

**SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**FOUNDED IN 1788 AS**  
**THE SOCIETY FOR THE RELIEF OF WIDOWS AND ORPHANS OF MEDICAL MEN**

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Dr J P Barker Dr S D Bown Dr D Buckle, President Mr J P S England Dr R N Palmer Dr S M Kilpatrick Dr R Malliwal Dr C Palmer Prof S D W Payne Mr A B Richards Prof G Rose, Treasurer Dr D Stewart Dr L Acquah (Appointed 5 September 2019)
<b>Charity number</b>	207473
<b>Principal address</b>	1st Floor, The Houses Apothecaries Hall Blackfriars Lane London EC4V 6EB
<b>Auditor</b>	Begbies Chartered Accountants 9 Bonhill Street London EC2A 4DJ
<b>Bankers</b>	NatWest PLC London W1N 6AX

---

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 - 7
Independent auditor's report	8 - 10
Statement of financial activities	11
Balance sheet	12
Notes to the financial statements	13 - 21

---

# **SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2019***

---

The Court of Directors present their annual report together with the financial statements of the charity for the year ended 31 December 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2019)

## **REFERENCE AND ADMINISTRATIVE DETAILS**

Reference and administrative details are shown in the schedule of legal and administrative information on the page 1 of the financial statements

## **THE COURT OF DIRECTORS**

The Court of Directors who served the charity during the year were as follows:

Dr Lydia Acquah (appointed 5 September 2019)

Dr J P Barker (Vice President) Dr S D Bown

Dr D Buckle (President)

Mr J P S England (Vice President)

Dr R N Palmer (President Emeritus) Dr S M Kilpatrick

Dr R Malliwal

Dr D North-Coombes (retired 6 June 2019)

Dr C Palmer (Vice President)

Prof S D W Payne (Vice President) Mr A B Richards

Prof G E Rose (Treasurer)

Mr F A W Schweitzer (Vice President, retired 6 June 2019)

Dr D Stewart

All members are eligible to serve as a director. The President's letter to members, sent with the papers for the AGM each year invites members who are interested in serving as directors to approach the Executive Director.

# **SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

---

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Foundation, use of funds and direction**

The Society's origins date from 1788. In 1864, it was granted a Royal Charter of Incorporation by Queen Victoria, at which stage it was designed for the relief of poverty and prevention of hardship and distress among the widows and orphans of deceased members. Amendments have followed, including a change of working name (not least in the interests of gender equality), and at the present time the Society is empowered to use income not required for distressed widows, widowers and orphans of deceased members for the benefit of other necessitous doctors and their dependants. Income must be used strictly in the order enumerated below:

- i. necessitous dependants of deceased members of the Society
- ii. necessitous members of the Society
- iii. necessitous dependants of members of the Society
- iv. necessitous medical practitioners not being members of the Society and necessitous dependants of such practitioners, whether deceased or not.

The affairs of the Society are managed by the President, Treasurer, Vice-Presidents and Directors, all of whom are elected at an Annual General Meeting of members. The Court of Directors meets regularly and acts as the governing body of this Society, determining how its funds should be distributed.

The Court of Directors has considered and reviewed the major risks to which the Society may be exposed, as identified by themselves, and are satisfied that the systems in place are sufficient to mitigate any such risks.

### **OBJECTIVES AND ACTIVITIES**

#### **Principal Objectives**

The Society exists to ensure that members and their dependants can be assisted should they suffer unexpected financial hardship. Membership is not a substitute for formal insurance, but it does offer mitigation for exceptional disaster and hardship. Even for full-time practitioners, provisions for relatives after early death or disablement may be inadequate. Furthermore, this is a Friendly Society, with charitable status, and membership is therefore seen primarily as a way of helping less fortunate colleagues rather than just a form of personal safety net.

The Society makes grants to its beneficiaries, and also may make gifts to them at Christmas and Easter. These grants and gifts are decided upon by the Court of Directors. Specific assistance is aimed, wherever possible, at helping applicants to return to a position where they can support themselves and no longer need help. This may include assisting with re-training to enable a doctor to return to work or to take on a more suitable type of work; specific extra expenses that might be involved in further education; expenses to manage individual needs following unexpected illness such as household items or extra help in the house; or essential repairs to the home. In certain circumstances, a regular award might be made for a specified period of time to relieve exceptional hardship.

#### **Public Benefit**

The Court of Directors confirms that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Society's aims and objectives.

Society for Assistance of Medical Families (SAMF) charitable activities assist doctors to return to work, or to remain in work, in the National Health Service. The training of doctors represents a significant cost to the public purse. Returning doctors to practice, by assisting with the costs of professional subscriptions, training, retraining and examinations, helps to ensure that the public gains benefit.

# **SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**

## **TRUSTEES' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 DECEMBER 2019***

---

SAMF also provides support to medical students, who would otherwise be unable to train as doctors.

SAMF is one of five national medical benevolent funds, to launch the Joint Medical Charities Portal 'Help me, I'm a Doctor!' with funding from the NHS England GP Five Year Forward View budget. This Portal provides a single point of access for doctors and their dependents seeking financial support.

All grants made to beneficiaries assume that applicants are receiving their full entitlement to state benefits. To prevent an individual becoming accustomed, without justification, to rely on SAMF'S support, Trustees review beneficiaries' circumstances at least annually, to ensure that their circumstances warrant continued charitable assistance. Council members are conscious of their duty to use charitable funds responsibly. Applicants are made aware that the Trustees may investigate and take action on applications which appear fraudulent or deliberately misleading.

#### **The Ware Fund and Chamberlayne's Mite**

The Ware Fund was established in 1807 by Mr. James Ware (President 1809-1815) to provide an honorarium for those attending the Court of Directors. The first Secretary of the Society, Mr. William Chamberlayne, when resigning his post in 1816, made a donation to provide "some kind of refreshment" at the half-yearly audit. These funds are no longer kept as separate entities as no honoraria are paid and professional accountants are employed but the benefactions are celebrated at the annual dinner of the Court.

#### **The Copeland Fund**

This fund was formed in memory of Mr. Thomas Copeland, a member of the Society, who died in 1885 and bequeathed the sum of £5,000 duty-free. This fund was subsequently assimilated into the general fund.

#### **The Brickwell Fund**

This fund was formed in memory of Mr. James Brickwell, a member who made the Society the residual legatee, following his son's life interest in his estate. The son died in 1913 and the Society received the sum of £37,250. The Court of Directors determined that the interest arising from this fund may be used for augmenting existing grants to widows and orphans and for enabling orphans to continue their educations or assisting them to study for some professional or commercial career and for making grants in exceptional circumstances of distress to widows and orphans of members of the Society, not otherwise eligible for relief. The residue of income shall be utilised at the discretion of the Court of Directors. In 1998, it was assimilated into the general fund but in order to perpetuate the memory of Mr. James Brickwell, the grants to medical students are known as Brickwell Awards.

# **SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

---

### **Conditions of benefit**

The Society is not a universal charity. It is committed to helping its members and their families, who come to seek help as of right. Applications can be received from the family of any member, or indeed the members themselves. Inquiries are made about the applicant's financial circumstances, and allocations are then made by the Court of Directors.

The Court is composed of professional colleagues, whose attitude is one of understanding and sympathy and a desire to help those in need and to assist the work of the Society. However, any recipient is requested to provide details of their income in a form acceptable to the Court of Directors.

### **Members Bylaw 1**

The following categories of persons shall be qualified to be proposed for election as a member of the Society, namely:

- a. Any person born within the British Isles or born elsewhere to parents either or both of whom were of British or Irish Nationality at the date of his or her birth and duly registered under the Medical Acts and whose primary qualifications consist of or include a primary qualification obtained from a British or Irish Medical School and from time to time accepted as such for inclusion in the Medical Register;
- b. Any person born outside the British Isles and duly registered under the Medical Acts and whose primary medical qualification consists of or includes a primary qualification which is recognised and registerable with the General Medical Council or equivalent for Ireland and who has been resident within the British Isles for not less than ten years.

Persons wishing to become members of the Society shall make application on the form to be obtained from the Executive Director. They shall state their qualifications, address, place and date of birth and whether married or single; if married, their spouse's age and the age of any children or stepchildren. The candidate shall submit to a medical examination if such shall be determined by the Court of Directors.

### **Subscriptions**

Annual subscriptions are payable by Banker's Order and members are also invited to complete a Gift Aid Declaration, which involves them in no additional expense, but does increase the value of their subscriptions to the Society.

Cases have occurred where, over the years, dependants of deceased members have forgotten or overlooked their entitlement to seek the Society's assistance. Members are therefore advised to keep evidence of their membership with their Will and to ensure that it is known to younger members of their family.

# **SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

---

### **ACHIEVEMENTS AND PERFORMANCE**

#### *Widows of members*

No widows received help in 2019.

#### *Orphans of members*

One orphan, an adult daughter, now in her eighties, continued to receive regular gifts to help with food and household expenses and also received help with insurance for her home, plus gifts at Christmas and Easter.

#### *Members*

During the year thirteen new members were elected.

#### *Necessitous medical practitioners*

The Society is additionally empowered to extend relief to necessitous medical practitioners, not being Members of the Society, and their dependants.

Continuing to work closely with other major medical charities the Society has been able to help in a number of cases, in particular with retraining expenses to enable those unable to work because of illness or other reasons to return to work or remain in work. This has been very successful over recent years with beneficiaries being able to re-enter the work place earlier than would otherwise have been possible and to become independent once more.

The type of help given in other cases varies. For example, awards were made to help with moving expenses, utility bills, school extras, replacement of household items, retraining expenses for those who have experienced career difficulties, equipment for disabled people not available on the NHS and general household expenses during extended periods of sick leave.

Help has also been given to several students who are the children of medical practitioners where the family has been found to be necessitous. In cases where they are studying medicine they will be encouraged to join the Society on qualifying.

### **Membership**

During the year thirteen new members were elected. Members are strongly urged to recommend the Society to their colleagues and to encourage them to join. The total membership stands at approximately 190

### **Brickwell Awards (for medical students)**

During the course of the year three students were in receipt of Brickwell Awards.

### **The Ordinary Fund**

The total amount distributed to the beneficiaries as grants, gifts and awards during the year was £85,646.



# **SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

---

### **FINANCIAL REVIEW**

#### **Investments**

The Society's investments were valued at approximately £7.7 million at 31st December 2019 and during the year up to that date its annual income from dividends and interest on these, and from membership subscriptions, gifts, legacies, etc amounted to £268,860 (2018 £243,916). The Society's income is more than sufficient to meet its present demands. In 2019 the total amount expenditure on charitable activities was £145,476 and other costs were £30,866.

The Society's stockbroker, Mr. Roger Cosslett, of J.M. Finn & Co., attended meetings of the Court of Directors and liaised with the Treasurer giving advice on investments. During 2019 there were gains on investments of £893,720 (2018; £484,921 losses) reflecting the movements in the market generally.

#### **Reserves policy**

The Society's reserves are held mainly in investments. The income generated by these investments is the Society's main source of income. It is the policy of the Society to maintain a level of reserves to generate annual income in excess of expenditure before gains/losses on investment assets. Any surplus is reinvested thus increasing the capital. This will help to keep the Society in a position to meet an inevitably higher number of calls for assistance, from members and the wider profession. This policy is reviewed annually by the Court of Directors.

The reserves of the charity are entirely unrestricted and total £7,963,961. Of this total £1,180 is invested in the Society's fixed assets and £7,762,534 in the investment portfolio. At the year end £221,593 was held in cash to meet the short- and medium-term expenditure requirements.

#### **Fundraising Act**

The Society does not engage in fundraising from the general public and donations received are from member's subscriptions.

### **PLANS FOR THE FUTURE**

The Society plans to grow the membership and to continue generating income from investments, membership subscriptions, gifts and legacies to allow future grants and gifts to be made to members in need.

#### **AUDITORS**

Begbies Chartered Accountants were appointed as auditors for the ensuing year.

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2019**

---

### **Statement of trustees' responsibilities**

The trustees 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).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

.....  
**Dr D Buckle, President**  
Trustee  
Dated: .....

# **SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE TRUSTEES OF SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**

---

#### **Opinion**

We have audited the financial statements of Society for Assistance of Medical Families (the 'charity') for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2019 and of its incoming resources and application of resources, 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 Charities Act 2011.

#### **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 charity 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The trustees is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

# **SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**

---

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees is 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 is responsible for assessing the charity'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 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

#### **Other matter**

The prior year accounts were unaudited as the income threshold was not breached. Accordingly the comparative figures disclosed in these financial statements have not been subject to audit.

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2016.

# **SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES**

---

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

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Katherine Dee FCA (Senior Statutory Auditor)**  
**for and on behalf of Begbies Chartered Accountants**

.....

**Chartered Accountants**  
**Statutory Auditor**

9 Bonhill Street  
London  
EC2A 4DJ

Begbies Chartered Accountants is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

		<b>Unrestricted funds 2019 £</b>	As restated Unrestricted funds 2018 £
	<b>Notes</b>		
<b><u>Income from:</u></b>			
Donations and legacies	<b>3</b>	4,105	4,345
Investments	<b>4</b>	264,755	239,571
<b>Total income</b>		<u>268,860</u>	<u>243,916</u>
<b><u>Expenditure on:</u></b>			
Raising funds	<b>5</b>	30,866	29,661
Charitable activities	<b>6</b>	145,476	118,034
<b>Total resources expended</b>		<u>176,342</u>	<u>147,695</u>
Net gains/(losses) on investments		<u>893,720</u>	<u>(484,921)</u>
<b>Net movement in funds</b>		986,238	(388,700)
Fund balances at 1 January 2019		<u>6,977,723</u>	<u>7,366,423</u>
<b>Fund balances at 31 December 2019</b>		<u><u>7,963,961</u></u>	<u><u>6,977,723</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## BALANCE SHEET

AS AT 31 DECEMBER 2019

		2019		2018	
	Notes	£	£	As restated	£
<b>Fixed assets</b>					
Tangible assets	10		1,180		1,574
Investments	11		7,762,534		6,743,027
			<u>7,763,714</u>		<u>6,744,601</u>
<b>Current assets</b>					
Debtors	12	3,099		2,901	
Cash at bank and in hand		221,593		264,083	
		<u>224,692</u>		<u>266,984</u>	
<b>Creditors: amounts falling due within one year</b>	13	(24,445)		(33,862)	
Net current assets			<u>200,247</u>		<u>233,122</u>
<b>Total assets less current liabilities</b>			<u><u>7,963,961</u></u>		<u><u>6,977,723</u></u>
<b>Income funds</b>					
Unrestricted funds			<u>7,963,961</u>		<u>6,977,723</u>
			<u><u>7,963,961</u></u>		<u><u>6,977,723</u></u>

The financial statements were approved by the Trustees on .....

.....  
Dr D Buckle, President  
**Trustee**

.....  
Prof G Rose, Treasurer  
**Trustee**

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

---

### 1 Accounting policies

#### Charity information

Society for Assistance of Medical Families is governed by Royal Charter.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include investment assets at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

The charity neither receives nor holds restricted funds.

#### 1.4 Incoming resources

Voluntary income including donations, subscriptions, gifts and legacies are recognised when the charity is legally entitled to it, the amounts can be measured reliably, and it is probable that income will be received.

Gift Aid, where claimable, is included in the year in which the donation or subscription was received.

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### 1.5 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

The costs of raising funds are costs incurred in the management of investments.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature to support them.

Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.



# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

---

### 1 Accounting policies

(Continued)

The charity has a single charitable activity of giving grants to individuals for financial hardship. All support and governance costs are allocated to this charitable activity. No apportionment is made to fundraising activities as the staff time spent on this activity is below materiality as the investments are held under external management.

#### 1.6 Tangible fixed assets

Tangible fixed assets costing over £100 are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Furniture and equipment	at 25% on the reducing balance basis
-------------------------	--------------------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

The portfolio is held for long term income generation. Whilst the individual holdings within the portfolio are sold and purchased the portfolio as a whole is shown as a fixed rather than a current asset.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The charity holds listed investments which are revalued to fair value at the balance sheet date. As the investments are listed the fair value is their quoted market value at the year end.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction. Financial liabilities classified as payable within one year are not amortised.

Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Comparative figures

Comparative figures have been re-categorised where necessary to provide corresponding figures to the current year disclosures.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Total
	2019 £	2018 £
Regular giving and donations	4,105	4,345

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 4 Investments

	Unrestricted funds	Total
	2019 £	2018 £
Income from listed investments	264,307	239,385
Interest receivable	448	186
	<u>264,755</u>	<u>239,571</u>

### 5 Raising funds

	Unrestricted funds	Total
	2019 £	2018 £
Investment management	30,866	29,661
	<u>30,866</u>	<u>29,661</u>

### 6 Charitable activities

	Financial Assistance Grants 2019 £	Financial Assistance Grants 2018 £
Grant funding of activities - grants to individuals	85,646	70,243
Share of support costs (see note 7)	51,457	41,504
Share of governance costs (see note 7)	8,373	6,287
	<u>145,476</u>	<u>118,034</u>

The charity has a single charitable activity of giving grants and gifts to necessitous doctors and their dependants. Grants and gifts are all made to individuals, rather than institutions, but may be paid directly to a third party service provider on their behalf. During the year 33 individuals have received grants and gifts. Further details of the charity's grants can be found in the trustees' report.

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 7 Support costs

	Support costs	Governance costs	2019	2018
	£	£	£	£
Staff costs	18,000	-	18,000	13,700
Depreciation	394	-	394	524
Office accommodation	8,889	-	8,889	6,745
Printing, postage, stationery & telephone	1,623	-	1,623	1,738
Computer & website	3,779	-	3,779	2,626
Bank charges	192	-	192	189
Accountancy & administration- non auditor	13,236	-	13,236	7,499
Court dinner	4,312	-	4,312	4,271
Sundry expenses	1,032	-	1,032	4,212
Audit fees	-	4,560	4,560	-
Independent examination	-	-	-	3,582
Legal and professional	-	1,800	1,800	1,600
Trustee meetings	-	2,013	2,013	1,105
	<u>51,457</u>	<u>8,373</u>	<u>59,830</u>	<u>47,791</u>
Analysed between				
Charitable activities	<u>51,457</u>	<u>8,373</u>	<u>59,830</u>	<u>47,791</u>

### 8 Trustees

£299 (2018: £41) of expenses were reimbursed during the year to one trustee. The charity also purchased trustee insurance at a cost of £599 (2018: £466).

None of the trustees (or any persons connected with them) received any remuneration or other employment benefits from the charity during the year. Details of other related party transactions are contained in note 15.

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
	1	1
	<u>1</u>	<u>1</u>

#### Employment costs

	2019 £	2018 £
Wages and salaries	18,000	13,700
	<u>18,000</u>	<u>13,700</u>

No employee received emoluments of more than £60,000 during the year. The above salary represents key management remuneration.

### 10 Tangible fixed assets

	Furniture and equipment £
<b>Cost</b>	
At 1 January 2019	2,547
At 31 December 2019	<u>2,547</u>
<b>Depreciation and impairment</b>	
At 1 January 2019	973
Depreciation charged in the year	394
At 31 December 2019	<u>1,367</u>
<b>Carrying amount</b>	
At 31 December 2019	<u>1,180</u>
At 31 December 2018	<u>1,574</u>

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 11 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 1 January 2019	6,748,569	(5,542)	6,743,027
Additions	1,067,702	-	1,067,702
Valuation changes	848,922	-	848,922
Cash deposited	-	1,367,285	1,367,285
Cash withdrawn	-	(1,359,178)	(1,359,178)
Disposals	(905,223)	-	(905,223)
At 31 December 2019	7,759,970	2,565	7,762,535
<b>Carrying amount</b>			
At 31 December 2019	7,759,970	2,565	7,762,535
At 31 December 2018	6,748,569	(5,542)	6,743,027

	Listed investments %
Index linked gilts	2.06
Bond funds	2.72
Other equities	87.59
Property & REITs	7.02
Preference shares	0.61
Total	100.00

As at 31st December 2019, the above portfolio was invested in a broad range of equities and bonds.

The charity seeks to minimise the risks of holding investments, which comprise mainly market, yield and liquidity risks, through the appointment of an independent Investment Manager, who invests in a diversified portfolio. The trustees report contains further details of the charity's investment performance.

### 12 Debtors

	2019 £	As restated 2018 £
<b>Amounts falling due within one year:</b>		
Other debtors	1,214	816
Prepayments and accrued income	1,885	2,085
	3,099	2,901

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 13 Creditors: amounts falling due within one year

	Notes	2019 £	As restated 2018 £
Bank overdrafts		1,500	450
Other taxation and social security		619	439
Trade creditors		523	-
Accruals and deferred income		21,803	32,973
		<u>24,445</u>	<u>33,862</u>

### 14 Operating lease commitments

The charity occupies its office premises under a three year lease commencing on 1st January 2018. At the 31st December 2019 a further one year of rent was payable totalling £5,160.

### 15 Related party transactions

Trustees paid subscriptions to the charity in the year totalling £200. Aside from the travel expenses disclosed in note 8, no current trustee received payments from the charity, although board appointments may include former beneficiaries.

### 16 Prior period adjustment

#### Changes to the balance sheet

	At 31 December 2018		
	As previously reported £	Adjustment £	As restated £
<b>Current assets</b>			
Debtors due within one year	795	2,106	2,901
<b>Creditors due within one year</b>			
Taxation	-	(439)	(439)
Other creditors	(3,173)	(29,800)	(32,973)
Net assets	7,005,856	(28,133)	6,977,723
Income funds			
Unrestricted funds	7,005,856	(28,133)	6,977,723
<b>Total equity</b>	<u>7,005,856</u>	<u>(28,133)</u>	<u>6,977,723</u>

# SOCIETY FOR ASSISTANCE OF MEDICAL FAMILIES

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 16 Prior period adjustment

(Continued)

#### Changes to the statement of financial activity

	Period ended 31 December 2018		
	As previously reported	Adjustment	As restated
	£	£	£
<b>Income from:</b>			
Donations and legacies	2,329	2,016	4,345
<b>Expenditure on:</b>			
Charitable activities	120,685	(2,651)	118,034
Net movement in funds	(393,367)	4,667	(388,700)

Prior year adjustments have been made in order to recognise grants at the point they become unconditional. Student grants may be awarded in advance of their payment date, when they are awarded on an annual basis but paid to the beneficiary termly. The prior year has been adjusted for those grants due, but unpaid, at the balance sheet date.

The prior year has also been adjusted for gift aid due at the year end, employment taxes due, and rent paid quarterly in advance.

The above tables illustrate the amended figures only.