

ACTION ON SMOKING AND HEALTH
(A company limited by guarantee and not having a share capital)

Company No. 998971
Charity No. 262067

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2011

Action on Smoking and Health

Report of the Trustees 31st March 2011

The Trustees are pleased to present their report and the financial statements of the charity for the year ended 31st March 2011.

Legal & Administrative Details

Legal Status

Action on Smoking and Health ("ASH") is registered in England as company number 998971 and as charity number 262067.

Registered Office

First Floor
144-145 Shoreditch High Street
London
E1 6JE

Website

www.ash.org.uk

Directors & Trustees

The Directors of the charitable company are its trustees for the purposes of charity law and throughout this report are referred to as the Trustees.

The following Trustees were in office at the 31st March 2011 and had served throughout the year, except where shown:

Professor John Britton	
Mr Ed Gyde	
Mr Simon Hopkins	- Treasurer
Professor Martin Jarvis	
Ms Patricia Jones	
Mr Peter Kellner	
Ms Jean King	- Vice-Chair
Ms Betty McBride	
Dr Andy McEwen	
Dr Jennifer Mindell	
Professor John Moxham	- Chair
Dr Lesley Owen	
Lord Rennard of Wavertree	- appointed 15 th December 2010

Senior Staff

The senior member of staff to whom day to day management of the charity is delegated by the Trustees is the Chief Executive, Ms Deborah Arnott. The Company Secretary is the Business Manager, Mr Philip Rimmer.

Auditors

Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Principal Bankers

Barclays Bank plc
93 Baker Street
London
W1A 4FD

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Structure, Governance & Management

ASH was founded in 1971 by the Royal College of Physicians and is a company limited by guarantee without share capital. Its governing documents are its Articles of Association.

The Trustees form the Board of Management of the charity. For the purposes of the Companies Act 2006 as the Directors of ASH they are also Members of the Advisory Council. The Trustees are elected by the other Members of the Advisory Council, who are also the members of the Company, at the Annual General Meeting. One third of the Trustees are required to retire at each Annual General Meeting. Retiring Trustees are eligible for re-election.

The Chief Executive of ASH, a paid member of staff, is responsible for the day to day running of the organisation and is responsible to the Board of Management who usually meet four times a year and are responsible for setting the strategic objectives.

So as to maintain a pool of skilled potential Trustees, new Advisory Council Members are constantly sought by the Board of Management, particularly from within the health, public health, public relations and political spheres. As new Trustees are recruited from the membership of the Advisory Council they tend to be grounded in the policies, working practices and procedures of the Board.

All new Trustees are advised of their responsibilities by the Chair and the Business Manager. In addition they receive an induction pack containing Board policies and advice booklets from the Charity Commission. The training needs of the Trustees are examined and acted upon as part of the regular review of risks.

Related Parties and Partner Organisations

ASH is entitled to one position on the Board of No Smoking Day. This position is currently occupied by Mr Martin Dockrell, Director of Policy & Research.

Statement of Risk

The Trustees have examined the major risks to which the charity is exposed and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to control these risks. Detailed consideration of risks is delegated to the Business Manager, who acts as Risk Manager and reports to the Board. Risks are identified, assessed and controls established throughout the year. During this year particular attention was paid to the risk of reduced funding from 1st April 2011 onwards. A comprehensive review of risks takes place every two years, the last one having been completed during the 2009-10 financial year.

Objectives for the public benefit

As stated in its Articles of Association, the objectives of the charity are:

1. to preserve and protect the health of the public against the harmful effects of cigarette or other tobacco products; and
2. to advance the education of the public about the effects of cigarette and other tobacco and nicotine products.

In September 2007, the Trustees agreed that the organisation should develop a Strategic Plan to guide the charity over the three financial years, from April 2008 to March 2011. Over the following ten months, through a series of consultations, workshops and meetings, the Trustees, staff and stakeholders developed the plan which was agreed at a Board meeting held in June 2008.

The plan set ASH's strategic priorities for the three years and established a process to monitor, review and evaluate ASH's progress following the implementation. Staff have been charged with the responsibility of achieving various objectives through their annual business plans and the Chief Executive provides Trustees with regular progress reports.

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The four strategic priorities and associated objectives were as follows:

A. Advocacy & Policy Development

To press for concrete and evidence based measures to reduce the harm caused by tobacco.

Objectives:

1. Promote the development and implementation of a comprehensive tobacco control strategy in England and support for it from the public health community.
2. Work to ensure that the national strategy is replicated both at regional and local level in the UK and at European Union level.
3. Monitor effectiveness of existing tobacco control policies.
4. To ensure all tobacco control policies contribute, as far as is possible, to health improvements, the reduction of health inequalities, poverty and social exclusion.
5. To support the maintenance of high tobacco taxation and the minimisation of smuggling.
6. To promote the effective implementation of the World Health Organization (WHO) Framework Convention on Tobacco Control (FCTC).
7. To promote the provision of effective information for consumers, such as: mass media campaigns, education and product labelling.
8. Analyse and respond appropriately to industry Corporate Social Responsibility (CSR).
9. Preparing for the next Government.

B. Information & Research

To maintain, develop and enhance the quality, reputation and integrity of the information which ASH provides and to communicate it effectively. To service the day-to-day information and intelligence needs of the tobacco control community in the UK.

Objectives:

1. Providing a substantial readily-accessible library of information resources on tobacco control through the ASH website.
2. Sound quality control of all information provided.
3. To monitor, analyse and expose the tactics and messages of the tobacco industry.
4. Constant review of informational needs of ASH and others in the field.
5. Effective collection and storage of information required.
6. Ensuring that all information resources are up to date
7. Gathering public opinion.

C. Networking & Enabling Networking

To be the main hub for UK tobacco control policy networking. To be the main feed in point and key contributor for regional and international networking within the context of our strategic policy.

Objectives:

1. Continuing involvement in tobacco control by other public health-related organisations.
2. To maximise the effectiveness of existing networks and to develop new ones, locally, nationally and internationally. To identify and rank potential new partners.
3. To communicate using materials which are appropriate to the various segments of the target audience.
4. The effective use of technology in servicing and enabling networks.
5. Innovation in the methods used to enable networks.

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D. Resources & Sustainability

To secure appropriate funding and other resources for the achievement of the organisation's objectives in a sustainable way.

Objectives:

1. To maintain good relations with the three current key funders.
2. To review periodically other potential sources of funding, especially for new initiatives. Expansion beyond the three key funders should be evidence based and only cost effective grants should be sought.
3. To recruit, train and retain high quality staff.

Activities

Chair's Introduction

It is with great pleasure that I present this review of ASH activities during 2010-11. This is a particular pleasure for me at the end of my first full year as Chair of ASH. This has been another strongly positive year for ASH which has played a leading role in the campaign to keep the tobacco point of sale legislation on track as well as continuing to provide resources and support for others working to reduce the harm caused by tobacco. The Coalition Government has this year launched an ambitious Tobacco Plan which aims to significantly reduce smoking prevalence amongst adults, pregnant women and children and young people between now and 2015. We were very pleased to note that our contribution to the development of the Plan was acknowledged and that there was a commitment to continue to work with ASH, amongst others, to guide the implementation of the Plan.

It was very encouraging to see that recent surveys show that public recognition of ASH's role in providing effective leadership in tobacco control continues to increase.

I am also pleased to report that following a review of its activities ASH has launched a new strategic plan for the next three years. The economic crisis will greatly challenge our healthcare system. Never has improving public health been more important. We must remind ourselves, and those we seek to influence, that smoking remains the largest single avoidable cause of ill health and death, that smokers die 10 years younger than non smokers, and that smoking is responsible for 50% of the difference in life expectancy between the richest and poorest in society. There remains much for us to do.

I would like to sincerely thank the staff of ASH for their dedication and professionalism and I look forward to working with them and my fellow trustees in the years ahead.

Professor John Moxham.

"Healthy Lives, Healthy People: a Tobacco Control Plan for England"

Having made a detailed submission to the consultation, ASH welcomed the launch of the Government's new Tobacco Control Plan, particularly the commitment to uphold the point of sale legislation, to hold a consultation on plain packaging and to set concrete ambitions for a reduction in smoking amongst adults, children and pregnant women. ASH is committed to doing all that it can to support the effective implementation of the Tobacco Plan for England.

Affordability of Tobacco

After the Chancellor announced that there would be an emergency Budget on 22nd June 2010, ASH wrote to the Chancellor, Chief Secretary to the Treasury and Exchequer Secretary (responsible for tobacco taxation), reminding them of the benefits of increasing taxation, both on decreasing smoking prevalence and increasing government revenues. The letter, endorsed by 48 public health organisations, referred them to recent reports by ASH and the think tank The Policy Exchange, both of which illustrated the benefit to government of increasing prices by 5% above inflation, and also made reference to the example of Australia, which had just raised tobacco taxes by 25%.

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The constructive relationship that ASH has with HM Treasury and HMRC has been unaffected by the change in government. On 21st June 2010 we met with Justine Greening MP, the Economic Secretary to the Treasury to discuss tobacco taxation and illicit trade, and met a positive response particularly on illicit trade. We wrote to her in advance of the meeting with a set of recommendations for the Budget. We met with Justine Greening MP again on 16th December to discuss the Government's policies on tobacco tax and smuggling in advance of the Budget

ASH was invited to a seminar by the Treasury held in autumn 2010. The initial work on remodelling the tobacco market and producing new estimates of the price elasticity of demand for UK duty paid tobacco was presented to this meeting.

In February 2011 the Centre for Social Justice published its interim policy briefing on Mental Health: Poverty, Ethnicity and Family Breakdown. As a result of a submission by ASH, together with the UKCTCS, the briefing included reference to the need to tackle smoking prevalence in those with mental illness.

In March 2011 ASH and the UK Centre for Tobacco Control Studies made a submission regarding the spring Budget to Justine Greening MP, the Economic Secretary to the Treasury. The submission, supported by 68 other public health bodies, urged the Government to:

1. Increase the tobacco tax escalator from 2% to 5% above inflation in the first instance for the period 2011 to 2014.
2. Ensure that the specific tax element is the maximum allowed under the revised EU tax directive.
3. Set a minimum excise tax for cigarettes equivalent to the maximum total tax burden allowable based on the weighted average price (WAP).
4. Reduce the differential between tax levels on hand-rolled tobacco and that on cigarettes.
5. Set national ambitions in the updated strategy to reduce the illicit market share of cigarettes to 5% by 2012-13 and 3% by 2015-16 and of HRT to 33% by 2012-13 and 25% by 2015-16.
6. Stop setting targets for seizures of smuggled tobacco as these are output not outcome measures.
7. Improve international collaboration on smuggling, in particular with the European anti-fraud office, OLAF and by supporting the development and adoption of a strong illicit trade protocol to include tracking and tracing at pack level.
8. Reduce the Minimum Indicative Limits for cross border shopping within Europe to the same level as in Finland, i.e. 200 cigarettes and 250g of HRT;
9. Enhance market analysis and surveillance to ensure that resources and activity to tackle smuggling are appropriately directed.
10. Continue to educate magistrates and the courts on sentencing policies related to the illicit trade.
11. Improve reporting on average sentences, making the link to the average size of seizures for cases that come to court; and the amount of money collected through confiscation orders.
12. Implement legislation throughout the UK similar to that in Scotland to require registration of tobacco retailers. This would make it easier to penalise sellers of illicit tobacco and protect the rights of legitimate retailers.
13. HM Treasury and HMRC should agree with DH the best method for publishing details of all policy-related discussions with the tobacco industry in a timely and transparent manner in line with the UK's obligations as a Party to the WHO FCTC.

In the Budget ASH was pleased to see that the Chancellor decided to maintain the tax escalator introduced by the previous Government by raising cigarette duty by 2% above inflation. In addition the tax structure was revised as we had recommended in order to help narrow the gap between the highest and lowest cigarette brands, and between hand-rolled tobacco and manufactured cigarettes, in line with the revised European Union tax directive. This will reduce the likelihood of smokers 'trading down' to cheaper brands and instead should help more smokers to quit. However we were disappointed that the Government did not raise cigarette taxes by 5% above inflation as we had recommended.

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Quitting and nicotine regulation

ASH commissioned YouGov to conduct research into smokers' attitudes and behaviour relating to e-cigarettes, devices which look similar to cigarettes and deliver nicotine in vapour form. The purpose of the survey was to explore the use of e-cigarettes, improving our understanding of the attitudes and behaviour of smokers' who use these products and what makes them continue or cease use.

The survey found that 52% of smokers had heard of e-cigarettes but not tried them, with only 9% having tried e-cigarettes of whom 3% were still using them at the time of the survey. Our research suggests that although there is interest among smokers for e-cigarettes as a substitute for smoking to help them cut down or quit, there are a number of factors limiting the acceptability of the products currently available.

The e-cigarette research was presented at the Society for Research into Nicotine and Tobacco (SRNT) meeting in Bath and is being written up for publication in a peer-reviewed journal.

In mid-2010 the DH commissioned ASH to carry out a small project to provide an analysis and assessment of existing research on the economic evaluation of tobacco control policies at the local level, e.g. Primary Care Trust and/or Local Authority.

In July 2010, ASH was also asked to provide a quote by NICE for the press release for its public health guidance on quitting smoking in pregnancy:
<http://www.nice.org.uk/newsroom/features/FeaturePregnantWomenSmoke.jsp>

ASH Chief Executive, Deborah Arnott, served as a member of the NICE PDG on smoking cessation, so we have been involved in discussions about whether the guidance on smoking cessation services and the guidance on workplace interventions to promote smoking cessation need updating. These sets of guidance were issued in 2008 and there have been significant research developments as well as planned changes in public health structures and it has now been agreed that the guidance on services needs updating.

During the year Deborah Arnott was asked to join the Commission on Human Medicines Working Group on Harm Reduction and Nicotine Replacement Therapy.

Protection from Second-hand Smoke

The implementation of smokefree legislation in 2007 means that the vast majority of adults are now well protected from second-hand smoke in public places. ASH continues to monitor the impact of the legislation.

Polling for ASH by YouGov held in March 2010, but analysed and published during April, showed that support continues to rise for smokefree legislation (now 80%) and as with last year, this rise is seen among smokers, 50% of whom now support the legislation. By contrast, only 5% of adults strongly oppose the legislation. The belief continues to grow that smokefree legislation is "good for most workers' health" 89%, "good for the health of the general public" 83% and "good for my health" 81%. The data from this survey was presented at the European Parliament as part of an update on the Royal College of Physicians report "Passive Smoking and Children".

On 2nd March 2011, YouGov started fieldwork in the 6th wave of this survey tracking public attitudes to tobacco control, which has now become annual. Sufficient external support was secured to retain a sample of 10,000 adults. ASH Scotland and ASH Wales also participated bringing the UK sample to 12,000, a large enough sample to enable meaningful analysis of subgroups such as smokers.

Consultations

ASH responded to the following consultations during the year:

- Public Health White Paper – 'Healthy Lives, Healthy People'.
- Public Health White Paper – 'Funding and Commissioning routes'.
- Public Health White Paper – 'Transparency in Outcomes'
- Response to Review of Government direct communication and the role of Central Office of Information.
- (US) FDA Health Warnings.

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- NHS White Paper - Liberating the NHS.
- MHRA consultation on nicotine regulation.
- NICE Citizen Council report on incentives to changing health behaviour.
- NICE Citizen's Council report on smoking and harm reduction
- Transparency in outcomes – a framework for the NHS.
- Liberating the NHS: Commissioning for patients,
- House of Lords Science and Technology Committee call for evidence on Behaviour Change.
- Draft Impact Assessment of the EU Tobacco Product Directive Guidelines.
- EU Tobacco Product Directive.
- Future of EU Budget to support third party countries.

Reduced Ignition Propensity cigarettes (RIP)

ASH has worked in collaboration with DH and other relevant government departments, in particular DCLG to secure the introduction of Reduced Ignition Propensity (RIP) cigarettes in the UK and EU. Cigarettes with a reduced propensity to cause fires are not only technologically feasible but are already standard in Canada, Australia, the United States (implemented state by state) and Finland. The UK government is committed to ensuring that a robust standard is adopted and ASH has supported the government's work in this area within the EU and with the development of a standard by the International Standards Organisation (ISO).

ASH set up the RIP Coalition, which comprises 45 organisations, including the Chief Fire Officers' Association, the Fire Brigades Union and the Burns Association, to support this work. ASH also helped set up the European RIP alliance. ASH set up and manages the RIP Coalition website which is hosted by the Chief Fire Officers Association. The website can be found at www.firesafecigarettes.org.uk.

There is now an agreed ISO standard (International Organization for Standardization) to apply to the whole of the European Union. The RIP standard will be in place across the whole of the EU in November 2011.

Tobacco Marketing & Promotion

A survey commissioned by ASH demonstrates that there is strong support for plain packaging given the evidence that it will be less attractive to children, make the health warnings more effective and be less misleading:

- Three quarters of people (75%) would support plain packaging if there were evidence that they make health warnings more effective
- Four fifths (80%) would support plain packaging if there were evidence that they are less attractive to children
- Almost two thirds (64%) would support plain packaging if there were evidence that they were less misleading about the relative safety of different cigarettes.

All Party Parliamentary Group on Smoking & Health

ASH continues to act as Secretariat for the APPG on Smoking & Health. The APPG was successfully re-established at its AGM after the 2010 General Election. Stephen Williams MP, Liberal Democrat member for Bristol West, was elected Chair. The group now has officers from across the major parties in both the Commons and the Lords and membership stands at 37.

With considerable support from ASH, the APPG undertook a review of evidence on tobacco control policy to form a report which was submitted to the Spending Review. Two evidentiary hearings were held where members of the group took evidence from the leading authorities in the field. The APPG also played a key role in urging the government to implement the display and vending machine legislation.

WHO Framework Convention on Tobacco Control

Deborah Arnott attended the fourth Conference of the Parties (CoP) of the FCTC held in Uruguay in November 2010. The CoP adopted the following measures:

1. Guidelines on Article 9/10, dealing primarily with additives that increase the attractiveness of tobacco products.
2. Guidelines on Article 12, on education, communication, training and public awareness and Guidelines on Article 14, dealing with cessation policy. The UK was a Key Facilitator in the development of the Guidelines on Article 14 and the officials told us they were very pleased with the

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- support ASH gave them both in helping with the development of the Guidelines as an observer on the working group and in helping build international support for the Guidelines, so that they were adopted unchanged.
3. The Parties agreed to create a working group to draft guidelines on Article 6 (price and tax measures), and an exceptionally large number of Parties immediately volunteered to join (more than 30).
 4. COP-4 adopted a decision (the Punta del Este Declaration) in support of Parties who are attacked under trade and investment agreements for measures implementing the FCTC and its guidelines – in particular the host country, Uruguay, whose labeling and packaging requirements are under legal attack by Philip Morris.
 5. A positive decision was adopted dealing with financial resources and mechanisms of assistance. This will help civil society press the case for linking FCTC implementation with international development efforts, including the UN summit on non-communicable diseases in autumn 2011.
 6. With respect to the Illicit Trade Protocol (ITP), negotiations will continue until 2012. During 2011, an informal working group will work on unresolved issues from the last formal negotiating session (held in March 2010), as well as on how the protocol will be financed and how it can best complement other agreements (e.g. the UN Convention on Transnational Organized Crime). A final negotiating session will be held in 2012.
 7. The reporting cycle for Parties has been changed with effect from 2012, so everyone's deadline will now mesh with the two-year cycle of CoPs. The hope is that the new reporting instrument will be the main source of information not just for official reports to CoP, but also for WHO's Global Tobacco Control Reports.
 8. The WHO FCTC Secretariat and FCTC Tobacco Free Initiative (TFI) are to jointly prepare a report on liability issues (Article 19).
 9. There is a mandate for an expert group on cross-border advertising, as originally recommended at COP-3 by the working group that drew up Article 13 guidelines. However, there is no money in the budget for this expert group, so extra funding will be required.
 10. Budget discussions were probably the most difficult part of this COP, with the pressure to find money to conclude ITP negotiations and rich countries' austerity drives squeezing the budget. In the end, the European Union agreed to cover half the cost of ITP negotiations.

EU Tobacco Products Directive Review

ASH has been actively involved in the whole process of the review, revision and implementation of the revised directive. ASH has been working to help ensure the most positive outcome possible is achieved, in particular mandatory picture warnings, removal of the tar, nicotine and carbon monoxide levels from the packs and plain or standardized packaging. We have been working with colleagues based in Brussels, particularly from the Smokefree Partnership (SFP) which is leading on this. In particular we helped draft a letter to President Barroso urging the Commission to investigate the enormous number of responses to the Consultation on the review of the directive which appear to have been stimulated by the tobacco industry and its front groups. Sir Richard Buxton, our legal advisor, helped us refine the SFP response to the Commission on the legal aspects of the Tobacco Products Directive. We are also working to support DH and ensure that it is fully aware of the progress of the review.

Website

With some 1,800 pages, the ASH website - www.ash.org.uk - has gone from strength to strength, and is widely acknowledged as one of the best tobacco information sites in the world. It has a huge searchable content on every aspect of tobacco control and is easily accessible with hundreds of downloadable documents. The site has become a key factor in our ability to provide information, campaign successfully and to network cost-effectively both nationally and internationally. Over the course of the year the ASH website had 207,856 unique visitors, an average of 569 a day.

Keeping the site accessible, up to date and accurate is central to our work, and a key factor in our ability to provide information and to network with others both nationally and internationally. It is updated by ASH staff regularly with all ASH publications, press releases, responses to current events and links to the latest information, research and data being placed on the site as soon as they become available. During the year a new Content Management System (CMS) was implemented.

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Information & Publications

Of our regular publications, 'ASH Daily News' has 1,787 subscribers and the weekly 'News & Events Bulletin' has 1,295.

Our Factsheets are ASH's basic information products and there are two types. There are now a total of 5 "Facts at a Glance", entry level fact sheets covering basic information and 31 "Fact Sheets", each covering a different aspect of tobacco and health in some depth and fully referenced. These can all be found at <http://www.ash.org.uk/information/facts-and-stats/fact-sheets>. Both sets of factsheets continue to undergo a rolling programme of review, up-date and addition where necessary.

During the year Independence Educational Publishers requested, and were granted, permission to include the ASH Economics factsheet and our press release "Cigarette pack design gives misleading smoke signals" in their 'Issues' publication for GCSE and A-level students. This is the most recent of several requests from this publishing group. Edexcel and Pearson Education also requested, and were granted, permission to use our 2004 report "BAT's Big Wheeze" in GCSE level examination papers.

In early 2011, ASH received accreditation from the Information Standard.

Media work

Over the past twelve months ASH issued some 28 national press releases. Our Chief Executive, Deborah Arnott, Director of Policy & Research, Martin Dockrell and Research Manager, Amanda Sandford, were called on almost daily by the national, international, regional and local media to provide reaction to, and information on, tobacco related news stories.

ASH staff were also interviewed on numerous smoking and health stories, on topics such as: "Healthy Lives, Healthy People: a Tobacco Control Plan for England"; the health risks from second-hand smoke; proposals to restrict point of sale display of cigarettes; pictorial health warnings on tobacco packaging; and tobacco smuggling.

Martin Dockrell & Amanda Sandford helped the Association of Public Health Observatories with the preparation of the launch of the Local Tobacco Control Profiles by providing media lists and advising on media strategy. The launch attracted a good deal of media coverage, particularly at regional level.

Over the twelve months, based on figures from professional media monitors contracted by ASH, it is estimated that ASH's media 'reach' (the number of people who would have been exposed to our message across TV, radio and print media but excluding the internet) was an average of 3.2 million people per week an increase of 0.6 million per week on the previous year.

Achievements & Performance

As an integral part of the strategic review, the Trustees agreed a series of success indicators for each of the four strategic priorities. Progress on these has been as follows:

A) Advocacy & Policy Development

1. The launch by the Department of Health of "Healthy Lives, Healthy People: a Tobacco Control Plan for England.
2. The effectiveness of the tobacco advertising ban continues to be monitored.
3. Tobacco tax was increased above inflation this year and the market share of illicit tobacco continues to fall.
4. ASH works in collaboration with the FCA to ensure the effective implementation of the WHO FCTC. We have been involved in ensuring that a comprehensive set of guidelines are in development and an illicit trade protocol to the FCTC.
5. The agreed ISO standard (International Organization for Standardization) on Reduced Ignition Propensity (RIP) cigarettes will apply to the whole of the European Union. The RIP standard will be in place across the whole of the EU in November 2011. Our lobbying and coalition building ensured that the UK supported this initiative and has been crucial in ensuring progress in this area.

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6. It is intended that our 'reach' in both the print and broadcast media should be maintained at a high level. Our weekly 'reach' averaged 3.2 million people during the year.

B) Information & Research

1. The ASH website continues to be seen by other groups as the leading site for information on tobacco control and receives much positive feedback.
2. The ASH website has been developed into one of the best tobacco sites in the world. It currently averages around 569 unique visitors a day.
3. Plans for checking and updating the informational needs of the charity are in place.
4. ASH received Information Standard accreditation in early 2011.

C) Networking & Enabling Networking

1. Other groups involved in tobacco control continue to expect ASH to take a leadership role in tobacco control via alliances such as the Smokefree Action Coalition and the RIP Coalition. Over the last year the Smokefree Action Coalition has grown in size considerably and now has over 170 members. The RIP Coalition has achieved its prime objective and is therefore no longer very active.
2. The ASH 5 nations group was established during 2008 with a view to quarterly liaison meetings to coordinate national aspects of tobacco control issues in the British Isles.

D) Resources & Sustainability

1. Work on a new strategic plan, to cover the period from April 2011 to March 2014 was completed on schedule.
2. We continue to have an effective working relationship with all our key funders.
3. All statutory reporting was completed on time.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general practice on public benefit

Financial Review

The year saw a £33,437 increase in funds. Total income of £793,772 was 15% lower than the previous year.

Charitable expenditure, at £760,335 decreased by 6% on the previous year. ASH finished the year with cash balances of £636,516 (down from £731,098 last year) and net assets of £618,725.

Having made transfers of £261,351 from general funds to designated funds and to meet deficiencies on the various projects for which restricted funds were available, the balance of general funds at the end of the year actually increased by £33,481 to £543,570 (of which, branches held £8,947).

Reserves

The Trustees reviewed the reserves policy during the year and agreed a new policy whereby the unrestricted funds not committed or invested in tangible fixed assets (the 'free reserves') held by the charity should be between 3 and 9 months of the resources expended annually, which presently equates to £190,083 to £570,251 in general funds based on 2011 figures. At this level, the Trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed in order to continue to pursue the charitable objectives. The current level of free reserves is within the desired range. The Trustees have agreed to commit up to £100,000 of the reserves to cover a funding short-fall for the financial year beginning 1st April 2011, after this adjustment the reserves balance remains within the above stated desired range.

Principal Funding Sources

The principal sources of project funding for the charity during the year were: the Department of Health Section 64 General Scheme for Project 1: Smoking Kills - the Next Steps; Cancer Research UK for Project 4: Tobacco Strategy & Policy; and ASH International for Project 2: the Framework Convention Alliance.

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Cancer Research UK and the British Heart Foundation (BHF) provided the charity with core funding for our entire programme of work.

The Department of Health Section 64 General Scheme project grant did not, and never has, funded ASH's campaigning work.

Investments

When not required, the free reserves held by the charity are held on deposit and may be placed on short-term Treasury Deposits at the discretion of the Business Manager.

Funds in Deficit

None.

Plans for Future Periods

During the year the Trustees reviewed the strategic plan for the years 2008-11 and developed a new strategic plan for the three year period from 1st April 2011. The plan includes four strategic priorities which are:

1. Advocacy & Policy Development
2. Information & Research
3. Communication, Engagement & Networking
4. Resources & Sustainability

In addition, success indicators for each of the objectives have been developed. The success indicators provide a broad overview of how ASH will measure its progress and accomplishments.

In detail, the four Strategic Priorities are as follows:

1. Advocacy & Policy Development

To press for concrete and evidence based measures to reduce the harm caused by tobacco.

Objectives:

1. Promote the effective implementation of the Coalition Government's new Tobacco Control Plan in England and support for it from the public health community.
2. Work to ensure that the national strategy is replicated both at sub-national and local level in the UK and at EU level. Also continue to work with the other ASHs across the UK to achieve consistency.
3. Support the development of the evidence base for policies to tackle tobacco use.
4. Monitor effectiveness of existing tobacco control policies.
5. To ensure all tobacco control policies contribute, as far as is possible, to health improvements, the reduction of health inequalities, poverty and social exclusion.
6. To support measures to reduce the affordability of tobacco including the maintenance of high tobacco taxation and the minimisation of smuggling.
7. To promote the effective implementation of the World Health Organization Framework Convention on Tobacco Control (WHO FCTC).
8. To promote the provision of effective information for consumers, such as: mass media campaigns, education and product labelling.
9. Analyse and respond appropriately to industry Corporate Social Responsibility (CSR) initiatives.
10. Ensure that all new tobacco control policy proposals are costed and examined for both value for money and affordability.
11. To be sensitive to the concerns of the smoker.

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Success Indicators:

1. Evidence that tobacco control policies are complied with and are popular.
2. The extent to which ASH recommendations are acted on by policy makers.
3. The level of support by all UK political parties for tobacco control measures as central to improving public health.
4. Department of Health (DH) consult and involve ASH in the development and implementation of the Coalition Government's Tobacco Plan.
5. Increase in public support, particularly amongst routine un-skilled or semi-skilled professions, that tobacco is a harmful drug, that smoking in front of children is unacceptable, and that tobacco taxes should rise each year above inflation.
6. The extent to which there is sustained funding and support by the Coalition Government and localities for an ambitious tobacco control strategy which will ensure that driving down smoking prevalence is at the core of public health policy at national, sub-national and local level.
7. Smoking prevalence will start to decline again and decline at a faster rate than over the last ten years, in particular amongst pregnant women, routine and manual workers and the most disadvantaged.
8. The level of exposure of children to second-hand smoke in the home and in cars will continue to decline as measured by Office for National Statistics (ONS) smoking-related behaviour and attitudes survey backed up by General Lifestyle Survey, Integrated Household Survey and Health Survey for England cotinine tests measuring exposure levels in children in households where adults smoke.
9. Tobacco tax continues to increase above the rate of inflation at each Budget.
10. HM Treasury and HM Revenue & Customs continue to involve ASH and civil society in the development of tax and anti-smuggling policies.
11. ASH's work in collaboration with the Framework Convention Alliance on effective implementation of the WHO FCTC helps ensure:
 - a. A strong illicit trade protocol adopted at COP5 (Conference of the Parties) in 2012 which contains all the major elements set out in the template presented at the first negotiating meeting and meets the needs of low to mid income countries. This will be ratified in a timely fashion and by sufficient parties to bring it into force.
 - b. That the UK continues to consult civil society in the development of its tobacco control strategy, as it is required to do under the WHO FCTC.
12. The revised EU Tobacco Products Directive includes mandatory picture warnings, removal of yield data from tobacco packs and recommendations for plain packaging.
13. Implementation of a European Union (EU) standard on Reduced Ignition Propensity (RIP) cigarettes in November 2011.
14. All parties have developed strong manifesto commitments on tobacco control policies for England in advance of the next General Election.

2. Information & Research

To maintain, develop and enhance the quality, reputation and integrity of the information which ASH provides and to communicate it effectively. To service the day-to-day information and intelligence needs of the tobacco control community in the UK.

Objectives:

1. To provide a substantial readily-accessible library of information resources on tobacco control through the ASH website.
2. Sound quality control of all information provided.

Action on Smoking and Health

Report of the Trustees 31st March 2011

3. To support high quality tobacco control commissioning by Public Health England and local commissioners.
4. To monitor, analyse and expose the tactics and messages of the tobacco industry.
5. To continuously review the informational needs of ASH and others in the field and develop materials to meet those needs.
6. To ensure effective collection and storage of information.
7. To ensure that all information resources are up to date
8. To gather evidence on public opinion about issues to do with smoking and health.
9. To gather evidence on effective policies to change behaviour.
10. To make use of new social media.
11. To address the information needs and priorities of the Coalition Government and other relevant audiences.

Success Indicators:

1. The ASH website continues to be seen by other groups as the leading site for information on tobacco control. To be measured by regular surveys of users.
2. The ASH website is a key resource used by commissioners of tobacco control in England.
3. Usage of the ASH website, as measured for the quarterly reports to the Trustees, is maintained and begins to increase.
4. The number of subscribers to "ASH Daily News" is sustained.

3. Communicating, Engagement & Networking

To remain the hub for UK tobacco control policy networking. To communicate and engage with a broad range of tobacco control stakeholders. To facilitate local, regional, national and international networking in order to advance shared objectives in tobacco control policy and practice.

Objectives:

1. To develop a communication, engagement and networking strategy.
2. Continuing involvement in tobacco control by other public health-related organisations through the Smokefree Action Coalition (SFAC) and other collaborative working.
3. To maximise the effectiveness of existing networks and to develop new ones, locally, nationally and internationally.
4. To identify and rank potential new partners.
5. To communicate using materials which are appropriate to the various segments of the target audience.
6. To use technology effectively in servicing and enabling networks.
7. To continue to innovate and develop the methods used to enable networks.
8. To develop ways through which we can constantly re-invigorate the SFAC and sustain active participation and support.

Success Indicators:

1. Other groups involved in tobacco control continue to expect ASH to take a 'leadership' role in tobacco control. This will be assessed on an ongoing basis directly by ASH backed up by three yearly independent evaluations. This survey will also be used to determine whether partners are getting what they expect and need from meetings and networks. The aim is to maintain the level of success and satisfaction found in previous surveys.
2. The involvement of ASH continues to be sought for national and international tobacco control policy development.

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3. ASH is recognised for a conspicuous, positive and effective contribution to WHO FCTC.
4. Tobacco control partners across England are positive about our role in supporting their work.
5. Sustained high media reach and positive coverage of tobacco control issues.
6. Positive media coverage of tobacco control issues linked to ASH is sustained and ASH remains the first port of call for the media on tobacco-related stories.
7. Continued high level of awareness of ASH as measured by opinion polls.

4. Resources & Sustainability

To secure appropriate funding and other resources for the achievement of the organisation's objectives in a sustainable way.

Objectives:

1. To maintain good relations with the current key funders and sustain our funding from them.
2. To review other potential sources of new funding, especially for new initiatives. Expansion beyond the key funders should be evidence based and only cost-effective grants which don't divert us from our strategic aims and objectives should be sought.
3. To recruit, train and retain high quality staff.

Success Indicators:

1. Achieve adequate medium term funding (3-5 years) for the work we do.
2. Cash reserves remain within the levels agreed by the Trustees.
3. Completion of annual staff reviews and development of the related business plans.
4. Staff turnover remains under 25% per annum.

Thanks

The Trustees would like to thank the British Heart Foundation, Cancer Research UK, the Department of Health, our partners in the Smokefree Action Coalition and our individual members for supporting our work during the year. In addition, they would like to thank the ASH staff for all of their work during the year.

Trustees' responsibilities

The Trustees (who are also the directors of Action on Smoking and Health for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 a 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 which disclose with reasonable accuracy at any time the financial position of the 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.

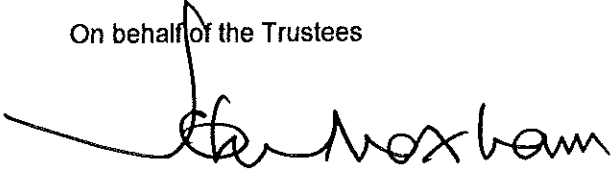
Action on Smoking and Health

Report of the Trustees 31st March 2011

Audit information

So far as each of the trustees, at the time the trustees' report is approved, is aware; there is no relevant information of which the auditors are unaware; and they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

On behalf of the Trustees



Professor John Moxham
Chair

Date: 22/9/11

ACTION ON SMOKING AND HEALTH

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ACTION ON SMOKING AND HEALTH

We have audited the financial statements of Action on Smoking Health for the year ended 31 March 2011 which comprise the Statement of Financial Activities (*the Summary Income and Expenditure Account*), the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and 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 Auditors

As explained more fully in the Trustees' Responsibilities Statement, 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.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.


Opinion on other matters prescribed by the Companies Act

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remunerations 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.


Neil Finlayson, Senior Statutory Auditor
for and on behalf of Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London EC1M 7AD
Date: 27/9/2011

ACTION ON SMOKING AND HEALTH
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2011

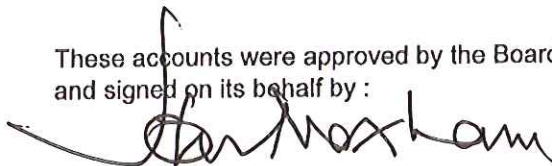
	Note	Unrestricted Funds General	Designated	Restricted Funds	Total 2011	Total 2010
		£	£	£	£	£
Incoming Resources						
<i>Incoming resources from generated funds</i>						
Voluntary income						
Grants received	2	343,066	-	-	343,066	332,663
Donations and legacies received		15,365	-	-	15,365	130,686
Interest received		365	-	-	365	301
<i>Incoming resources from charitable activities</i>						
Grants received	2	-	-	423,924	423,924	468,580
Subscriptions		1,351	-	-	1,351	1,580
Sales of literature and services		888	-	-	888	1,283
Other income		8,813	-	-	8,813	-
Total Incoming Resources		<u>369,848</u>	<u>-</u>	<u>423,924</u>	<u>793,772</u>	<u>935,093</u>
Resources Expended						
Charitable activities						
Policy, Research and Information	3	59,964	7,172	678,147	745,283	792,000
Governance	4	15,052	-	-	15,052	20,070
Total Resources Expended		<u>75,016</u>	<u>7,172</u>	<u>678,147</u>	<u>760,335</u>	<u>812,070</u>
Net Income for the year before transfers		294,832	(7,172)	(254,223)	33,437	123,023
Transfers	6	(261,351)	7,128	254,223	-	-
Net Movement in Funds		33,481	(44)	-	33,437	123,023
Funds brought forward		<u>510,089</u>	<u>65,199</u>	<u>10,000</u>	<u>585,288</u>	<u>462,265</u>
Funds carried forward		<u>543,570</u>	<u>65,155</u>	<u>10,000</u>	<u>618,725</u>	<u>585,288</u>
		Note 12	Note 11	Note 10		

ACTION ON SMOKING AND HEALTH
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)
BALANCE SHEET AT 31 MARCH 2011


	Note	2011 £	2011 £	2010 £	2010 £
Fixed Assets					
Tangible assets	7		8,338		8,382
Investments			<u>24</u>		<u>24</u>
			8,362		8,406
Current Assets					
Debtors	8	72,233		26,125	
Cash at bank and in hand		<u>636,516</u>		<u>731,098</u>	
		708,749		757,223	
Creditors: Amounts falling due within one year	9	<u>(98,386)</u>		<u>(180,341)</u>	
Net Current Assets			<u>610,363</u>		<u>576,882</u>
Net Assets	13		<u><u>618,725</u></u>		<u><u>585,288</u></u>
Funds					
Restricted					
Central funds	10	<u>10,000</u>		<u>10,000</u>	
			10,000		10,000
Unrestricted					
Designated funds	11		65,155		65,199
General Funds					
Central funds	12	534,623		501,108	
Branch funds	12	<u>8,947</u>		<u>8,981</u>	
			<u>543,570</u>		<u>510,089</u>
			<u><u>618,725</u></u>		<u><u>585,288</u></u>

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008.)

These accounts were approved by the Board of directors on
and signed on its behalf by :



.....
Professor John Moxham
Chairman

22/9/11


.....
Mr Simon Hopkins
Treasurer

ACTION ON SMOKING AND HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

1 Accounting Policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, in accordance with the Statement of Recommended Practice (SORP 2005), "Accounting and Reporting by Charities", the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The charity has taken advantage of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities.

The financial statements incorporate the activities of the branches of the charity on a line by line basis.

Company status

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability of each member in respect of the guarantee is limited to £1.

Income

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only where the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period. Life subscriptions are included as income in full in the year of receipt. Legacies are included in the accounts at the point where the amount receivable can be measured with sufficient reliability; this is normally the point of receipt by the charity.

Resources expended

Expenditure is recognised when a liability is incurred. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

- Charitable activities include expenditure associated with the development of policy, research, information and related activities and include both the direct costs and support costs relating to those activities.
- Governance costs include the costs of providing the strategic direction of the organisation and of meeting constitutional and regulatory requirements.
- Support costs are the costs of central functions which relate to the whole organisation. These have been allocated to cost categories on the basis of staff time occupied in each area.

Pension contributions

The company makes contributions to a defined contribution scheme for eligible members of staff the amount being determined in relation to the individual's current salary. Additional contributions are made to the individual personal pension scheme of one member of staff. No amounts were outstanding or prepaid at the balance sheet date.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Tangible fixed assets

Items are capitalised as fixed assets if their original cost exceeds £500. Depreciation is provided on expenditure at rates calculated to write off each asset over its estimated remaining life. The estimated lives of the classes of assets are as follows:

Fixtures, fittings and office equipment	3-5 years
Computer equipment and software	3 years

**ACTION ON SMOKING AND HEALTH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**

Investments

Investments are held in tobacco related companies to give ASH the right to attend annual general meetings. The holdings are minimal and it is therefore considered appropriate to disclose them at historical cost rather than market value as required by SORP.

Dividend income is negligible and has, therefore, been included with interest received.

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised for particular purposes. The aim and use of each restricted and designated fund is given in the notes.

2 Grants	2011 £	2010 £
Voluntary income		
Supporting charities	<u>343,066</u>	<u>332,663</u>
Arising from charitable activities		
Department of Health	220,500	210,000
ASH International	152,657	168,283
Supporting charities	<u>50,767</u>	<u>90,297</u>
	<u>423,924</u>	<u>468,580</u>

3 Charitable activities

The detailed charitable activities are more fully described in the trustees' report and relate to interlinked areas of policy, research and information.

	Total 2011 £	Total 2010 £
Direct project costs	211,412	243,503
Direct salary costs (see note 5)	391,868	401,464
Support costs	<u>142,003</u>	<u>147,033</u>
	<u>745,283</u>	<u>792,000</u>

Support costs are those shared costs which relate to the operation of the organisation and include:

Staff costs (see note 5)	46,628	48,328
Depreciation	7,172	6,165
Travel and meeting costs	84	365
Conferences, consultancy & seminar costs	3,295	1,545
Office running costs	61,092	55,424
Telephone and postage	14,379	10,970
Printing, stationery and design	6,683	4,615
Donation made on closure of branch	-	16,803
Other costs	<u>2,670</u>	<u>2,818</u>
	<u>142,003</u>	<u>147,033</u>

**ACTION ON SMOKING AND HEALTH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**

4 Governance costs	Total 2011 £	Total 2010 £
Board expenses	6,185	4,871
Audit fees - current year	7,300	7,000
Audit fees - prior year (over)/underprovision	38	(767)
Other fees paid to auditors	1,529	1,307
Legal and professional fees	-	7,659
	<u>15,052</u>	<u>20,070</u>

One director (2010 - one) was reimbursed for expenses incurred in attending meetings totalling £201 (2010 - £220). No director received any remuneration.

5 Staff Costs	2011 £	2010 £
Gross pay	379,916	394,215
Social security	42,228	42,725
Pension contributions	7,308	7,117
Other staff costs	9,044	5,734
	<u>438,496</u>	<u>449,792</u>

The remuneration of two members of staff (2010 : 1 member of staff) fell into the range £60,000 - £70,000. The pension cost of these individuals was £4,307 (2010 : £4,307).

The average number of staff employed, including part time staff, allocated according to function was:

	2011 Number	2010 Number
Central charitable activities	9	10
Branch charitable activities	-	-
	<u>9</u>	<u>10</u>

6 Transfers between funds	Unrestricted Funds		Restricted Funds
	General £	Designated £	£
Core contribution to projects	<u>(261,351)</u>	<u>7,128</u>	<u>254,223</u>

**ACTION ON SMOKING AND HEALTH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**

7 Fixed Assets	Computer Equipment/ software and Office fixtures, fittings & equipment £
Cost	
At 1 April 2010	70,657
Additions	7,128
Disposals	<u>-</u>
At 31 March 2011	<u>77,785</u>
Depreciation	
At 1 April 2010	62,275
Charge for the year	7,172
Disposals	<u>-</u>
At 31 March 2011	<u>69,447</u>
Net Book Value	
At 31 March 2011	<u>8,338</u>
At 31 March 2010	<u>8,382</u>

All fixed assets are held for use in the charitable activities of ASH.

8 Debtors	2011 £	2010 £
All amounts fall due within one year:		
Other debtors	59,438	15,435
Prepayments	<u>12,795</u>	<u>10,690</u>
	<u>72,233</u>	<u>26,125</u>
9 Creditors: Amounts falling due within one year	2011 £	2010 £
Trade creditors	36,079	67,803
Deferred income	39,234	94,043
Other creditors	1,375	1,375
Accruals	<u>21,698</u>	<u>17,120</u>
	<u>98,386</u>	<u>180,341</u>

**ACTION ON SMOKING AND HEALTH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**

10 Restricted Funds		Funds brought forward £	Incoming resources £	Resources expended £	from General funds £	Funds carried forward £
Secondhand Smoking	(a)	10,000	-	-	-	10,000
Capitalising on Smokefree	(b)	-	226,266	(388,410)	162,144	-
FCA	(c)	-	152,657	(155,542)	2,885	-
Tobacco strategy and policy	(d)	-	45,001	(134,195)	89,194	-
		<u>10,000</u>	<u>423,924</u>	<u>(678,147)</u>	<u>254,223</u>	<u>10,000</u>

- (a) This amount represents the legacy of Jean Matthews. The legacy specified that funds were to be used in campaigns against involuntary smoking.
- (b) This project provides an information base and communications to support further progress on tobacco control policy and smoking cessation following on from the smokefree policies introduced in the Health Act 2007. The Department of Health made a Section 64 Scheme grant of £220,500 to this project.
- (c) This project provides staff support and essential resources in order to carry out international tobacco control work in support of the Framework Convention Alliance on Tobacco Control.
- (d) This project supports research, development and promotion of new policies designed to reduce the disease and premature death caused by tobacco

11 Designated Funds		Funds brought forward £	Incoming resources £	Resources expended £	from General funds £	Funds carried forward £
Capital equipment		8,382	-	(7,172)	7,128	8,338
Tobacco Control Alliance (TCA)		56,817	-	-	-	56,817
		<u>65,199</u>	<u>-</u>	<u>(7,172)</u>	<u>7,128</u>	<u>65,155</u>

The capital equipment fund represents money set aside for the replacement of fixed assets.

The TCA fund represents the transfer of funds from the TCA on its cessation which have been set aside by directors to enable the continuation of that work within ASH.

12 General Funds		Funds brought forward £	Incoming resources £	Resources expended £	from General funds £	Funds carried forward £
Central funds		501,108	369,847	(74,981)	(261,351)	534,623
Branch funds		8,981	1	(35)	-	8,947
		<u>510,089</u>	<u>369,848</u>	<u>(75,016)</u>	<u>(261,351)</u>	<u>543,570</u>

**ACTION ON SMOKING AND HEALTH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011 (CONTINUED)**

13 Analysis of Net Assets between Funds

	Fixed assets £	Net current assets £	Total net assets £
Restricted funds			
Central funds	-	10,000	10,000
Unrestricted funds			
Designated funds	8,338	56,817	65,155
General funds			
Central funds	24	534,599	534,623
Branch funds	-	8,947	8,947
	<u>8,362</u>	<u>610,363</u>	<u>618,725</u>

14 Operating Lease Commitments

The company had annual commitments under operating leases as follows:

	2011 Land and Buildings £	2010 Land and Buildings £
Expiring:		
- in between two and five years	<u>29,500</u>	<u>29,500</u>