

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

## Contents

### For the year ended 31 March 2023

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Reference and administrative details .....	1
Report of the Board of Trustees .....	3
Independent auditor's report .....	18
Statement of financial activities .....	23
Balance sheet .....	24
Statement of cash flows .....	25
Notes to the financial statements .....	26

## Action against Medical Accidents

### Reference and administrative details

For the year ended 31 March 2023

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

<b>Company number</b>	2239250	
<b>Country of incorporation</b>	United Kingdom	
<b>Charity number</b>	299123	
<b>Country of registration</b>	England & Wales	
<b>OSCR number</b>	SCO39683	
<b>Registered and principal office address</b>	Freedman House Christopher Wren Yard, 117 High Street CROYDON, CR0 1QG	
<b>Patrons</b>	Peter Ransley (Honorary Life President) Umesh Prabhu James Badenoch KC Dame Professor Donna Kinnair	
<b>Honorary officers</b>	Jocelyn Cornwell Nigel Holland Caroline Browne	Chair Treasurer Senior Independent Director (July 2022)
<b>Trustees</b>	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)	
<b>Key management personnel</b>	Paul Whiteing Nathan Bacon Nicky Rushden	Chief Executive Internal Resources Manager Finance Manager
<b>Bankers</b>	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

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	Tavistock Private Client Ltd The Barn, Downing Park Station Rd, Swaffham Bulbeck CAMBRIDGE, CB25 0NW
<b>Independent financial advisors</b>	Castlefield Advisory Partners Ltd 8 <sup>th</sup> floor, 111 Piccadilly MANCHESTER, M12HY
<b>Auditor</b>	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House, 108–114 Golden Lane LONDON, EC1Y 0TL
<b>Solicitors</b>	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**

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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 40<sup>th</sup> Anniversary and we used it to remind stakeholders of continuing need and necessity for the work and purpose that we have. The culmination of 40<sup>th</sup> 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

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- 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

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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.

## Action Against Medical Accidents

### Report of the Board of Trustees

For the year ended 31 March 2023

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**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

### Report of the Board of Trustees

#### For the year ended 31 March 2023

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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

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- 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; 40<sup>th</sup> 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

## Action Against Medical Accidents

### Report of the Board of Trustees

For the year ended 31 March 2023

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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

## **Action Against Medical Accidents**

### **Report of the Board of Trustees**

**For the year ended 31 March 2023**

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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.

## Action Against Medical Accidents

### Report of the Board of Trustees

For the year ended 31 March 2023

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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.

## Action Against Medical Accidents

### Report of the Board of Trustees

#### For the year ended 31 March 2023

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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

## **Action Against Medical Accidents**

### **Report of the Board of Trustees**

#### **For the year ended 31 March 2023**

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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.

## Action Against Medical Accidents

### Report of the Board of Trustees

For the year ended 31 March 2023

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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.



## **Action Against Medical Accidents**

### **Report of the Board of Trustees**

**For the year ended 31 March 2023**

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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,

## Action Against Medical Accidents

### Report of the Board of Trustees

For the year ended 31 March 2023

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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

## **Action Against Medical Accidents**

### **Report of the Board of Trustees**

#### **For the year ended 31 March 2023**

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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.

## **Independent auditor's report**

**To the members of**

### **Action Against Medical Accidents**

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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

### Action Against Medical Accidents

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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

## Independent auditor's report

### To the members of

#### Action Against Medical Accidents

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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

## Independent auditor's report

### To the members of

#### Action Against Medical Accidents

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 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 £
<b>Income from:</b>			
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
<b>Total income</b>		<b>1,287,508</b>	<b>1,122,046</b>
<b>Expenditure on:</b>			
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
<b>Total expenditure</b>		<b>1,224,077</b>	<b>1,170,847</b>
<b>Net income/(expenditure) before net gains on investments</b>		<b>63,431</b>	<b>(48,801)</b>
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
<b>Net (expenditure)/income for the year</b>	7	<b>(177,070)</b>	<b>139,423</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward	20	4,030,223	3,890,800
<b>Total funds carried forward</b>	20	<b>3,853,152</b>	<b>4,030,223</b>

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 £
<b>Fixed assets:</b>					
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>
<b>Current assets:</b>					
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>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	16	<u>307,171</u>		<u>422,566</u>	
<b>Net current assets</b>			<u>935,771</u>		<u>913,209</u>
<b>Total net assets</b>			<u><u>3,853,152</u></u>		<u><u>4,030,223</u></u>
<b>The funds of the charity:</b>	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>
<b>Total charity funds</b>			<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 £
<b>Net (expenditure)/income for the reporting period (as per the statement of financial activities)</b>	<b>(177,070)</b>	<b>139,423</b>
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)
<b>Net cash (used in)/provided by operating activities</b>	<b>(108,158)</b>	<b>237,587</b>

	£	2023 £	£	2022 £
<b>Cash flows from operating activities</b>				
<b>Net cash (used in)/provided by operating activities</b>		<b>(108,158)</b>		<b>237,587</b>
<b>Cash flows from investing activities:</b>				
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)	
<b>Net cash from investing activities</b>		<b>39,729</b>		<b>(87,511)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(68,429)</b>		<b>150,076</b>
Cash and cash equivalents at the beginning of the year		<b>1,188,531</b>		<b>1,038,455</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>1,120,102</b>		<b>1,188,531</b>

### 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
<b>Total cash and cash equivalents</b>	<b>1,188,531</b>	<b>(68,429)</b>	<b>1,120,102</b>
<b>Total</b>	<b>1,188,531</b>	<b>(68,429)</b>	<b>1,120,102</b>

**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

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#### 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
	<b>183,456</b>	<b>51,975</b>

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

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
	<b>167,658</b>	<b>167,380</b>

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
	<b>81,669</b>	<b>56,096</b>

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	()	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)	-	-	-
<b>Total expenditure 2023</b>	<b>30,684</b>	<b>409,419</b>	<b>305,678</b>	<b>377,137</b>	<b>64,254</b>	<b>36,905</b>	<b>-</b>	<b>-</b>	<b>1,224,077</b>	<b>1,170,847</b>
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)	-	-
<b>Total expenditure 2022</b>	<b>46,937</b>	<b>368,468</b>	<b>281,528</b>	<b>378,478</b>	<b>55,482</b>	<b>39,954</b>	<b>-</b>	<b>-</b>	<b>1,170,847</b>

## 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.

## 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 £
<b>Cost or valuation</b>					
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
<b>Depreciation</b>					
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
<b>Net book value</b>					
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 £
<b>Valuation</b>		
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)		
<b>Depreciation</b>		
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)		
<b>Net book value</b>		
<b>At the end of the year (ground floor only)</b>	<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	1,121,425	1,194,199
Historic cost at the end of the year	1,330,728	1,160,337
<b>Investments comprise:</b>		
Investment Trusts/OEICs/REITs/SICAVs	1,105,008	1,185,509
Cash	16,417	8,690
	1,121,425	1,194,199
Share in subsidiary undertaking (see below)	99	99
	1,121,524	1,194,298

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
	122,840	147,244

#### 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
	307,171	422,566

## 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
<b>Net assets at 31 March 2023</b>	<b>–</b>	<b>866,967</b>	<b>–</b>	<b>2,986,185</b>	<b>3,853,152</b>

#### 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
<b>Net assets at 31 March 2022</b>	<b>–</b>	<b>838,878</b>	<b>33,862</b>	<b>3,157,483</b>	<b>4,030,223</b>



# 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 £
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
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
<b>Total designated funds</b>	<b>3,157,483</b>	<b>–</b>	<b>(38,393)</b>	<b>(132,905)</b>	<b>2,986,185</b>
<b>Fair value reserve</b>	<b>33,862</b>	<b>–</b>	<b>–</b>	<b>(33,862)</b>	<b>–</b>
<b>General funds</b>	<b>838,878</b>	<b>1,287,508</b>	<b>(1,426,185)</b>	<b>166,767</b>	<b>866,967</b>
<b>Total unrestricted funds</b>	<b>4,030,223</b>	<b>1,287,508</b>	<b>(1,464,578)</b>	<b>–</b>	<b>3,853,152</b>
<b>Total funds</b>	<b>4,030,223</b>	<b>1,287,508</b>	<b>(1,464,578)</b>	<b>–</b>	<b>3,853,152</b>

# 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 £
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
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
<b>Total designated funds</b>	<b>2,786,690</b>	<b>–</b>	<b>(9,207)</b>	<b>380,000</b>	<b>3,157,483</b>
<b>Fair value reserve</b>	<b>304,417</b>	<b>–</b>	<b>–</b>	<b>(270,555)</b>	<b>33,862</b>
<b>General funds</b>	<b>799,693</b>	<b>1,310,270</b>	<b>(1,161,640)</b>	<b>(109,445)</b>	<b>838,878</b>
<b>Total unrestricted funds</b>	<b>3,890,800</b>	<b>1,310,270</b>	<b>(1,170,847)</b>	<b>–</b>	<b>4,030,223</b>
<b>Total funds</b>	<b>3,890,800</b>	<b>1,310,270</b>	<b>(1,170,847)</b>	<b>–</b>	<b>4,030,223</b>

**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

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