informs everything we do. In 2020-21 we directly helped 2,590 people (just 6% less than the previous year, despite the pandemic), with many others benefitting from our self-help guides and online information. There were nearly 11,500 downloads of these.

Our Helpline provides specialist, sympathetic support to people when they are coping with the trauma of their experience. It reassures them that an organisation exists which understands their plight and is here to help them. Our helpline staff and volunteers explain people's rights, how different medico-legal processes and procedures work, and they put people in touch with other specialist support where needed. We are grateful to our team of 60 trained volunteers who enable us to make this service available Monday to Friday 10am-3.30pm. In 2020-21 we advised on 1,894 calls, often involving extremely serious and complex cases. AvMA is the only charity providing a specialist medico-legal helpline in the UK and it can get very busy.

AvMA's caseworkers, who are all experienced professionals and are either medically and/or legally qualified, often provide in-depth advice that would not be available from any other agency. Sometimes, the referral of a healthcare professional to their regulator may be recommended, or the case may have broader lessons for patient safety, or link with one of AvMA's campaign priorities. In 2020-21 we opened 613 new casework files.

Impact

Callers to our helpline and recipients of our written casework service feel understood and supported at a time of extreme stress and anxiety. They are enabled to make better informed decisions about what to do next through our specialist advice and are better equipped to make use of the procedures available to them. Often, this enables them to access a specialist solicitor and eventually obtain compensation; and/or, to have their complaints or concerns properly addressed and resolved; and/or to achieve measures to protect other patients/ improve patient safety.

An important part of our casework is the support we provide to families involved in healthcare related inquests. This empowers families and maximises the opportunity for the right questions to be asked and learning to come from the inquest. Whereas NHS bodies and individual health professionals are usually legally represented at inquests, bereaved families are often not. We try to address this uneven playing field through our inquest support service. Often this involves AvMA in intensive work instructing counsel to represent the family. This service is made possible by barristers' generous donation of time, and also involves a huge investment of time and effort in our staff instructing the barrister, supporting the family, and attending the inquests. We helped eight families in this way over the year and started preparatory work for representing two other families. A number of important conclusions were arrived at in inquests where we arranged representation for families, including recommendations for improving patient safety, which may not have been had we not been involved. Families gained a better insight into the circumstances leading to their family member's death. In addition we gave advice to a further 76 families who were facing a forthcoming inquest, to help them prepare and/or to get legal representation at the inquest. Supporting families at inquests was made more challenging due to the pandemic, as coroners' courts closed for a period; travel was not always possible; and some hearings and meetings had to be held online. We have noticed a trend in inquests becoming more complex and taking more time (more often than not being listed for a minimum of 3 days, and in one of our inquests lasting 6 days). This reduces the number of inquests we are able to take on with existing resources. We assisted through the pandemic by participating in remote and partial remote hearings and pre inquest review hearings. Remote/partial remote hearings are likely to be part of the future. We were able to do this because our IT was able to facilitate participation in remote hearings.

Impact

Families who have lost a family member as a result of avoidable harm in healthcare are legally represented and feel empowered to have the right issues and questions addressed at inquests. The coroner is sometimes helped to recognise issues that need to be addressed to protect future patients/improve patient safety and to issue a 'prevention of future deaths' letter.

We have developed systems for collecting and analysing feedback from our beneficiaries, which helps us judge satisfaction and the impact of our work with them.

Policy and external relations (Influencing policy & practice)

Whilst the direct support we provide to our beneficiaries - people whose lives have been affected by safety failures - is vitally important in its own right, it also informs our policy and campaigns work. It fuels our passion to bring about changes that will benefit many more people than we can ever reach ourselves. 2020-21 was another busy year for AvMA in contributing to important policy initiatives and debates, which fell full-square in our area of concern and expertise. Increasingly AvMA is expected to take a lead on issues around patient safety and access to justice on behalf of patients due to its unique role.

Whilst the NHS response to the pandemic – particularly the role played by health and social care staff – was impressive and often heroic, we quickly became aware of the knock-on effects of the disruption of services for patients with non-Covid-19 conditions. For example, some estimates of lost lives/opportunities for cancer patients put the avoidable deaths as high potentially as deaths due to Covid-19 itself. We took a lead together with other stakeholders and experts to raise awareness of the problem and seek more urgent action to address it, achieving substantial media coverage and attention being given to this issue.

Our work around 'just culture' in healthcare and the work we did with our beneficiaries on understanding the harmed patient's journey led us to recognise the need to look at how the NHS should deal with the holistic needs of harmed patients and their families. Together with colleagues in the new organisation Harmed Patients Alliance, we developed the concept of a 'Harmed Patient Care Pathway' – an acknowledgement of a specific duty of care for patients who experience harm, and their families, and a set of different kinds of support which should be made available to them. We jointly launched a campaign for a Harmed Patient Care Pathway and formed an advisory group of stakeholders. This has been very well received by many stakeholders in healthcare and our beneficiaries. Our hope is that following further development of the concept and piloting of the approach this will lead to a much better defined and resourced approach to supporting harmed patients and their families.

We continued to engage with key stakeholders across the UK about the Duty of Candour, including better implementation of it in England and Scotland and its adoption in Wales and Northern Ireland. We worked with the Department of Health in Northern Ireland in helping them design a Duty of Candour there as a result of the Hyponatraemia Inquiry recommendations.

We worked collaboratively with NHS Resolution and other organisations to develop a Clinical Negligence Protocol for cases during the pandemic. This facilitated additional protections for clients by making suspension of the limitation period a right (subject to criteria stipulated in the CNP being met). We have been able to protect families who are attending inquests by making provision for the limitation period to be suspended for three months for any civil/Human Rights Act claim identified either before or as a result of the inquest hearing. It is estimated that the Protocol may have saved around three million pounds of taxpayers money already. Going forward we hope to build on this collaborative approach even when the pandemic is over.

Government proposals for fixed recoverable costs in clinical negligence continued to be a key area of concern. Proposals from Government have been delayed, probably due to the pandemic, but are expected to emerge in 2021-22 and may now include even more radical proposals. We continued to make the case for full access to justice for harmed patients/their families; that this is a vital part of a 'just culture', and also important for ensuring lessons are learnt for patient safety.

As well as work that grabs the headlines, AvMA continued to bring an expert patient perspective to patient safety and justice issues through ongoing relationships with public bodies, policy makers and fellow patients' groups and participation in a raft of meetings and working groups. For example, we were an active member of the steering group working on a Complaints Standard Framework for England, led by the Parliamentary and Health Service Ombudsman. Staff and trustees were also represented on several advisory groups for relevant research projects. We gave evidence to the Health and Social Care Select Committee's review of safety in maternity services and to the Justice Committee's review of the Coroners' Service. The Justice Committee's report quoted AvMA's evidence and made welcome recommendations in line with our advice, including making legal aid available for legal representation of families at inquests. We also made submissions to several formal consultations including NHS England/Improvement's Framework for Involving Patients and Families in patient Safety.

Impact

- Our work on the duty of candour will mean that more people get to hear the truth about what happened and are told in a compassionate way.
- Our work on 'fixed recoverable costs'/access to justice should mean that more people retain the ability to access justice and ensure health providers recognise they have made a mistake.

Conferences and training (Spreading awareness and good practice)

AvMA rolled out an impressive portfolio of conferences, training and events in spite of the pandemic meaning face-to-face events were not possible. Unfortunately, our flagship annual Clinical Negligence and Medical Law conference, which was to be held in Bournemouth in 2020, had to be cancelled, as did other planned face-to-face events, resulting in large reductions in anticipated income. However, we adapted well to the changed circumstances by developing virtual online events. These proved popular and profitable and this is something we will benefit from going forward with what will probably be a mixed portfolio of face-to-face and virtual events. Overall, 612 delegates benefited from our 6 online conferences during 2020-2021 compared with 1,123 in 2019-20. A further 128 viewed our online webinars. **100% of attendees who completed evaluation forms for our events replied "Yes" when asked "Do you expect that you will use the learning from this conference in your work?"**. Whilst attendees commented on advantages of online events, including not having to travel and the online 'chat' function, comments also reflected an appetite for face-to-face events returning – especially the annual Clinical Negligence and Medical Law conference. To maximise chances of this going ahead in 2021-22, and delegates feeling safe to attend, our next Clinical Negligence and Medical Law conference has been put back to March 2022 (in Leeds).

Impact

Enhancing the skills and knowledge of legal and health professionals results in our beneficiaries receiving good quality advice and representation from them.

Medico-legal services

Although the majority of people AvMA helps do not take legal action, some of the most vulnerable people AvMA serves rely on the services of solicitors. In addition to awarding our quality mark where appropriate, AvMA continued to run a Lawyers' Service which helps law firms provide the best possible services in this specialist area. We recommend medical experts from our comprehensive database, keep lawyers up to date on case law and policy, and help with interpreting medical issues. Law firms subscribe to this service, which provides AvMA's single biggest income stream. Most of the services continued to be provided uninterrupted by the pandemic, with staff working from home. However, our regional Lawyers' Service Group meetings had to move to an online format. These meetings usually involve a medical and a legal speaker as well as an AvMA update and provide an opportunity for networking. The online meetings were well received in the circumstances, but we are exploring how best to arrange these meetings going forward.

Impact

Our support services for solicitors practising in clinical negligence means that our beneficiaries are more likely to experience a good service and successful result.

We continued to assess and accredit clinical negligence solicitors for our specialist clinical negligence panel. AvMA's quality mark is the best indicator available that the solicitors have the necessary expertise, experience and integrity to do a good job for people affected by clinical negligence. Our panel members also usually have supervisory responsibilities in their firms, thereby helping assure quality in the firms as a whole. We see the importance of being able to recognise a genuine specialist as all the more important as a result of current upheaval of the legal system. In spite of the difficult environment for clinical negligence solicitors, interest in being on AvMA's panel remained strong. We made 11 new appointments to the panel during the year and reaccredited 29 panel members – very much on a par with recent years in spite of the pandemic. One of the key aims in the operation of the AvMA Panel is improving standards of clinical negligence practice by sharing best practice. Best practice benchmarks are drawn from applications to the panel, particularly from the most experienced senior lawyers, as well as the contribution of external interviewers, but always with a focus on what is in clients' best interests. Those benchmarks are continually changing as standards improve. We always interview new applicants, including those who have been advised they do not meet the

required standard, as this enables us to offer advice on how they can improve. We do this as they will be providing clinical negligence advice with or without us, so we wish to ensure that their clients receive the best service. We are very grateful to David Kerry, an experienced former panel member, who helps us on a voluntary basis with assessing and interviewing applicants.

Impact

Our panel, and the quality mark denoting membership of it, makes it easier for our beneficiaries who need to take legal action to find a genuinely specialist solicitor with the appropriate qualities, knowledge and skills. This results in our beneficiaries receiving more expert advice and representation and, in our opinion, greater likelihood of a successful outcome.

AvMA's work in Scotland

As a charity registered in Scotland (as well as England and Wales) our activities north of the border include our Helpline and Casework Service, which can be accessed by people in Scotland. We continued to liaise with bodies such as Scottish Government, NHS Improvement Scotland, the Scottish Public Services Ombudsman and the Patient Advice and Support Service Scotland and contributed to discussions about patient safety and justice. In particular, we continued to engage about implementation of the Duty of Candour in Scotland.

Public benefit

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

Fundraising

AvMA is a member of the Fundraising Regulator Scheme and follows its code of conduct. Chief fundraising responsibility is held by the Marketing & Communications Manager, in conjunction with the Chief Executive. However, other departments also source sponsorship for events and may hold a fundraising activity at events. AvMA's main fundraising comes from donations from supporters; fundraising events held by other organisations benefitting AvMA; our own fundraising events; corporate sponsorship; and occasional bequests. AvMA does not employ or commission external fundraising professionals or companies. AvMA does not make unsolicited approaches to individuals. No complaints have been received about AvMA's fundraising.

Assuring the quality of our work

The charity has a Quality and Outcomes sub-committee to help take forward its work on quality and impact measurement. Part of its remit is to review any complaints made about AvMA's work and be sure that any learning points are acted upon. We received no formal complaints about AvMA during the year. However, we continue to monitor feedback and look into any concerns expressed. We introduced a "you said, we did" section to our Newsletter to demonstrate we take such feedback seriously.

We have developed a range of different ways in which people can give us feedback on our services and all comments, positive and negative, are reviewed regularly. Where possible, we contact people who leave negative feedback to see if we can resolve the problem they raise.

Plans for the future

Our five-year strategic plan sets out our strategic objectives for five years from 2019-2024 and our plans for achieving them. We held a mid-term review of our strategy in October 2021.

AvMA's plans for 2021-22 include:

- Significant investment in new IT including implementation of a new database and new finance software.
- Awareness-raising and development work around the concept of a 'Harmed Patient Care Pathway'
- Agreeing a strategy for our property and staff working arrangements post-pandemic
- We anticipate having to do intensive policy and influencing work around the Government's expected legal reforms, including proposals for 'fixed recoverable costs' in clinical negligence and other legal reforms which we fear may be injurious to access to justice and patient safety.
- Continuing to support good practice in implementing the Duty of Candour in England, with appropriate awareness-raising and training.
- Continuing to work with the governments in Wales and Northern Ireland on the introduction of a Duty of Candour.
- Introducing a new 'junior solicitor' certification scheme to acknowledge and develop solicitors to become full panel members in the future.
- Seeking to diversify income streams and generate new income to address the forecast operational deficit and enable maintenance of services and meeting charitable objectives long term.
- Building relationships with our beneficiaries with the appointment of a Beneficiary Engagement Facilitator and establishment of a Beneficiary Advisory Committee
- Seeking accreditation of our advice services.
- Commissioning a new website
- Hopefully, a return to face-to-face conferences and fundraising events, with the next Annual Clinical Negligence Conference planned for March 2022 in Leeds

Structure, governance & management

The organisation is a charitable company limited by guarantee, incorporated on 4 April 1988 and registered as a charity on 17 April 1988. The organisation changed its name to Action against Medical Accidents (AvMA) on 3 December 2003.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustees collectively form the Council of Management.

Council of Management and appointment of Council members

Individual trustees (members of the council) are appointed by the Council of management. Not less than 6 nor more than 20 Council members may be appointed. The Council may co-opt persons to fill casual vacancies provided the maximum of 20 is not exceeded. Approximately one third of the Council must retire each year, those being the longest serving since their previous election. Retiring members are eligible for re-election, which takes place at the annual general meeting.

Recruitment of new trustees takes place as and when the Council believes this is necessary to add to or complement the experience, knowledge and skills available to the Council. Usually "vacancies" for new trustees are advertised. Potential new trustees are interviewed by at least two trustees usually including the Chair, and the Chief Executive. Based on objective criteria, the recommendations to appoint a new trustee are put to the full Council together with the candidate's background details for a decision. During 2020-21 two trustees resigned and four were appointed bringing the total number of trustees to eleven at the year end. Since the year end one trustee has retired and one has resigned bringing the current total to nine. In addition, two new 'trainee trustees' were appointed during the year.

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

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2021 was 11 (2020 - 9). Members of the Council of Management have no beneficial interest in the charitable company.

The Council of Management met four times during the year. AvMA has adopted a five year strategic plan for 2019-20 onwards. This is accompanied by annual operational plan. Progress on meeting strategic objectives is reviewed regularly. An 'Executive Committee' comprising the Chair, Vice Chair, Treasurer and Chief Executive meets between Council meetings to deal with urgent business and reports to the Council. A 'Finance and Investment Committee' and 'Quality & Outcomes Committee' also meet between Council meetings.

AvMA has a trading company, AvMA Services Ltd, which is used when there has been non-charitable trading beyond the amount permissible by the Charity Commission. AvMA Services Ltd has been inactive in 2020-21.

Honorary officers

The charity has adopted the practice of electing a Chair, Vice-Chair and Treasurer for a one-year term at the charity's AGM. December 2020 saw the resignation of Suzanne Shale as Chair and Trustee, Moi Ali was elected as Chair, Angela Brown was re-elected as Treasurer and Caroline Browne was re-elected as Vice-Chair. Jonathan Hazan was appointed treasurer on an interim basis following Angela Brown's retirement in October 2021.

Delegation of day to day running of the charity

Trustees delegate the day to day running of the charity to the Chief Executive, Peter Walsh.

Patrons

The role of patron does not involve any legal or governance responsibilities. Patrons act as ambassadors for the charity and help by providing advice, taking part in events, making introductions and generally spreading the word about AvMA and its work.

Remuneration of key management personnel

The Council of Management has a remuneration policy covering all employees. All personnel are paid within a defined salary band with annual increments until the top of the band is reached. Salary bands are set and reviewed through trustees' review of pay scales available in comparable organisations (for example by reviewing job advertisements and/or speaking to recruitment agencies) and by reference to the NJC and NHS Pay Scales. Annual cost of living increments are awarded at the discretion of the Council of Management, based on the Consumer Price Index for the previous calendar year and bearing in mind the charity's finances and the financial climate generally. AvMA's full remuneration policy is published on the charity's website.

Financial review

Our Medico-Legal department made a contribution (calculated by income less direct costs from note 6) of £219,034 in the year and Other Charitable Trading generated £115,896. Other income was badly hit by Covid-19: Conferences and Training made a loss of £54,056; Fundraising generated a contribution of £37,099 plus a generous legacy of £450,000 which was received in June 2021 and accrued in the year. Overall this covered the net cost of our public-facing Advice and Information Service of £227,131, our Policy & External Relations costs of £42,828 and our support costs, giving an overall net income of £85,506 for the year. In addition, we had unrealised gains on investments of £214,533, most of which was realised after the year end in a portfolio restructure.

AvMA receives no ongoing funding from NHS or government agencies and is therefore very reliant on its own income generation activities and the generosity of the people we have helped, other supporters and sponsors. For this we are extremely grateful.

The receipt of the Judith Freedman legacy in 2011 means that the charity has been able to invest for its future. The single most significant use of the legacy was the purchase of "Freedman House" on a 999 year lease. This was revalued at £1,600,000 as at 31 March 2021, a fall of £300,000 in the year as a result of changes in the market for office properties; it is still £393,341 higher than the original cost. We also currently hold £1,183,707 in an investment portfolio (see note 14).

As well as no longer paying rent, we are letting out some of the office space to provide us with additional income. We have also been able to operate a deliberate deficit operating budget in order to provide maximum impact to our beneficiaries from our services and operations and invest in new ideas for business development.

Principal risks and uncertainties

The main risk facing the charity continues to be the uncertainty facing the future of clinical negligence litigation. Most of the charity's income is generated through the provision of services to clinical negligence lawyers, both through the Lawyers' Service and the provision of conferences and training. Recent legal reforms including the removal of legal aid for the vast majority of clinical negligence cases have already created difficulties for law firms wishing to practice in clinical negligence, which is beginning to see mergers or firms dropping out of clinical

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

Another principal risk is the uncertainty in financial markets which may affect the charity's investments. In the light of this, the trustees have reviewed the charity's investment strategy, de-risking the short-term element of the portfolio and assuming medium risk for the long-term part.

AvMA relies on part of its income coming from rent and service charges received for two floors of Freedman House. The economic situation means that that office space has become harder to let. There is therefore a significant risk income from this source will drop. One floor has been leased for ten years and two other floors are being marketed for lease.

Trustees consider known significant risks and strategies for mitigating them through a risk register which is reviewed regularly by the Finance & Investment Committee, Quality & Outcomes Committee and the Executive Committee, which report to the Council of Management. The risk register is also reviewed annually by the full Council at the charity's AGM.

Impact of Covid-19 on the charity

Throughout the year we kept operations running smoothly. Fortunately, we had already invested in technology which enabled staff to continue to work from home very efficiently without impacting services to our beneficiaries and other activities, except our conferences and events including fundraising based on events. Our enquiries remained at normal levels throughout the year.

Face to face events have had to be cancelled or rescheduled due to Covid-19. The second main lockdown meant the ACNC was not feasible as face to face in April 2021 and it was not possible to reschedule for later in the year; the next one will be in March 2022. We have been successful in adapting our portfolio of events post Covid-19 to include more profitable/popular virtual events on an ongoing basis as well as planning to return to face-to-face events where appropriate. The virtual 'not the ACNC' event was a great success.

Events based fundraising has also not been possible with restrictions in place. We have been concentrating on maximising income from non-events based fundraising whilst these are not possible and are working with our supporters to plan ahead for events once this is possible. Notwithstanding all the challenges, every effort has been made to maximise alternative fundraising and sponsorship income and the financial year finished on a positive note with the pandemic having less impact than originally feared, leaving forecast income from fundraising at 77% of the original budget. In addition we received £450,000 of the anticipated legacy after the year end, with a small additional amount expected

Covid-19 has been specifically considered in all areas of our Risk Register, and the impact has factored into our ten year financial plan. We anticipate that income streams will return to close to normal levels within the next two years. Fortunately, we have sufficient reserves to be able to cope with the temporarily reduced income without major impact to our operations. We continue to monitor the situation and the risks very closely.

Reserves and investment policy

Background and financial strategy

As set out above, we are in a period when income from our traditional revenue sources is declining significantly, against a background of the current deliberate deficit budget. Current trends and uncertainties lead us to expect this fall to continue in the coming few years.

The trustees have worked hard to develop a long-range financial strategy to address the situation on a timely and considered basis. Our financial strategy is to move to a sustainable balanced budget over a period of 10 years to 2026/27, against the background of anticipated contraction of our traditional revenue streams, through developing new sources of income and making cost efficiencies in a carefully planned manner.

We plan to utilise our current reserves to fund the (reducing) shortfall each year, to continue to provide maximum impact to our beneficiaries, and also to continue to invest carefully in new development activities as appropriate. This is expected to reduce reserves to the target level by the end of the 10-year strategy period. These reserves are held as a separate designated fund, and 1/10 is released each year to general funds, as per note 20.

Reserves policy

We own our office building, Freedman House, outright. This provides cover for catastrophic events, and also for an orderly wind down should this ever be necessary, as well as generating an income and savings on what would be spent on rent.

The trustees have a policy to retain sufficient free reserves to cover working capital requirements and realistic contingencies. This is calculated as:

- Working capital: 3 months' running costs including salaries, and 75% of conference venue costs.
- Contingency reserve £200,000: to cover the risk of a short-term fall in income over committed expenditure, together with operational risks and exceptional costs.

At current activity levels this amounts to target reserves of £558,123.

Level of reserves

We have free reserves of £624,285 at the year end (£799,693 general funds of which £175,408 is tied up in investments) (see note 19a). This is an excess of £66,162 against the above year-end target. However, liquidity is carefully managed and the balance is in line with our 10-year financial strategy as explained above.

Investment policy

The trustees have agreed to invest the reserves in an ethical investment portfolio, to achieve returns that enable the funding of AvMA's requirements both in the short and the long-term. Short-term requirements (up to 3 years) are placed on deposit using a specialist cash management service to optimise returns whilst ensuring appropriate liquidity. The remaining reserves are within a long-term investment portfolio managed by Castlefield. The total investment portfolio including the cash is conservatively structured with an emphasis on capital preservation, but also likely to achieve an overall return in the region of 2.5%.

Management and trustees monitor the financial plan, reserves levels and investment policy closely in the light of changing circumstances.

Statement of responsibilities of the Council of Management

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

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

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

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

In so far as the Council of Management is aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and

- The Council of Management's members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

Approved by the Council of Management on 7 December 2021 and signed on its behalf by



Nigel Holland

Trustee



Peter Walsh

Company Secretary

Independent auditor's report

To the members of Action Against Medical Accidents

Opinion

We have audited the financial statements of Action against Medical Accidents (the 'charitable company') 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 significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 Action against Medical Accidents' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, finance committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable 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.

Noelia Serrano (Senior statutory auditor)

10 December 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

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

Statement of financial activities

(Incorporating an income and
expenditure account)

For the year ended 31 March 2021

			2021		2020
		Restricted	Unrestricted	Total	Total
	Note	£	£	£	£
Income from:					
Donations and legacies	2	-	518,898	518,898	147,440
Charitable activities					
Conferences and training	3	-	82,675	82,675	381,692
Medico-legal services	3	-	394,370	394,370	432,873
Advice, information and support	3	-	796	796	1,283
Other trading activities	4	-	140,353	140,353	134,983
Investments	5	-	50,391	50,391	47,022
Other		-	228	228	169
Total income		-	1,187,711	1,187,711	1,145,462
Expenditure on:					
Raising funds	6	-	46,619	46,619	45,140
Charitable activities					
Conferences and training	6	-	236,766	236,766	364,959
Medico-legal services	6	-	317,979	317,979	292,455
Advice, information and support	6	162	403,290	403,452	349,358
Policy and external relations	6	-	62,743	62,743	74,166
Charitable trading activities	6	-	34,646	34,646	29,305
Total expenditure		162	1,102,043	1,102,205	1,155,383
Net income / (expenditure) before net gains on investments		(162)	85,668	85,506	(9,921)
Net (losses)/gains on investments	14	-	214,533	214,533	(46,721)
Net losses on investment property	13b	-	(150,000)	(150,000)	-
Impairment loss on leasehold property	13a	-	(150,000)	(150,000)	-
Net income / (expenditure) for the year	7	(162)	201	39	(56,642)
Reconciliation of funds:					
Total funds brought forward	20	162	3,890,599	3,890,761	3,947,403
Total funds carried forward	20	-	3,890,800	3,890,800	3,890,761

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note [20](#) to the financial statements.

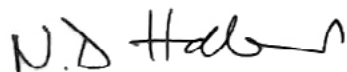
Balance sheet

As at 31 March 2021

Company number 2239250

	Note	£	2021 £	2020 £
Fixed assets:				
Tangible assets: other	12		4,362	14,002
Tangible assets: leasehold property	13a		800,000	950,000
Investment property	13b		800,000	950,000
Investments	14		1,183,806	1,071,444
			2,788,168	2,985,446
Current assets:				
Debtors	15	605,254	95,277	
Investments: short term deposits		-	240,000	
Cash at bank and in hand		1,038,455	907,259	
		1,643,709	1,242,536	
Liabilities:				
Creditors: amounts falling due within one year	16	541,077	337,221	
Net current assets			1,102,632	905,315
Total assets less current liabilities			3,890,800	3,890,761
Total net assets			3,890,800	3,890,761
The funds of the charity:	20a			
Restricted income funds			-	162
Unrestricted income funds:				
Designated funds		2,786,690	2,732,675	
Fair value reserve		304,417	77,363	
General funds		799,693	1,080,561	
Total unrestricted funds			3,890,800	3,890,599
Total charity funds			3,890,800	3,890,761

Approved by the trustees on 7 December 2021 and signed on their behalf by



Nigel Holland
Trustee

Statement of cash flows

For the year ended 31 March 2021

Reconciliation of net income / (expenditure) to net cash flow from operating activities		2021	2020
		£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		39	(56,642)
Depreciation charges		11,930	12,702
(Gains)/losses on investments		(214,533)	46,721
Loss on property revaluation		300,000	-
Dividends, interest and rent from investments		(50,391)	(47,022)
(Increase)/decrease in debtors		(509,977)	32,735
Increase/(decrease) in creditors		203,856	(77,224)
Net cash used in operating activities		(259,076)	(88,730)
		2021	2020
		£	£
Cash flows from operating activities	£	£	£
Net cash used in operating activities		(259,076)	(88,730)
Cash flows from investing activities:			
Dividends, interest and rents from investments	50,391	47,022	
Purchase of fixed assets	(2,290)	(6,990)	
Proceeds from sale of investments	99,980	670,088	
Purchase of fixed asset investments and cash invested into portfolio	2,191	(668,647)	
Net sale of current asset investments	240,000	244,370	
Net cash from investing activities		390,272	285,843
Change in cash and cash equivalents in the year		131,196	197,113
Cash and cash equivalents at the beginning of the year		907,259	710,146
Cash and cash equivalents at the end of the year		1,038,455	907,259
Analysis of cash and cash equivalents and of net debt			
		At 1 April 2020	Cash flows
		£	£
Cash at bank and in hand		214,032	87,930
Notice deposits (less than three months)		693,227	43,266
Total cash and cash equivalents		907,259	131,196
Total		907,259	131,196
			At 31 March 2021
			£
			301,962
			736,493
			1,038,455
			1,038,455

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies

a) Statutory information

Action against Medical Accidents is a charitable company limited by guarantee and is incorporated in England.

The registered office address and principal place of business is Freedman House, Christopher Wren Yard, 117 High Street, Croydon CR0 1QG.

b) Basis of preparation

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

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

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

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, including the impact of Covid-19 on the charity within the year and going forward.

e) Income

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

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

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

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

f) Donations of gifts, services and facilities

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

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

g) 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.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Restricted funds are set out in note 20 below.

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

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

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

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

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

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

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

- | | |
|-----------------------------------|-----|
| • Conferences and training | 22% |
| • Medico-legal services | 31% |
| • Advice, information and support | 38% |
| • Policy and external relations | 4% |
| • Raising funds | 3% |
| • Charitable trading activities | 2% |

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

k) Operating leases

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

l) Tangible fixed assets

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

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

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

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

m) Listed investments

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

Investments in subsidiaries

Investments in subsidiaries are at cost.

Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value will be stated in the notes to the accounts.

n) 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.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

1 Accounting policies (continued)

p) 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.

q) 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.

r) Pensions

The charitable company offers all staff a stakeholder pension scheme in accordance with auto enrolment requirements. The charitable company pays an agreed contribution to this scheme on their behalf. The assets of the pension fund are independent from the company and the pension cost charge represents contributions payable. The charitable company has no additional liability other than for the payment of those contributions.

2 Income from donations and legacies

	2021 Total £	2020 Total £
Experts' donations	11,496	26,653
Others' events	(64)	22,650
Unclaimed clients' money	19,242	47,194
Legacies	456,327	-
Other donations	9,804	16,067
Corporate sponsorship	7,500	7,500
Sponsored leaflets	13,605	16,161
Other fundraising	987	11,215
	518,898	147,440

All funds for 2021 and 2020 were unrestricted.

3 Income from charitable activities

	2021 Total £	2020 Total £
Delegate, sponsor and webinar income	82,675	381,692
Total: conferences and training	82,675	381,692
Subscription fees	381,920	413,973
Referral panel fees	12,450	18,900
Total: medico-legal services	394,370	432,873
Other	796	1,283
Total: advice, information and support	796	1,283
Total income from charitable activities	477,841	815,848

All funds for 2021 and 2020 were unrestricted.

4 Income from other trading activities

	2021 Total £	2020 Total £
AvMA events	-	1,071
Website subscriptions	101,532	98,007
Lawyers' service directory	11,040	11,874
Publications	12,714	12,678
Fees earned	15,066	11,353
	140,353	134,983

All funds for 2021 and 2020 were unrestricted.

5 Income from investments

	2021 Total £	2020 Total £
Dividends and interest	8,811	23,042
Rent	41,580	23,980
	50,391	47,022

All funds for 2021 and 2020 were unrestricted.

6a Analysis of expenditure (current year)

	Cost of raising funds	Charitable activities					Governance costs	Support costs	2021 Total	2020 Total
		Conferences and training	Medico-legal services	Advice, information and support	Policy and external relations	Charitable trading activities				
	£	£	£	£	£	£	£	£	£	£
Staff costs (Note 8)	31,553	126,122	170,877	219,203	42,333	19,877	31,476	230,690	872,132	828,877
Direct cost of events	-	10,159	1,507	796	-	3,980	-	-	16,442	151,856
Travel, subsistence and accommodation	-	-	-	42	-	-	55	-	97	4,490
Call handling	-	-	-	4,792	-	-	-	-	4,792	3,141
Investment management fees	-	-	-	-	-	-	-	9,629	9,629	13,665
Other professional fees	-	-	-	-	450	600	7,300	5,851	14,201	15,248
Office costs	246	449	2,867	3,094	45	-	23	49,106	55,830	69,971
Premises costs	-	-	-	-	-	-	-	56,250	56,250	46,403
Depreciation	-	-	-	-	-	-	-	11,930	11,930	12,702
Training and development	-	-	-	-	-	-	-	1,809	1,809	5,461
Major projects	-	-	-	-	-	-	-	52,759	52,759	-
Sundry	-	-	85	-	-	-	143	6,106	6,334	3,569
Direct expenditure	31,799	136,730	175,336	227,927	42,828	24,457	38,997	424,130	1,102,204	1,155,383
Support costs	13,572	91,612	130,632	160,745	18,238	9,331	-	(424,130)	-	-
Governance costs	1,248	8,423	12,011	14,780	1,677	858	(38,997)	-	-	-
Total expenditure 2021	46,619	236,766	317,979	403,452	62,743	34,646	-	-	1,102,204	1,155,383
Total expenditure 2020	45,140	364,959	292,455	349,358	74,166	29,305	-	-	-	1,155,383

In 2021 £162 expenditure was restricted, the balance was unrestricted. In 2020 all expenditure was unrestricted.

6b Analysis of expenditure (prior year)

		Charitable activities							
	Cost of raising funds	Conferences and training	Medico-legal services	Advice, information and support	Policy and external relations	Charitable trading activities	Governance costs	Support costs	2020 Total
	£	£	£	£	£	£	£	£	£
Staff costs (Note 8)	30,813	127,943	174,107	206,095	52,897	19,187	31,370	186,465	828,877
Direct cost of events	-	148,087	1,400	1,812	-	557	-	-	151,856
Travel, subsistence and accommodation	5	65	348	106	1,671	-	1,469	826	4,490
Call handling	-	-	-	3,141	-	-	-	-	3,141
Investment management fees	-	-	-	-	-	-	-	13,665	13,665
Other professional fees	-	-	-	-	-	600	7,650	6,998	15,248
Office costs	1,131	1,054	2,782	4,417	-	293	20	60,274	69,971
Premises costs	-	-	-	-	-	-	-	46,403	46,403
Depreciation	-	-	-	-	-	-	-	12,702	12,702
Training and development	-	-	-	-	-	-	-	5,461	5,461
Sundry	-	-	3	-	-	-	57	3,509	3,569
Direct expenditure	31,949	277,149	178,640	215,571	54,568	20,637	40,566	336,303	1,155,383
Support costs	11,771	78,358	101,564	119,386	17,489	7,735	-	(336,303)	-
Governance costs	1,420	9,452	12,251	14,401	2,109	933	(40,566)	-	-
Total expenditure 2020	45,140	364,959	292,455	349,358	74,166	29,305	-	-	1,155,383

7 Net incoming resources for the year

This is stated after charging / (crediting):	2021	2020
	£	£
Depreciation	11,930	12,702
Auditor's remuneration (excluding VAT):		
Audit - current year	7,300	7,150
Foreign exchange losses/(gains)	102	(5)

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

Staff costs were as follows:	2021	2020
	£	£
Salaries and wages	786,315	745,643
Social security costs	68,506	66,252
Employer's contribution to defined contribution pension schemes	17,311	16,982
	872,132	828,877

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

	2021	2020
	No.	No.
£70,000 - £79,999	1	1
£60,000 - £69,999	1	1

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £141,628 (2020: £126,200). The increase is due to a change in staff responsibilities arising from the retirement of the deputy chief executive.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel, subsistence and accommodation costs totalling £55 (2020: £1,556) incurred by one (2020: 5) member relating to attendance at trustee meetings and events and telephone costs.

9 Staff numbers

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

	2021	2020
	No.	No.
Raising funds	0.6	0.6
Conferences and training	4.0	4.0
Medico-legal services	5.7	5.2
Advice, information and support	7.0	6.1
Policy and external relations	0.8	0.9
Charitable trading activities	0.4	0.4
Support	5.5	5.0
Governance	0.6	0.6
	24.6	22.8

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

	2021	2020
	No.	No.
Raising funds	0.6	0.6
Conferences and training	3.0	3.1
Medico-legal services	3.8	4.0
Advice, information and support	4.9	5.7
Policy and external relations	0.7	0.8
Charitable trading activities	0.3	0.3
Support	4.2	4.1
Governance	0.5	0.5
	18.0	19.1

10 Related party transactions

There are no related party transactions to disclose for 2021 (2020: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties (2020: none).

11 Taxation

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

12 Tangible fixed assets

	Computer equipment and website £	Office equipment and furniture £	EMIS database £	Total £
Cost or valuation				
At the start of the year	90,779	61,372	20,000	172,151
Additions in year	2,290	-	-	2,290
Disposals in year	-	-	-	-
At the end of the year	<u>93,069</u>	<u>61,372</u>	<u>20,000</u>	<u>174,441</u>
Depreciation				
At the start of the year	78,704	59,445	20,000	158,149
Charge for the year	11,022	908	-	11,930
Eliminated on disposal	-	-	-	-
At the end of the year	<u>89,726</u>	<u>60,353</u>	<u>20,000</u>	<u>170,079</u>
Net book value				
At the end of the year	<u>3,343</u>	<u>1,019</u>	<u>-</u>	<u>4,362</u>
At the start of the year	<u>12,075</u>	<u>1,927</u>	<u>-</u>	<u>14,002</u>

All of the above assets are used for charitable purposes. The leasehold property is disclosed separately, see note 13.

13 Property

The charity owns the leasehold to Freedman House which comprises 4 floors. The ground and first floor are currently occupied by the charity and disclosed as tangible fixed assets. The second and third floors are rental and disclosed as investment property. The original cost in 2013 was £1,206,659.

As at 31 March 2018 the value for the total property was £2,050,000; at 31 March 2019 and 2020 it was £1,900,000. The trustees obtained an informal valuation at 31 March 2021 from our estate agent, based on potential resale value. The value has fallen by £300,000 to £1,600,000 in the year as a result of adjustments in the market. This is £393,341 higher than the original cost.

13a Tangible fixed assets: Leasehold property (ground and first floors)

	2021 £	2020 £
Valuation		
At the start of the year	1,025,000	1,025,000
Additions in year	-	-
At the end of the year	<u>1,025,000</u>	<u>1,025,000</u>
Depreciation		
At the start of the year	75,000	75,000
Impairment losses	150,000	-
At the end of the year	<u>225,000</u>	<u>75,000</u>
Net book value		
At the end of the year	<u>800,000</u>	<u>950,000</u>

13b Investment property (second and third floors)

	2021 £	2020 £
Fair value at the start of the year	950,000	950,000
Additions	-	-
Disposals	-	-
Revaluation during the year	<u>(150,000)</u>	<u>-</u>
Fair value at the end of the year	<u>800,000</u>	<u>950,000</u>

14 Investments

	2021 £	2020 £
Fair value at the start of the year	1,071,345	1,119,507
Additions at cost	-	668,560
Disposal proceeds	(99,980)	(670,088)
Net gain/(loss) on change in fair value	214,533	(46,721)
Movements in cash element of portfolio	(2,191)	87
Fair value at the end of the year	1,183,707	1,071,345
Historic cost at the end of the year	879,290	993,982
Investments comprise:		
Investment Trusts/OEICs/REITs/SICAVs	1,150,863	1,036,310
Cash	32,844	35,035
	1,183,707	1,071,345
Share in subsidiary undertaking (see below)	99	99
	1,183,806	1,071,444

Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of AVMA Services Limited, a company registered in England. The company did not trade in this or the prior financial year. The subsidiary's net assets are £99 (2020: £99).

15 Debtors

	2021 £	2020 £
Trade debtors	47,467	1,382
Other debtors	17,686	28,168
Prepayments	84,729	52,731
Accrued income	455,372	12,996
	605,254	95,277

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Taxation and social security	50,038	39,461
Other creditors	18,908	8,286
Accruals	37,921	19,139
Deferred income (note 17)	434,210	270,335
	541,077	337,221

17 Deferred income

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

	2021 £	2020 £
Balance at the beginning of the year	270,335	329,319
Amount released to income in the year	(270,335)	(329,319)
Amount deferred in the year	434,210	270,335
Balance at the end of the year	434,210	270,335

18 Pension scheme

The charity contributes to a defined contribution stakeholder pension scheme for its employees. Contributions are set out in note 8 above. There were no amounts owed at 31 March 2021 (2020: £nil).

19a Analysis of net assets between funds (current year)

	Restricted	General unrestricted	Fair value reserve	Designated	Total funds
	£	£	£	£	£
Tangible fixed assets - other	-	-	-	4,362	4,362
Tangible fixed assets - leasehold property	-	-	-	800,000	800,000
Investment property	-	-	-	800,000	800,000
Fixed asset investments	-	175,408	304,417	703,981	1,183,806
Accrued income	-	455,372	-	-	455,372
Other net current assets	-	168,913	-	478,347	647,260
Net assets at the end of the year	-	799,693	304,417	2,786,690	3,890,800

19b Analysis of net assets between funds (prior year)

	Restricted	General unrestricted	Fair value reserve	Designated	Total funds
	£	£	£	£	£
Tangible fixed assets - other	-	-	-	14,002	14,002
Tangible fixed assets - leasehold property	-	-	-	950,000	950,000
Investment property	-	-	-	950,000	950,000
Fixed asset investments	-	175,408	77,363	818,673	1,071,444
Investments - notice deposits	-	240,000	-	-	240,000
Accrued income	-	12,996	-	-	12,996
Other net current assets	162	652,157	-	-	652,319
Net assets at the end of the year	162	1,080,561	77,363	2,732,675	3,890,761

20a Movements in funds (current year)

	At the start of the year	Incoming and gains	Expenditure and losses	Transfers	At the end of the year
	£	£	£	£	£
Restricted funds:					
Access audit	162	-	(162)	-	-
Total restricted funds	162	-	(162)	-	-
Unrestricted funds:					
Designated funds:					
Property value	1,900,000	-	-	(300,000)	1,600,000
Other fixed assets	14,002	-	(11,930)	2,290	4,362
Major repairs and maintenance	200,000	-	-	-	200,000
ICT replacement	12,618	-	-	(2,290)	10,328
Transitional fund	600,000	-	-	(100,000)	500,000
Connect Assist project	6,055	-	(3,250)	(2,805)	-
CRM replacement	-	-	-	202,000	202,000
Business development projects	-	-	-	175,000	175,000
New website and finance software	-	-	-	70,000	70,000
Laptop replacement	-	-	-	25,000	25,000
Total designated funds	2,732,675	-	(15,180)	69,195	2,786,690
Fair value reserve	77,363	-	-	227,054	304,417
General funds	1,080,561	1,402,244	(1,386,863)	(296,249)	799,693
Total unrestricted funds	3,890,599	1,402,244	(1,402,043)	-	3,890,800
Total funds	3,890,761	1,402,244	(1,402,205)	-	3,890,800

20b Movements in funds (prior year)

	At the start of the year (restated)	Incoming and gains	Expenditure and losses	Transfers	At the end of the year
	£	£	£	£	£
Restricted funds:					
Access audit	162	-	-	-	162
Total restricted funds	162	-	-	-	162
Unrestricted funds:					
Designated funds:					
Property value	1,900,000	-	-	-	1,900,000
Other fixed assets	19,713	-	(12,701)	6,990	14,002
Major repairs and maintenance	200,000	-	-	-	200,000
ICT replacement	18,067	-	-	(5,449)	12,618
Transitional fund	700,000	-	-	(100,000)	600,000
Connect Assist project	6,055	-	-	-	6,055
Total designated funds	2,843,835	-	(12,701)	(98,459)	2,732,675
Fair value reserve	306,888	-	-	(229,525)	77,363
General funds	796,518	1,098,741	(1,142,682)	327,984	1,080,561
Total unrestricted funds	3,947,241	1,098,741	(1,155,383)	-	3,890,599
Total funds	3,947,403	1,098,741	(1,155,383)	-	3,890,761

Purposes of restricted funds

Access audit: received from City Bridge Trust to carry out an access audit of Freedman House. The balance has been spent on similar work in 2020/21.

Purposes of designated funds

Property value: the charity purchased the leasehold to Freedman House on 2 May 2013 for £1.2 million. This has been carried at valuation since 31 March 2018, and is split 50:50 between functional fixed assets (ground & 1st floors) and investment property (2nd & 3rd floors).

Other fixed assets: reflects the reducing net book value of the ICT, website, furniture and office equipment. The transfer represents the cost of assets purchased in the year.

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

ICT replacement: to cover programme of ICT replacement. Transfers reflect ICT equipment which has been purchased during the year.

Transitional fund: to allow the charity to continue to meet its charitable objects at as near as possible the level of activity and impact as the year 2015/16 whilst new sources of income are explored and where necessary expenditure reduced, moving toward a sustainable balanced budget in accordance with our 10-year financial plan. The funds are released on a straight line basis over 10 years.

Connect Assist project: to implement recommendations of Connect Assist report on data, website and helpline, including employment of temporary IT worker and software/website development costs. The balance has been spent in 2020/21 on helpline and CRM development.

CRM replacement: to complete the project to replace our legacy CRM system Seneca. Includes development costs and project management.

Business development projects: to invest in projects to develop new recurring income streams for the future.

New website and finance software: to implement new finance software Ipicit and develop new website for the organisation.

Laptop replacement: one-off project to replace the laptops used by all staff.

Fair value reserve: this represents the unrealised gains/losses on fixed asset investments.

21 Capital commitments

At the balance sheet date, the charity had no capital commitments (2020: £nil).

22 Contingent assets and liabilities

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

23 Legal status of the charity

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

24 Post Balance Sheet events

As stated in note 13 above, the ground and first floor are currently occupied by the charity, the second and third floors are rental. This gives a 50:50 split between tangible fixed assets and investment property. Due to the impact of the pandemic and the uptake in remote working, since the year end it has been decided to free up one of the floors that we occupy and market it for rental. This will make the split 25:75, and this will be reflected in the 2022 accounts.

Action against Medical Accidents

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