



Annual report & accounts

31 March 2017

Objectives and activities

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

Objects

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

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

Our vision

AMRC will be the leading voice of the health and medical research charity sector, supporting charities to deliver high-quality research and champion impact for patient and public benefit.

Our mission

AMRC is the national membership organisation for the health and medical research charity world, influencing the policy and research environment by harnessing the collective strengths of our members, to demonstrate the sector's positive impact on health and wellbeing.

To achieve our mission, AMRC will:

- Support our members to fund research of the highest quality
- Campaign, inform and influence policy and regulation to provide the best possible environment for research and patients
- Provide leadership on crosscutting sector issues
- Represent the needs of the sector and its members on important issues
- Promote the impact of the sector
- Foster collaboration and best practice
- Maintain the hallmark of quality for research charities.

Our strategic direction

AMRC plays an important and unique role:

- Providing leadership and future focus
- Demonstrating impact
- Emphasising the benefits of patient-centred research
- Encouraging working in partnership
- Campaigning for a supportive funding environment.

Objectives and activities

Our strategy has five main objectives:

- 1** To campaign to ensure the best possible environment for health and medical research charities in the UK so patients benefit from the fruits of research
- 2** To work with our members and the life sciences ecosystem to ensure patients' views are embedded into all appropriate stages of research processes and systems
- 3** To encourage and foster best practice by being an independent provider of key sector data that allow members to benchmark and measure their impact
- 4** To continue to provide an excellent membership service which offers value for money and supports the policy, research, partnership and impact agendas
- 5** To enable charities to maximise use of their resources and impact by developing new collaborations and innovative partnerships with each other and other funders, including industry.

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

Public benefit statement

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

We are a membership-driven organisation with 78 % of our income coming from membership subscriptions this financial year. Through supporting those in the charity sector with responsibility for allocating funds to medical and health research, we are able to help all charities maximise the use of their resources and make a greater impact for all their beneficiaries.

Achievements and performance

2016-17 has been the second year of the 2016-19 strategic plan.

During the year we championed patient-centred research, and focussed on the significant contribution made by our members whilst acting as a conduit to forge partnerships in a number of different and successful ways.

For the first time, we partnered with industry for our Patients First conference bringing together 300 delegates including patients and representatives from across the medical research sector and to

explore collaboration to deliver them the best possible outcomes.

In a politically turbulent year, including the referendum on exiting the European Union ("EU") and the formation of a new Government under Prime Minister Theresa May, we worked with our members to navigate the new landscape.

Our members told us that now more than ever, it is essential to tell the stories that reflect the significant impact of their work. We will continue to work with them to demonstrate their collective impact on the sector, on research, on patients and beyond.

Our impact at a glance

Corporate objective 1. To campaign to ensure the best possible environment for health and medical research charities in the UK so patients benefit from the fruits of research

Strategic objectives in 2016/17

To work with the life sciences sector on an on-going basis to make the case for sustained Government long-term investment in science and research

Our impact in 2016/17

We led a delegation of member CEOs to meet the then life science minister, George Freeman to discuss the importance of the role medical research charities play in the sector.

We quickly responded following the UK vote to leave the EU issuing a position statement on behalf of the sector.

We joined other membership bodies including ABPI and BIA to participate in the UK EU Life Sciences Transition programme to minimise the negative impact on life sciences caused by uncertainty and leaving the EU.

We issued a call for evidence to our members to create an evidence base to support sector arguments.

We made submissions to the Commons Science and Technology Committee, Scottish Parliament Committee on European and External Relations and wrote to ministers, senior civil servants, parliamentarians and stakeholders to share these submissions.

We briefed parliamentarians on the agreed sector position ahead of debates on the future of the European Medicines Agency, UK negotiations on future co-operation with EU member states on

Achievements and performance

scientific and university research projects and the potential impact of the UK's withdrawal from the EU on funding for research.

We briefed stakeholders on the sector position on exiting the EU and the Government's Industrial strategy including the CBI, BEIS, MHRA, NCVO and the Francis Crick Institute.

We provided the secretariat and helped shape the agenda for an APPG event on Brexit in February 2017 held jointly with the APPG on Rare, Genetic and Undiagnosed Conditions and the APPG on Muscular Dystrophy as well as industry partners.

As a result we were invited to represent the sector on the Life Sciences Industrial Strategy Board.

To campaign for a government charity research support funding stream which ensures that universities remain incentivised to seek charity investment

We met with the Russell Group and Universities UK to discuss the level of the charity research support fund and the perception of it within the university sector.

We highlighted the significant investment made by members to science and productivity in the UK to Treasury officials and the challenges faced by the flat rate CSRF.

We liaised with partners to ensure we kept our members up to date with the implications of the Higher Education and Research bill and produced a co-badged briefing for key policy makers.

We submitted a response to the Treasury's Autumn Statement survey outlining the need to protect and invest in the science budget.

In December we sent a letter, co-badged by 74 members, to Jo Johnson MP, Minister for Universities, Science Research and Innovations to increase the CSRF in real terms.

To engage with others to ensure there is a supportive environment for medical and health research, including that involving animals

We commented on the government's proposed approach to setting NHS England's Mandate to 2020, welcoming the fact that supporting research, innovation and growth is a priority for NHS England, but calling for a consultation on the draft Mandate itself to enable meaningful engagement of stakeholders.

We brought together a focus group of research charities to provide insights to NHS England on its public engagement strategy on personalised medicine.

Achievements and performance

We wrote to the Minister of State for Apprenticeships and Skills to highlight the challenges faced by some of our members in implementing the apprenticeship levy.

We investigated and made the case for making R&D tax credits permanently available to health and medical research charities. This work is continuing.

Campaign for greater prioritisation of research and use of research evidence by the NHS, with coherent and transparent routes to adoption

We released a statement following publication of the Accelerated Access Review that was published in October.

To communicate the sector's impact and the critical role it plays in the UK, deploying sector data as an evidence base in all our influencing activities

The All-Party Parliamentary Group on Medical Research plays a vital role in providing a forum to inform, engage and discuss current medical research with parliamentarians.

Over the year the group hosted 3 successful events including events on Brexit and patient data that attracted 67 Parliamentarians.

To engage members in policy matters and ensure a co-ordinated voice

The Public Affairs Working Group (PAWG) met 4 times with a further 4 webinars.

We established task and finish working groups to improve the coordination of input of members (large and small) into consultation responses and campaigning on private members bills.

To campaign for deployment of patient data to support research to save and improve lives within a system in which the public is well informed about how their data are collected, stored, linked and shared and ensure their legitimate concerns about privacy and data security are taken seriously and addressed effectively

We took a leadership position on patient data.

Following the publication of the report by Dame Fiona Caldicott, National Data Guardian, in July we worked with members to provide joint feedback on her recommendations and followed this up with meetings with officials to help facilitate implementation.

We called with partners and members for a comprehensive and clear plan for executing an opt-out of data sharing.

We contributed to cross-sector activities led by the Wellcome Trust which aimed to ensure a healthy future for scientific research through the new European Data Protection Regulation 2012/0011.

We joined forces with research funders to highlight delays in legitimate access to patient data, and liaised with the Health and Social Care Information Centre to improve its processes.

Achievements and performance

We produced a booklet 'A matter of life and death: how your health information can make a difference' showing how personal health information can lead to advances in prevention, diagnosis, treatment and patient care. We showcased five member case studies.

To commission future-focussed think tank style reports on issues of strategic importance to our members and facilitate sector discussion and action

Interviews and research for our 'Future Focus' report on the sector continued.

Mid-term highlights were presented to CEOs and debated leading to the commissioning of a second piece of work which will result in a report for members planned for July 2017.

Corporate objective 2. To work with our members and the life sciences ecosystem to ensure patients' views are embedded into all appropriate stages of research processes and systems

Strategic objectives in 2016/17

Our impact in 2016/17

To engage and listen to patients to ensure we are championing their voice appropriately

We held the inaugural Patients First conference in partnership with ABPI with almost 300 attendees placing patients at the heart of discussions to drive the agenda for new treatments. We are continuing to collaborate with industry to clarify the 'rules of engagement' so that charities and industry can work together more easily in the future.

To position 'patient voice' as an asset that all charities (particularly the small) have, and many external stakeholders want to access

A patient voice advisory group was set up with representation from members of all sizes to ensure patient voice is at the heart of our thinking. The group met for the first time in September, with a follow on meeting in February.

To support and encourage members to collect and use patient voice appropriately

We developed a shared position on the need for NHS England to define a clear process for the payment of excess treatment costs (ETCs); this was used to inform responses to NHS England and Public Health England consultations.

To use patient voice in our messaging, either via members' own examples, or by using national data

In our response to the Research Excellence Framework consultation, we have called for greater recognition of research impacts that matter to patients – and for charities and the communities they represented to be consulted on what these impacts are.

To show the value of patients to provide a 'call to action' and/or a focus for multi-sector collaborations

We worked with the ABPI to plan and deliver our conference putting Patients First and bringing together members, industry and people affected by conditions.

Achievements and performance

Following the Prime Minister's announcement in November to make Britain the 'global go to place for scientists, innovators and tech investors' we called on the life sciences sector leaders to showcase how the UK leads the way in putting patients at the heart of research.

Engage with partner organisations to ensure the voice of patients is heard and acted upon

AMRC conducted a survey of members into our role relating to patient voice. As a result a working group was set up to help shape our future work plans.

To help members understand and influence the changing regulatory environment for research so it meets patient needs

We worked with HRA to guide members through the new applications process for approval for project-based research. We have also responded to a NICE consultation on patient and public involvement in which we call for greater clarity over how NICE will meaningfully involve patients throughout their work.

We've have taken a lead facilitating member involvement in post-Brexit thinking on medicines licencing/regulation including a MHRA roundtable where input views from the charity sector.

AMRC chairs the Department of Health's repurposing roundtable and we've been working with DH to explore this area. We called for the consideration of an R&D tax incentive to boost investment in research on off-patent repurposed medicines, which could improve patient outcomes and provide cost-savings to the NHS.

Corporate objective 3. To encourage and foster best practice by being an independent provider of key sector data that allows members to benchmark and measure their impact

Strategic objectives in 2016/17

Our impact in 2016/17

To clarify what our members want AMRC's role to be in supporting them with the challenge of 'demonstrating our impact' by defining what 'impact' can mean for health and medical research charity funders, and where appropriate work with others

In collaboration with NIHR we brought together leading thinkers at a high level impact forum.

An output from this forum has been the establishment of an impact group who regularly share ideas and approaches to impact measurement.

To demonstrate that impact takes many forms, depending on the type of research and mode of funding

We used data to produce infographics and reports which promoted the impact of AMRC and our members.

We launched a quarterly report to give clarity about the impact we have on behalf of our members.

Achievements and performance

Investigate methods of collecting impact information, to allow funders to benchmark within AMRC and develop shared methodology and mechanisms to articulate impact

We supported 41 members to collect research output information using the Researchfish system, so that we can showcase the collective impacts of the health and medical research charity sector.

We negotiated a further two years of access to Researchfish free of charge for members.

We analysed data from Researchfish to benchmark the impact of research funded by member charities which will be published in a report.

We held the first of four workshops to share the full dataset from Researchfish and demonstrate a data analysis tool we have developed.

To link our activity to other charity 'impact' organisations and research funders to provide legitimacy/linkage to broader impact work

We partnered with member Cancer Research UK in their analysis of the value of EU medical research to the UK.

To continue to collect and share data to show the value of the charity sector and highlight risk areas (i.e. duplication)

We collated and shared case studies from members showing how areas identified as important by patients which are currently not being investigated can be used to drive strategic funding direction.

We collated data from our members and other information sources to produce an infographic overview of charity investment in research and its impact.

Our data showed medical research charities support over 40% of publicly funded medical research in the UK worth over £1.4bn – our members have consistently invested more than £1bn in each of the past 8 years and stimulating over £500m further investment.

Our aggregated data and infographics have been shared and used widely by members, supporters, policy makers and the public.

To position AMRC peer review audit as part of the impact answer

We completed a full audit of members' peer review processes and concluded it with a social media campaign celebrating how 'Peer Review Matters' to coincide with publication of the audit report.

Achievements and performance

Corporate objective 4. To continue to provide an excellent membership service which offers value for money and supports the policy, research, partnership and impact agendas

Strategic objectives in 2016/17

Our impact in 2016/17

To maintain a stable membership base and seek to grow membership to maintain our position as the membership organisation for the UK health and medical research charity world

Eight charities resigned or were demitted following our peer review audit, but 10 new charities joined maintaining stability and increasing net membership.

To improve our communications with members and external stakeholders so there is greater clarity about AMRC's positive impact as well as that of its members

We have worked with the Charity Commission, UKCRC Tissue Directory and Co-ordination Centre, NIHR Devices for Dignity and UK Clinical Trials Gateway amongst others to bring up to date information and access for our members at events during the year.

To grow the supporter base to be inclusive of the evolving health and medical research ecosystem

We welcomed nine new members.

To attract sponsorship income to cover AMRC agenda setting activities

The Patients First Conference in partnership with ABPI delivered £20k of conference fee income and additional sponsorship income. Total sponsorship income for all events in the year was £12.5k.

To act as a hub to connect members, partners and other stakeholders

We ran 19 events for members and supporters and hosted 10 regular networks. For the first time we introduced webinars to our member offer and held 4 webinars which are recorded and kept available for those who cannot attend or need to clarify content.

Achievements and performance

Corporate objective 5. To enable charities to maximise use of their resources and impact by developing new collaborations, and innovative partnerships with each other and other funders including industry

Strategic objectives in 2016/17

To explore a range of opportunities for AMRC members to work in partnership with industry

To explore new ways for members to invest their money in new projects for patient benefit

Our impact in 2016/17

We attend the ABPI Patient Organisation forum on member's behalf and continue to have 1:1 meetings with a variety of companies to develop partners.

We led a delegation of 15 members to attend the Faster Cures Partnering for Cures conference in New York where we hosted a discussion on the challenges of global working and industry-charity partnerships.

We also held a reception at the British Consulate General in New York showcasing the benefits of charity and industry collaboration. We held a session as part of our CEO networking events on 'changing the way we think about collaborations and funding'.

Our symposium on passion capital in May 2016 explored crowd funding, social investment, social impact and venture philanthropy as new models of funding. A group was set up following this to develop the work.

The passion capital working group produced guidance on intellectual property ('IP') and revenue sharing, particularly related to translational and de-risking research.

We published a briefing for boards 'Describing the Passion Capital Landscape' guiding trustees through the ways to develop funding streams showcasing case studies of how our members are putting passion capital into action.

We worked closely with the technology sector to hold our first 'Delving into Digital' conference.

Our impacts in numbers

45 member charities used the Researchfish system

51 people from 35 member charities attended Researchfish-user meetings

3 CEO events

48 CEOs attended from 44 member charities

10 working groups

222 people from 56 member charities involved in a working group

26 Member briefings written and distributed

12 research managers newsletters
12 public affairs working group newsletters
4 AMRC impact reports

Twitter

Twitter @AMRC mentioned by 33 member charities

81 case studies collected and shared

From 61 member charities

Workshops and training

	2016/17	2015/16	2014/15
Number of workshops	9	6	8
Income	£36,973	£22,020	£25,670
People attended	468	179	219
Presenters and speakers	64	33	47
Member charities attended (at least one workshop)	84	67	67

Our plans for the year ahead include a focus on the following:

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- 1** Ensure the best possible funding environment for health and medical research charities in the UK so patients benefit from the fruits of research
 - We will continue to make the case for charity-funded research to government and campaign for the best environment in which to conduct research as the UK moves to leave the EU.
 - 2** Ensure patients' views are embedded in research processes and systems
 - We will hold a follow-on 'Patients First' conference to drive forward the conversation of collaboration and bringing benefits to patients sooner.
 - We will continue to provide support to members looking to involve patients throughout their work.
 - We will develop a database showcasing the ways that charities involve patients in their work.
 - 3** Support members to demonstrate impact of research funding
 - We will continue to support members using the evaluation tool Researchfish.
 - We will explore new partnerships to enable AMRC charity funded researchers to publish research and data sooner.
 - 4** Provide excellent membership services supporting the policy, research, partnership and impact agendas
 - We will maintain an up-to-date website that serves diverse audiences within member charities.
 - We will implement a supporter strategy.
 - 5** Enable members to develop new collaborations and innovative partnerships with each other and other funders
 - We will continue to work with partner organisations to open up opportunities for AMRC members to collaborate and show their impact.
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Results for the year

Income for the year totalled £939,722 (2016: £911,063), an increase of 3% from last year.

Income from continuing charitable activities (membership subscriptions and training) was £776,294 (2016: £761,022) showing a modest increase of 2%.

After total expenditure of £877,009 (2016: £867,877) the year's activities showed a surplus of £62,713 (2016: £43,186) which, when accumulated with the funds brought forward from previous years, leaves the association with total funds at the year-end of £537,093 (2016: £474,380), of which all (2016: all) are unrestricted and none (2016: none) are restricted funds. £61,323 of unrestricted funds is designated for strategic ongoing projects.

The surplus this year is a result of lower than budgeted staff salary costs, reflecting changes in staff team and periods when there are gaps in roles and/or a lower salary, resulting in a saving.

Reserves policy

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

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

As of 31 March 2017, AMRC possessed general reserves (being total reserves less restricted and designated funds) totalling £475,770 representing 6-7 months' operating expenditure.

Structure, governance and management

Organisational structure

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

The charity's governing document is in the form of articles of association dated 23 September 2008 and amended by Special Resolution dated 8 December 2016.

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

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

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

Members of the association

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

In order to preserve AMRC membership as the hallmark of quality research funding, a membership-wide audit of peer review processes takes place every five years.

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

AMRC membership at the end of the year stood at 140, including nine new members that joined during the course of the year.

New members:

Brittle Bone Society

BRACE

British Association for Counselling and Psychotherapy

Antibiotic Research UK

Children's Cancer and Leukaemia Group

Bowel Disease Research Foundation

Prostate Cancer Research Centre

Tourettes Action

Macmillan Cancer Support

Supporters

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

Supporters do not have the full benefits of membership, including rights to serve as elected trustees or to vote at our AGM; and because they don't fulfil our peer review criteria, those that are research funders will not attract the financial benefits to their research that follow full AMRC membership – such as eligibility for the charity research support fund (CRSF) and AcoRD (Attributing the costs of health and social care research).

In 2016/17 we welcomed:

Medicines Discovery Catapult

Horton International

Clarivate Analytics

BenevolentAI Bio

F1000

Digital Science

Researchfish

Uber Research

Structure, governance and management

Trustees

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

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

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

Risk review

- AMRC maintains a risk register of the major operational and business risks and challenges it faces. The trustees confirm that controls are in place to mitigate the major risks identified, of:

Risk Category	Risk	Mitigation
Membership and Supporters	Reduction in income because of fundraising regulations impact	Work with members to understand impact and seek to minimise
Core business	Impact of Brexit to Members results in reduction in fees for AMRC	Continue to monitor and support members where possible. Ensure AMRC represented at pertinent external meetings
People and Culture	Loss of key staff	Gather remuneration benchmark data and continue talent management approach for staff
	High % of new staff	Induction programme, buddy scheme, training, regular staff meetings
	Staff working at full capacity results in key staff leaving	Board to continue to consider priorities and resourcing
Legal and regulatory compliance	Breach of data protection regulation	Ensure data protection work plan is delivered and staff training provided. Appoint internal data protection 'champion' to provide guidance to staff

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

Charles Mayo became a co-opted member.

All new council members receive a formal induction from AMRC secretariat. In addition during the financial year, all trustees received training relating to cyber security.

Advisors

This year we said goodbye to Lord Turnberg, after 20 years as scientific advisor.

Sub-Committee

A Nominations Committee, chaired by Professor Graeme Reid, is a formal sub-committee of the Executive Council.

Structure, governance and management

Subscriptions

Under our Articles of Association and Standing Orders, Executive Council is able to increase subscriptions in line with inflation.

The Executive Council approved a 2% rise in this year's subscription rate, in line with RPI. As a result, the 2016/17 subscription rate was 0.15% of UK medical research expenditure. The minimum subscription fee was £365.

Our three largest members (also the largest medical research charities in the UK) – the Wellcome Trust, Cancer Research UK and the British Heart Foundation – pay a fixed subscription which increases by an agreed inflationary amount each year. To safeguard the independence of the association, no one member contributes more than 25% of our income.

Pay and remuneration

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

In determining the right level of pay, AMRC:

- Has a detailed performance appraisal process which is linked to changes to salaries and potential bonus rewards (if funds are available).
- Conducts a salary benchmarking review to establish what level of cost of living increases the charity sector/member organisations plan to award in the coming year.
- Ensures all temporary staff are paid the London living wage as defined by the Living Wage Foundation.

Statement of trustees' responsibilities

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

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

In preparing these financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

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

Approved by the Executive Council:

on: _____

Signed on their behalf by:

Lord Sharkey

Chair of the Executive Council
Association of Medical Research Charities (AMRC)
Charity no. 296772
Company no. 2107400

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

We have audited the financial statements of Association of Medical Research Charities for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Charitable Company Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, 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.

We have been appointed auditor under the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

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 2017 and of the charitable company's net movement in funds, including income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' Annual Report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Annual Report (which incorporates the directors' report) has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' report).

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

Matters on which we are required to report by exception

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

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

- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report incorporating the Strategic Report.

Anna Bennett (Senior statutory auditor)
26 Red Lion Square
for and on behalf of haysmacintyre,
Statutory Auditor
London WC1R 4AG

Date: _____

Statement of financial activities

The Association of Medical Research Charities Statement of Financial Activities (incorporating the income and expenditure account)

for the year ended 31 March 2017

	Notes	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Income from					
Donations and legacies	2	1,967	-	1,967	19,773
<i>Charitable activities</i>					
Subscriptions and training	3	776,294	-	776,294	761,022
Other income		161,121	-	161,121	129,577
<i>Investment income</i>	4	340	-	340	691
Total income		939,722	-	939,722	911,063
Expenditure					
<i>Charitable activities</i>					
Policy	5	322,527	-	322,527	245,938
Research		173,290	-	173,290	282,436
Data analysis		105,624	-	105,624	87,445
Membership		275,568	-	275,568	252,058
Total expenditure		877,009	-	877,009	867,877
Net income and net movement in funds		62,713	-	62,713	43,186
Reconciliation of funds:					
Total funds brought forward		474,380	-	474,380	431,194
Total funds carried forward		537,093	-	537,093	474,380

All of the above results are derived from continuing activities.
There were no recognised gains and losses other than those stated above.
The attached notes form part of these financial statements.
Full income and expenditure in the year to 31 March 2016 was unrestricted.

Balance sheet

The Association of Medical Research Charities

Balance sheet

as at 31 March 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	9		6,184		10,479
Current assets					
Debtors	10	53,582		55,106	
Cash at bank and in hand		583,877		551,629	
		<u>637,459</u>		<u>606,735</u>	
Current liabilities					
Creditors: amounts falling due within one year	11	(106,550)		(142,834)	
Net current assets / (liabilities)			<u>530,909</u>		<u>463,901</u>
Total assets less current liabilities			<u>537,093</u>		<u>474,380</u>
Total net assets / (liabilities)			<u>537,093</u>		<u>474,380</u>
Funds					
Unrestricted funds	13	61,323		27,897	
Designated funds		475,770		446,483	
General funds			<u>537,093</u>		<u>474,380</u>
Total unrestricted funds					
Total funds			<u>537,093</u>		<u>474,380</u>

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees on: _____ / _____ / _____

Signed on its behalf by: _____

Name: _____

Trustee: _____

Company registration no. 2107400

The attached notes form part of the financial statements.

The Association of Medical Research Charities Statement of cash flows

For the year ended 31 March 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Net cash provided by / (used in) operating activities	14		32,248		101,547
Cash flows from investing activities					
Sale / (purchase) of fixed assets		-	(10,600)		
Cash provided by / (used in) investing activities			-		(10,600)
Change in cash and cash equivalents in the year			32,248		90,947
Cash and cash equivalents at the beginning of the year			551,629		460,682
Cash and cash equivalents at the end of the year	15		583,877		551,629

The attached notes form part of the financial statements.

Notes to the financial statements

The Association of Medical Research Charities Statement of cash flows

For the year ended 31 March 2017

1. Accounting policies

a) Statement of Compliance

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

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) General information

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 2107400) and a charity registered in England and Wales (charity number: 296772). The Charity's registered office address is: Charles Darwin House 2, 107 Grays Inn Road, London, WC1 8TZ.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Key judgements that the charitable company has made which have a significant effect on the accounts include preparing a three year forecast and long term business strategy. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

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

Notes to the financial statements

e) Donations of gifts, services and facilities

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

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

f) Interest receivable

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

g) Fund accounting

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

h) Expenditure and irrecoverable VAT

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

- Costs of raising funds comprise of trading costs and the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back of ce costs, finance, personnel, payroll and governance costs which support the Trusts artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs have been apportioned on the basis of staff time.

j) Operating leases

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

Notes to the financial statements

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

ICT Development costs	33%	Straight line
Fixtures and fittings	33%	Straight line

l) 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.

m) Debtors

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

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

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

p) Pensions

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

q) Employee benefits

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

r) Significant judgements and sources of estimation uncertainty

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

Notes to the financial statements

2. Income from donations and legacies

	Unrestricted	Restricted	2017 Total	2016 Total
	£	£	£	£
Legacies	1,967	-	1,967	19,773
	<u>1,967</u>	<u>-</u>	<u>1,967</u>	<u>19,773</u>

3. Income from charitable activities

	Unrestricted	Restricted	2017 Total	2016 Total
	£	£	£	£
Subscriptions and training	776,294	-	776,294	761,022
Other income	161,121	-	161,121	129,577
	<u>937,415</u>	<u>-</u>	<u>937,415</u>	<u>890,599</u>

4. Income from investments

	Unrestricted	Restricted	2017 Total	2016 Total
	£	£	£	£
Bank interest	340	-	340	691
	<u>340</u>	<u>-</u>	<u>340</u>	<u>691</u>

Notes to the financial statements

5. Analysis of expenditure

	Charitable activities						2017 Total £	2016 Total £
	Policy Research		Data analysis	Membership	Support costs	Governance		
	£	£	£	£	£	£		
Staff costs	236,151	121,337	76,923	158,770	-	-	593,181	548,251
Direct project costs	23,000	19,409	6,434	63,700	-	-	112,543	113,422
Other staff costs	-	-	-	-	25,150	-	25,150	53,330
Premises costs	-	-	-	-	66,449	-	66,449	62,298
Office expenses	-	-	-	-	45,953	-	45,953	59,071
Audit fee	-	-	-	-	-	3,000	3,000	2,964
Administration costs	-	-	-	-	-	30,733	30,733	28,541
	259,151	140,746	83,357	222,470	137,552	33,733	877,009	867,877
Support / Governance costs	63,376	32,544	22,257	53,098	(137,552)	(33,733)	-	-
Total expenditure 2017	322,527	173,290	105,624	275,568	-	-	877,009	867,877
Total expenditure 2016	245,938	292,436	87,445	252,058	-	-		

6. Net income / (expenditure) for the year

This is stated after charging

	2017 £	2016 £
Operating lease rentals		
Premises	28,677	23,381
Depreciation	4,295	2,636
Auditor's remuneration:		
Audit fees	3,000	2,964

Notes to the financial statements

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

Staff costs were as follows

	2017	2016
	£	£
Salaries and wages	517,436	399,540
Social security costs	51,904	40,432
Pension costs	23,841	35,151
Staff secondees	-	73,128
	593,181	548,251

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

	2017	2016
	£	£
£60,000 to £69,000	-	-
£70,000 to £79,000	1	1
£80,000 to £89,000	-	-
£90,000 to £99,000	-	-

The total employee benefits including pension contributions and employer's NI of the key management personnel were £208,334 (2016: £219,254).

The charity trustees were not paid or received any other benefit from employment with the Trust or its subsidiary in the year (2016: £nil). Expenses during the year totalled £nil (2016: £275). No charity trustee received payment for professional or other services supplied to the charity (2016: £nil).

Staff numbers

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

	2017	2016
	No.	No.
Policy	5.20	5.20
Research	2.60	2.60
Data analysis	1.80	1.80
Membership	4.40	4.40
	14.00	14.00

8. Taxation

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

Notes to the financial statements

9. Tangible fixed assets

	Fixtures and fittings £	IT equipment £	Total £
Cost			
At the start of the year	33,629	37,889	71,518
Additions in year	-	-	-
Disposals in year	-	-	-
At the end of the year	<u>33,629</u>	<u>37,889</u>	<u>71,518</u>
Depreciation			
At the start of the year	33,188	27,851	61,039
Charge for the year	441	3,854	4,295
Eliminated on disposal	-	-	-
At the end of the year	<u>33,629</u>	<u>31,705</u>	<u>65,334</u>
Net book value			
At the end of the year	<u>-</u>	<u>6,184</u>	<u>6,184</u>
At the start of the year	<u>441</u>	<u>10,038</u>	<u>10,479</u>

All of the above assets are used for charitable purposes.

10. Debtors

	2017 £	2016 £
Trade debtors	27,562	11,846
Other debtors	200	6,152
Prepayments	25,820	36,665
Staff loan	-	443
	<u>53,582</u>	<u>55,106</u>

Notes to the financial statements

11. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	24,787	75,990
Taxation and social security	15,150	17,357
Pension payable	11,812	3,661
Other creditors	3,420	4,401
Accruals	34,820	19,254
Deferred income	16,561	22,171
	106,550	142,834

Deferred income

	2017	2016
	£	£
Balance at the beginning of the year	22,171	120
Amount released to income in the year	(16,035)	(120)
Amount deferred in the year	10,425	22,171
Balance at the end of the year	16,561	22,171

Deferred income is made up of subscriptions invoiced in advance and the balance of the rent free period received when the charity moved offices, which has been spread over the term of the lease, which is five years.

12. Analysis of net assets between funds

	General unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	6,184	-	-	6,184
Net current assets	469,586	61,323	-	530,909
Net assets at the end of the year	475,770	61,323	-	537,093

Notes to the financial statements

13. Movements in funds

	At the start of the year	Income & gains	Expenditure & losses	Transfers between funds	At the end of the year
	£	£	£	£	£
Unrestricted funds					
Designated funds:					
Website Phase 2	4,200	-	(900)	-	3,300
Project completion	8,697	-	(13)	-	8,684
Strategic projects	15,000	-	(11,847)	43,186	46,339
Server and IT maintenance	-	-	-	3,000	3,000
Total designated funds	27,897	-	(12,760)	46,186	61,323
General funds	446,483	939,722	(864,249)	(46,186)	475,770
Total unrestricted funds	474,380	939,722	(877,009)	-	537,093
Total funds	474,380	939,722	(877,009)	-	537,093

Purpose of designated funds

Website phase 2: representing funds set aside to refine website, blog and online presence.

Project completion: representing funds set aside to ensure there is sufficient resource to complete the publication and release of key projects.

Strategic projects: representing funds set aside for the next evolution of peer review and research integrity, which will help advance the thinking of AMRC and members over the next phase of development.

Server and IT maintenance: representing funds set aside to ensure there is sufficient resource update the server and IT over the coming years. This fund will be built up each year.

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

	2017	2016
	£	£
Net income for the reporting period (as per the statement of financial activities)	62,713	43,186
Depreciation	4,295	2,636
(increase)/ (decrease) in debtors	1,524	(33,864)
(increase)/ (decrease) in creditors	(36,284)	89,588
Net cash provided by / (used in) operating activities	32,248	101,547

Notes to the financial statements

15. Analysis of cash and cash equivalents

	At 1 April 2016	Cash flows	Other changes	At 31 March 2017
	£	£	£	£
Cash at bank and in hand	551,629	32,248	-	583,877
Total cash and equivalents	551,629	32,248	-	583,877

16. Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Property 2017	2016
	£	£
Less than 1 year	28,667	28,667
1 - 5 years	77,722	106,389
Over 5 years	-	-
	106,389	135,056

17. Legal status of the charity

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

18. Related party transactions

There are no related party transactions to disclose for 2017 (2016: none).

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

19. Funds held as trustee

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

The transaction during the year are as follows.

Brought forward at 1 April 2016	122,620
Received from MRC	190,872
Paid out to Researchfish	(248,898)
Balance held on behalf of MRC at 31 March 2017	64,594

Notes to the financial statements

20. Contingent liability

There is a potential liability that could be levied by the trustees of the pension scheme administered by The Pension Trust, referred to in note 1.p.

The debt is due in the event of AMRC ceasing to participate in the scheme or the scheme winding up. The contingent liability was estimated by the scheme actuary to be £143,061 at 30 September 2014. The debt refers to both defined benefit and defined contribution pension funds within the scheme for current and deferred members.

At this point in time these trustees do not intend to wind up the scheme, but if AMRC ceased to have active members contributing to the scheme, it would be deemed to have withdrawn from the scheme, subject to a twelve month 'period of grace'. However, there is no reason to believe that the charity will cease to have active members in the foreseeable future. Therefore, in accordance with accounting standards, no amounts have been provided for in these financial statements, as no probable liability exists at the balance sheet date.

21. Financial instruments

	2017	2016
	£	£
Financial assets at amortised cost	611,639	570,070
Financial liabilities at amortised cost	74,839	103,306

References and administration

Association of Medical Research Charities (AMRC)

Trustees

Chair

Lord Sharkey

Honorary Treasurer

Hanah Burgess
Anthony Nolan

Dr Doug Brown
Alzheimer's Society

Steve Ford
Parkinson's UK

Dr Liam O'Toole
Arthritis Research UK

Dr Jeremy Pearson
British Heart Foundation

Nicola Perrin
Wellcome Trust

Professor Graeme Reid
Co-opted

Dr Jayne Spink
Tuberous Sclerosis Association
Until April 2017

Dr Richard Trompeter
Kids Kidney Research

Sarah Woolnough
Cancer Research UK

Observers

Charles Mayo
Simmons & Simmons
Co-opted from January 2017

Advisors

Lord Turnberg
Until December 2016

Senior management team

Chief Executive

Aisling Burnand MBE

Head of Member Engagement and Communications

Dr Sara Ellis
Until December 2016

Carol Bewick
From January 2017

Senior research policy manager

Dr Andrew Clempson

Head of Research and impact

Dr Liz Philpots

Head of Policy and Public Affairs

Nisha Tailor
From May 2016

Registered office

Charles Darwin House 2
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London WC1X 8TZ

Charity number

296772

Company number

2107400

Partners

Auditors

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London WC1R 4AG

Bankers

HSBC plc
Holborn Circus
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London EC1N 2HR

Legal advisers

Simmons & Simmons
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amrc
ASSOCIATION OF MEDICAL RESEARCH CHARITIES