

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

Company No. 00998971
Charity No. 262067

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2013

**Action on Smoking and Health
Report of the Trustees
31st March 2013**

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Action on Smoking and Health

Report of the Trustees

31st March 2013

The Trustees are pleased to present their report and the financial statements of the charity for the year ended 31st March 2013.

Legal & Administrative Details

Legal Status

Action on Smoking and Health ("ASH") is registered in England as company number 00998971 and as charity number 262067.

Registered Office

Suites 59-63, 6th Floor, New House, 67-68 Hatton Garden, London, EC1N 8JY.

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 2012 and had served throughout the year, except where shown:

Professor John Britton		
Ms Maura Gillespie	-	Co-opted 18 th September 2012, appointed 11 th December 2012.
Mr Ed Gyde		
Mr Simon Hopkins	-	Treasurer.
Professor Martin Jarvis	-	Vice-Chair from 12 th March 2013.
Mr Peter Kellner		
Professor Peter Kelly		
Ms Jean King	-	Vice-Chair to 11 th December 2012, resigned 11 th December 2012.
Ms Betty McBride	-	Resigned 11 th December 2012.
Dr Andy McEwen		
Dr Jennifer Mindell		
Professor John Moxham	-	Chair.
Dr Lesley Owen		
Lord Rennard of Wavertree		
Ms Sarah Woolnough	-	Appointed 11 th December 2012.

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, Leicester, LE87 2BB.

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Chair's Introduction

On behalf of my fellow Trustees, I am pleased to present the report of ASH's activities and achievements during 2012-13. This was another important year for ASH. Once again ASH has provided excellent leadership in building support for implementation of the Government's Tobacco Control Plan and the campaign for plain, standardised tobacco packaging.

ASH is also to be commended for initiating the CLear standard which is already proving to be very well received among local authorities and for providing resources to assist those working in local government taking on their new public health role in 2013.

I am also delighted to report that in recognition of the outstanding achievements in tobacco control of ASH's chief executive, Deborah Arnott, Deborah was made an honorary fellow of the Royal College of Physicians

ASH's exemplary campaigning work was also recognised by the award of the prestigious American Cancer Society Luther Terry Award for Outstanding Organisation. The Awards, presented at the World Conference on Tobacco or Health in Singapore, are named after the first US Surgeon General who, in 1964, published the first US report on smoking and health. I entirely endorse the words of Dr. John Seffrin, Chief Executive Officer of the American Cancer Association presenter of the awards, when he said, "The existence of a global tobacco treaty – the Framework Convention on Tobacco Control – covering 90 percent of the world's population would have been unthinkable in 1964, and would have not become reality had it not been for the outstanding leadership of exceptional individuals and organizations like those receiving this distinguished award."

Despite the undoubted successes, there remains much to do to further reduce smoking and to counter the misinformation disseminated by the tobacco industry which will no doubt increase in response to regulatory pressures. ASH is well equipped to take on this challenge and I have every confidence that it will succeed.

*Professor John Moxham
Chair of Trustees*

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 document is 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

None.

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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 charity's reserves, threats to ASH staff and the Bribery Act 2010. A comprehensive review of risks takes place every two years, the current one being completed in June 2013.

Objectives

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.

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Strategic Planning

In June 2010, the Trustees agreed that the organisation should develop a Strategic Plan to guide the charity over the three financial years, from April 2011 to March 2014. Over the following twelve 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 2011.

The plan set ASH's strategic priorities for the three years and established a process to monitor, review and evaluate ASH's progress following 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.

The four strategic priorities set were as follows:

1. Advocacy & Policy Development

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

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.

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.

4. Resources & Sustainability

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

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Activities

Overview

The main focus of ASH's activities this year has been on building public knowledge and understanding about plain, standardised packaging to ensure informed responses to the Government's consultation on this topic. In September 2012 the High Court in Australia dismissed the tobacco industry's challenge to the Australian Government's decision to press ahead with standardised packaging. This momentous ruling means that colourful branded packs are now being replaced with drab green-brown cartons which have the effect of bringing the health warning to the fore, thereby making it less likely that children would find smoking attractive.

ASH's Chief Executive, Deborah Arnott, spoke at a conference to mark the 50th anniversary of the 1962 Royal College of Physicians report on smoking and health. In addition ASH has been invited to offer advice to colleagues in Norway and France about how civil society can best work with governments to ensure political commitment and promote behaviour change.

In recognition of Deborah's outstanding achievements in tobacco control she was made an honorary fellow of The Royal College of Physicians (RCP).

Implementation of the Tobacco Control Plan for England

Two key milestones of the Government's Tobacco Control Plan for England were reached when the point of sale display regulations for supermarkets entered into force in April 2012 and the public consultation on plain standardised packaging for tobacco took place over the summer.

Plain, standardised packaging of tobacco products

ASH worked with colleagues and member organisations of the Smokefree Action Coalition (SFAC) to build awareness and encourage responses to the consultation on standardised tobacco packaging. This began with an expert conference to brief colleagues on the issue and was followed by the launch in April 2012 of the *Plain Packs Protect* campaign. This initiative, led and resourced by Smokefree South West, was designed to encourage people to register their support for standardised packs and to inform MPs of their views. By the close of the consultation, the campaign had recorded 211,653 supporters. ASH submitted a detailed response to the consultation, summarising the evidence to support the measure and pointing out industry myths, such as the wrongful assertion that standardised packaging would lead to an increase in smuggling.

Local Public Health & Tobacco Control

ASH has developed a new tool to assist people working in local government who will be taking on responsibility for public health in 2013. Called *CLeaR*, which stands for three linked components of the model: *Challenging services, Leadership and Results*, it is a self-assessment tool which allows local authorities or health and well-being boards to review existing local action on tobacco, ensure that they follow best practice and identify further areas for improvement. The assessment model integrates local priorities with national guidance, assisting councils to align best practice tobacco control with local strategies. To date, 75 councils (more than half of relevant councils in England) are in line to participate in the scheme.

To further assist local authorities, a new edition of the popular *Local Costs of Tobacco* reckoning tool was made available online from September 2012. This uses the most recent prevalence data to estimate costs of smoking in a locality.

Smoking in Pregnancy

In March, ASH organised an expert seminar on smoking in pregnancy in conjunction with the UK Centre for Tobacco Control Studies, the Lullaby Trust (formerly the Foundation for the Study of Infant Death), SANDS and BLISS. The meeting was chaired by the Director of Health and Wellbeing at the Department of Health (DH) and led to the formation of the Smoking in Pregnancy Challenge Group which is working to integrate efforts to reduce smoking in pregnancy. The Group will make recommendations to the Department of Health in June 2013.

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Tax & Smuggling

As in previous years, ASH made a detailed submission to HM Revenue & Customs (HMRC) in advance of the 2012 Budget urging the Chancellor to raise the tobacco tax escalator from 2% to 5% above inflation. The submission was endorsed by 91 organisations. We were greatly heartened by the fact that the Chancellor responded positively and tobacco tax was increased above inflation in line with our recommendation.

We were also encouraged by the release of official statistics later in the year showing that there had been a fall in tobacco smuggling during 2010/11, continuing the downward trend since 2005. These figures provide further evidence to undermine tobacco industry allegations that raising taxes and the introduction of other tobacco control measures leads to a rise in smuggling.

ASH staff attended and assisted in a capacity building workshop on tobacco taxation in Dublin, organised by the European Smokefree Partnership. As the UK is a leader in tobacco control within Europe and in particular has a strong record of maintaining a high level of taxation, we were able to share knowledge and experience with colleagues from countries where tax has been under-used as a lever to reduce tobacco consumption and smoking prevalence.

Harm Reduction & Nicotine Regulation

Deborah Arnott was on the Commission for Human Medicines working group on harm reduction and is on the National Institute for Health and Care Excellence (NICE) PDG developing guidance on tobacco harm reduction.

ASH arranged a half day seminar for the public health community at the end of October just after NICE launched a consultation on its proposed guidance on tobacco harm reduction. Over 70 key organisations attended and heard presentations from the DH, NICE, the Medicines and Healthcare products Regulatory Agency (MHRA) and scientific experts on the evidence base. The seminar was designed to help ensure informed responses to the consultation. ASH released an updated and revised briefing on e-cigarettes, following the event.

ASH also participated in a symposium on electronic cigarettes at the Society for Research on Nicotine and Tobacco (SRNT) Europe meeting in Helsinki in October 2012. Martin Dockrell, Director of Policy and Research, presented data on the attitudes of smokers and of smoking cessation professionals, and participated in a debate on the health impact of e-cigarettes.

Public Attitudes to Tobacco Control

The 8th wave of the annual survey of public attitudes to tobacco control issues went into the field in February 2013. The data were collected by YouGov plc. Some key points of the survey are:

- Smokefree: 82% of adults support the smokefree legislation (4% higher than last year) with 51% of all smokers supporting the law (4% higher than last year).
- Packaging: 64% of adults support plain packaging of tobacco products compared to just 12% who oppose it (62% and 11% last year).
- Tobacco industry: 6% of adults believe that the tobacco industry can be trusted to tell the truth and 67% believe they could not (6% and 64% last year). Whilst 4% agreed that tobacco companies behave ethically, 62% disagreed (6% and 58% last year).
- Pensions: 63% of adults supported the proposition that public sector pension funds should not invest in tobacco companies and 9% opposed this (58% and 9% last year).
- Electronic cigarettes: The percentage of smokers using e-cigarettes has risen from 3% in 2010 and 7% in 2012 to 11% in 2013. ASH now estimate that there are 1.3 million current users of e-cigarettes in the UK.
- Shisha: Our survey found that 12% of adults have smoked shisha at some time but only 1% reported using shisha more than once a month (11% and 1% last year).

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Tobacco industry

ASH has worked hard with the media to expose industry campaigning and to dispel the many myths and disinformation put out by the tobacco industry and those it funds, particularly about standardised packaging. Examples include the Democracy Institute, Adam Smith Institute, National Federation of Retail Newsagents, Luther Pendragon, Hume Brophy and the Institute of Economic Affairs.

The year's activity by ASH to mark BAT's AGM on 26th April 2012 sought to highlight the company's use of packaging to target children. Over 30 young people from Dudley, Cambridge and London joined ASH staff and confronted the company's shareholders going into the meeting about the use of packaging as a promotional tool to recruit new young smokers. The BAT AGM was moved to Banqueting Suite on Whitehall from its usual location the Mermaid Theatre. This is a far more high profile site and ensured that the young people protesting against BAT were seen by many more members of the public than at previous AGMs.

After the protest the young people met their MPs in the House of Commons to brief them on their campaign for plain, standardised packaging.

All Party Parliamentary Group on Smoking & Health (APPG)

ASH continues to act as Secretariat for the APPG with Stephen Williams MP, Liberal Democrat member for Bristol West, as the group's elected Chair. The group now has officers from across the major parties in both the Commons and the Lords and membership stands at 49. With considerable support from ASH, the APPG undertook an inquiry into the illicit trade in tobacco.

During the year the Officers of the APPG held a meeting to discuss covert lobbying by the tobacco industry. Following this event a briefing on tobacco front groups prepared by ASH was sent to Government Ministers to inform them of the scale of the problem.

The APPG conducted an inquiry into the illicit trade in tobacco, which follows the adoption of the Illicit Trade Protocol at the World Health Organization Framework Convention on Tobacco Control (WHO FCTC) Conference of the Parties (COP) in November 2012.

The APPG held three inquiry sessions at which expert witnesses gave oral evidence. The report of the inquiry was launched in March 2013 and shows that contrary to repeated claims and warnings from the tobacco industry, the levels of illicit trade in the UK have fallen substantially since 2000, even though the UK is a high tax and therefore high price jurisdiction. This is partly a result of the joint strategy agreed between HMRC and the UK Border Agency, which is regularly updated and which was well-resourced by the UK Government during the last spending round, and partly a result of the EU legal agreements with the major manufacturers, which have forced the manufacturers to improve their supply chain controls.

The Inquiry report also shows that the industry claim that standardised packaging will lead to an increase in illicit trade is essentially a red herring. This is because the security features routinely used on current cigarette packs will also be present on standardised packs, including code numbers and hidden anti-counterfeit marks.

The Inquiry report recommended that the UK Government should sign and ratify the Illicit Trade Protocol as soon as possible. The fight against illicit trade requires co-operative enforcement work throughout the supply chain, from the international movement of goods, through entry into the UK and down to the local level. This should be helped by the introduction of a tracking and tracing regime and other supply chain controls mandated by the Protocol.

The Inquiry report also recommends that the Government should encourage and support the development of regional partnerships to fight illicit trade, which bring together HMRC, police, Trading Standards Officers and health.

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Divesting pension funds from tobacco

A new report by ASH in conjunction with the campaigning group FairPensions challenged the commonly held view that pension funds are 'duty bound' to invest in tobacco stocks. The report followed an investigation by the Independent newspaper which found that councils across Britain have at least £1.3 billion of employee pension funds invested in tobacco.

The report, *Local Authority pension funds and investments in the tobacco industry*, explains how pension funds can legally disinvest from the tobacco industry. It also points out that in the future, tobacco may no longer be the safe haven it once was and that shareholders need to be mindful of the raft of regulations now facing the industry which may have a direct impact on industry profit.

Advertising Ban

ASH complained to the Advertising Standards Authority (ASA) about a series of JTI ads in the national newspapers in July 2012, encouraging other groups to do the same. Initially the complaint was rejected but following further evidence from ASH and others in March 2013 the ASA has ruled that the adverts were 'misleading and must not be published again'.

Protection from Secondhand Smoke

The implementation of smokefree legislation in 2007 means that the vast majority of people are now well protected from secondhand smoke in enclosed public places and work places. ASH continues to monitor the impact of the legislation.

WHO Framework Convention on Tobacco Control

ASH works closely with the Framework Convention Alliance (FCA) on WHO matters. ASH was an observer to the working group on guidelines on Article 9 and 10 (product regulation and disclosure) which developed guidelines on Reduced Ignition Propensity (RIP) cigarettes and disclosure of information on ingredients for adoption at the COP in November 2012. ASH was at the forefront of the campaign to require reduced ignition cigarettes in Europe which entered into effect in November 2011.

ASH was an observer at COP 5. The guidelines on RIP and disclosure were adopted as were the recommendations for Article 6 on tobacco taxation. Other key decisions taken by the COP which we worked hard to support were the setting up of a working group to support implementation by Parties of the FCTC.

European Union (EU) Tobacco Product Directive

ASH works in collaboration with the Brussels-based Smokefree Partnership on EU issues. This year we met with DG Sanco and other relevant Directorates at EU level to support effective revision of the Tobacco Products Directive.

The draft proposed revised directive was published in December 2012. ASH and allies continue to work hard to ensure that the passage of the Directive through the European legislature proceeds.

Consultation Responses

ASH responded to the following consultations during the year:

- DH: the EU review of the balance of competencies: Health.
- DH: outcomes frameworks 2012/13 - indicators aimed specifically at children/young people.
- DH: standardised tobacco packaging.
- HMRC: herbal smoking products' liability to tobacco products duty.
- NICE: draft quality standard for smoking cessation - supporting people to stop smoking.
- NICE: potential new indicators for the 2014/15 Quality and Outcomes Framework (QOF).
- NICE: Public Health Guidance – Tobacco Harm Reduction.
- NICE: Draft Guidance on Smokeless Tobacco and South Asians.
- NICE: potential indicators for the Commissioning Outcomes Framework (COF).
- House of Commons Public Administration Select Committee: Regulation of the Charitable Sector & the Charities Act 2006.

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- House of Lords Science & Technology Committee: call for evidence on behaviour change.
- Cabinet Office: introducing a Statutory Register of Lobbyists.
- United States Federal Drugs Administration: request for comments with respect to FDA actions related to Nicotine Replacement Therapy and smoking-cessation products.
- New Zealand Ministry of Health: proposal to introduce plain packaging of tobacco products in New Zealand.

Website

Over the past year we have been working to give the ASH website a fresher, less-cluttered look while at the same time improving signposting to the information available. We are working to improve the design and navigation still further with a more intuitive structure and appropriate look. It is proposed that the content will be arranged by theme which should make it easier for users to find the information they are seeking as well as raising awareness of other related issues.

The ASH website - www.ash.org.uk – 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 financial year the ASH website had 438,203 unique visitors, an average of 1,201 a day, a 12% increase on the previous twelve months.

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.

Information & Publications

Of our regular publications, 'ASH Daily News' has 1,962 subscribers. The twice monthly 'News & Events Bulletin' has 1,559 subscribers.

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 33 "Fact Sheets", each covering a different aspect of tobacco and health in some depth and fully referenced. In addition, we have 8 more detailed "ASH Briefing" research reports. All of these publications continue to undergo a rolling programme of review, up-date and addition where necessary. They are available, free of charge, from the ASH website.

In early 2011, ASH received accreditation from the Information Standard. A successful second annual audit was completed in early 2013.

Media work

Over the past twelve months ASH issued 20 national press releases. ASH staff 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: electronic cigarettes, standardised packaging of tobacco products, pensions and the All Party Parliamentary Group on Smoking & Health inquiry into the illicit trade in tobacco.

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 13.7 million people per week, an increase of 10.1 million per week on the previous year. This increase largely resulted from huge media interest in three stories: the launch of standardised tobacco packaging in Australia; the re-launch of the campaign for standardised tobacco packaging in the UK; and a call for tobacco industry profits to be capped.

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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. These relate to outcomes as well as outputs recognising that ASH plays a role but is not solely responsible when it comes to successful outcomes. Progress has been as follows:

1. Advocacy & Policy Development

1. ASH continues to play a leading role in developing support for new tobacco control policy initiatives.
2. The effectiveness of the tobacco advertising ban continues to be monitored.
3. Tobacco tax was increased by 2% above inflation in March 2013 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 is adopted.
5. A key milestone which the ASH led SFAC campaigned for was reached when the point of sale display regulations for supermarkets entered into force in 2012.
6. Another key milestone which the ASH led SFAC campaigned for was reached when the DH public consultation on plain standardised packaging for tobacco took place over the summer of 2012.
7. In March 2012, ASH, the UKCTCS, The Lullaby Trust, SANDS and BLISS organised a seminar on smoking in pregnancy. This led to the formation of the Smoking in Pregnancy Challenge Group, working to integrate efforts to reduce smoking in pregnancy. The Group is making recommendations to DH in June 2013.
8. ASH developed a new tool to assist people working in local government taking on responsibility for public health in 2013. CLear, which stands for three linked components of: **Challenging services, Leadership and Results**, is a self-assessment tool allowing localities to review existing action on tobacco, and identify areas for improvement. By March 2013 over half of relevant councils in England were participating.
9. ASH led complaints to the ASA about a series of JTI ads in the national newspapers in July 2012. In March 2013 the ASA has ruled that the adverts were 'misleading and must not be published again'.

2. Information & Research

1. The ASH website continues to be seen by other groups as the leading site for information on tobacco control and receives considerable positive feedback.
2. The ASH website has been developed into one of the best tobacco sites in the world. It currently averages 1,201 visitors a day, a 12% increase on the previous twelve months.
3. Plans for checking and updating the informational needs of the charity are in place.
4. ASH received Information Standard accreditation in early 2011 and completed a second successful audit in early 2013.

3. Communicating, Engagement & Networking

1. It is intended that our 'reach' in both the print and broadcast media should be maintained at a high level. Our weekly 'reach' averaged 13.7 million people during the year.
2. Other groups involved in tobacco control continue to expect ASH to take a leadership role in tobacco control. This is primarily through leadership and coordination of the SFAC. Over the last year the SFAC has been active and continued to grow and now has over 180 members.
3. The ASH 5 Nations Group was established during 2008 with a view to quarterly liaison meetings to coordinate national aspects of tobacco control issues across the British Isles. It continues to meet on a regular basis.

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4. 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.

Finance

Investments Policy

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.

Principal Funding Sources

The principal sources of project funding for the charity during the year were:

- Department of Health Section 64 General Scheme for "Project 1: Supporting the Tobacco Control Plan for England" (this grant did not fund, and never has funded, ASH's campaigning work);
- Cancer Research UK for Project 4: Tobacco Strategy & Policy.

Core funding for the entire programme of work of the charity was provided by:

- Cancer Research UK;
- British Heart Foundation (BHF).

Financial Review

The year saw an £81,637 increase in funds. Total income of £752,746 was 2.79% higher than the previous year.

The charity is very grateful to the late Mr A. K. Jones from whom we received a legacy of £125,000 during the year.

Charitable expenditure, at £671,109, decreased by 7.52% on the previous year. ASH finished the year with cash balances of £661,824 (up from £608,962 last year) and net assets of £707,020.

Having made transfers of £374,077 from general funds to meet deficiencies on the various projects for which restricted funds were available, the balance of general funds at the end of the year increased by £79,739 to £635,794 (of which branches held £8,593).

Reserves Policy

Given the continuing difficult economic circumstances, 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 a minimum of 3 months and a maximum of 12 months of the resources expended annually, which presently equates to £187,332 to £749,330 in general funds. 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 excluding the branch reserve (£627,201) is within the desired range.

Plans for Future Periods

The charity's objectives for the period 2011-14 are as laid out in the Strategic Plan. The plan includes four strategic priorities which are:

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

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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 and their related Success Indicators 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 Tobacco Control Plan in England and build 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 ASH organisations 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.

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. Increase in public support, particularly amongst routine unskilled or semi-skilled workers, in particular that tobacco is a harmful drug, that smoking in front of children is unacceptable, and that tobacco taxes should rise each year above inflation.
5. 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.
6. 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.
7. The level of exposure of children to secondhand smoke in the home and in cars will continue to decline as measured by the Health Survey for England cotinine tests measuring exposure levels in children in households where adults smoke.
8. Tobacco tax continues to increase above the rate of inflation at each budget.

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9. HM Treasury and HM Revenue & Customs continue to involve ASH and civil society in the development of tax and anti-smuggling policies.
10. 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.
11. The revised EU Tobacco Products Directive includes mandatory picture warnings, removal of yield data from tobacco packs and recommendations for plain packaging.
12. 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 and freely available library of information resources on tobacco control through the ASH website.
2. To ensure sound quality control of all information provided.
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 regularly updated
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, parliamentarians 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.

Action on Smoking and Health

Report of the Trustees

31st March 2013

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

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 need and expect from meetings and networks. The aim is to sustain the level of success and satisfaction found in previous surveys.
2. The involvement of ASH continues to be sought for local, national and international tobacco control policy development.
3. ASH is recognised for its conspicuous, positive and effective contribution to WHO FCTC.
4. Tobacco control partners across England are positive about our role in supporting their work.
5. High media reach and positive coverage of tobacco control issues is sustained.
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 do not divert us from our strategic aims and objectives should be sought.
3. To recruit, train and retain high quality staff.

Action on Smoking and Health

Report of the Trustees

31st March 2013

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.

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.

**Action on Smoking and Health
Report of the Trustees
31st March 2013**

Small Company Exemption

This report has been prepared in accordance with the special provision of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the provisions of the Financial Report Standard for Smaller Entities (effective April 2008).

On behalf of the Trustees



.....
Professor John Moxham
Chair

Date: 5/9/13

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 and Health for the year ended 31 March 2013 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 the Financial Reporting Standard for Smaller Entities (Effective April 2008), United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities.

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 2013 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 matter prescribed by the Companies Act 2006

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: 11 / 9 / 2013

**ACTION ON SMOKING AND HEALTH
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2013**

	Note	Unrestricted Funds General £	Designated Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Incoming Resources						
<i>Incoming resources from generated funds</i>						
Voluntary income						
Grants received	2	378,704	-	-	378,704	366,131
Donations and legacies received		131,234	-	-	131,234	5,720
Interest received		351	-	-	351	344
<i>Incoming resources from charitable activities</i>						
Grants received	2	-	-	218,370	218,370	358,439
Contract income		22,800	-	-	22,800	-
Subscriptions		1,085	-	-	1,085	1,195
Sales of literature and services		-	-	-	-	520
Other income		202	-	-	202	-
Total Incoming Resources		<u>534,376</u>	<u>-</u>	<u>218,370</u>	<u>752,746</u>	<u>732,349</u>
Resources Expended						
Charitable activities						
Policy Research and Information	3	87,647	2,902	567,752	658,301	712,385
Governance	4	12,808	-	-	12,808	13,306
Total Resources Expended		<u>100,455</u>	<u>2,902</u>	<u>567,752</u>	<u>671,109</u>	<u>725,691</u>
Net Income for the year before transfers		433,921	(2,902)	(349,382)	81,637	6,658
Transfers		(354,182)	4,800	349,382	-	-
Net Movement in Funds		79,739	1,898	-	81,637	6,658
Funds brought forward		<u>556,055</u>	<u>59,328</u>	<u>10,000</u>	<u>625,383</u>	<u>618,725</u>
Funds carried forward		<u>635,794</u>	<u>61,226</u>	<u>10,000</u>	<u>707,020</u>	<u>625,383</u>
		Note 12	Note 11	Note 10		

All results are from continuing activities.

No gains or losses arose in the year other than those shown above.

The notes on pages 20 to 25 form a part of these financial statements.

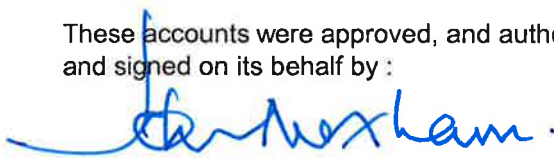
ACTION ON SMOKING AND HEALTH
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)
BALANCE SHEET AT 31 MARCH 2013

	Note	2013 £	2013 £	2012 £	2012 £
Fixed Assets					
Tangible assets	6		4,409		2,511
Investments			<u>24</u>		<u>24</u>
			4,433		2,535
Current Assets					
Debtors	7	91,643		31,437	
Cash at bank and in hand		<u>661,824</u>		<u>608,962</u>	
		753,467		640,399	
Creditors: Amounts falling due within one	8	<u>(50,880)</u>		<u>(17,551)</u>	
Net Current Assets			<u>702,587</u>		<u>622,848</u>
Net Assets	12		<u><u>707,020</u></u>		<u><u>625,383</u></u>
Funds					
Restricted					
Central funds	9		10,000		10,000
Unrestricted					
Designated funds	10		61,226		59,328
General Funds					
Central funds	11	627,201		547,230	
Branch funds	11	<u>8,593</u>		<u>8,825</u>	
			<u>635,794</u>		<u>556,055</u>
			<u><u>707,020</u></u>		<u><u>625,383</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The notes on pages 20 to 25 form a part of these financial statements.

These accounts were approved, and authorised for distribution, by the Board of Directors on 5/9/13 and signed on its behalf by:



.....
 Professor John Moxham



.....
 Simon Hopkins

Company number: 00998971

ACTION ON SMOKING AND HEALTH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

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).

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

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
- 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

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 SOFA (Statement of Financial Activities) over the period in which the cost is incurred.

Tangible fixed

Tangible fixed assets

Items are capitalised as fixed assets if their value 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 2013 (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. There is no material difference between the cost and the market value.

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 Received	2013	2012
		£	£
	Voluntary income		
	Supporting charities	<u>378,704</u>	<u>366,131</u>
	Arising from charitable activities		
	Department of Health	150,000	150,000
	ASH International	-	82,581
	Supporting charities	<u>68,370</u>	<u>125,858</u>
		<u>218,370</u>	<u>358,439</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	Total
	2013	2012
	£	£
Direct project costs	205,468	234,020
Direct staff costs	304,628	344,843
Support costs (see below)	<u>148,205</u>	<u>133,522</u>
	<u>658,301</u>	<u>712,385</u>

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

Staff costs	46,666	45,415
Depreciation	2,902	5,827
Travel and meeting costs	145	79
Conferences, consultancy & seminar costs	60	3,135
Office running costs	60,838	55,433
Office moving costs	21,057	-
Telephone and postage	12,729	13,524
Printing, stationery and design	6,262	4,598
Other costs	<u>(2,454)</u>	<u>5,511</u>
	<u>148,205</u>	<u>133,522</u>

**ACTION ON SMOKING AND HEALTH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)**

4 Governance costs	Total 2013 £	Total 2012 £
Board expenses	3,054	4,197
Audit fees - current year	7,750	7,500
Audit fees - prior year under-provision	189	104
Other fees paid to auditors	<u>1,815</u>	<u>1,505</u>
	<u><u>12,808</u></u>	<u><u>13,306</u></u>

No trustees (2012: one) were reimbursed for expenses incurred in attending meetings totalling £nil (2012: £69). No trustee received any remuneration in the year (2012: none).

5 Staff Costs	2013 £	2012 £
Gross pay	298,518	337,981
Social security	33,279	38,973
Pension contributions	<u>7,605</u>	<u>7,455</u>
	<u>339,402</u>	<u>384,409</u>
Other staff costs	<u>11,892</u>	<u>5,849</u>
	<u><u>351,294</u></u>	<u><u>390,258</u></u>

The emoluments of 1 member of staff (2012: 1 members of staff) fell into the range £80,000 - £90,000 (2012: £70,000 - £80,000). The pension cost of this individual was £4,307 (2012: £4,307).

The average number of staff employed, including part time staff, allocated according to function was:	2013 Number	2012 Number
Central charitable activities	<u>8</u>	<u>8</u>
	<u><u>8</u></u>	<u><u>8</u></u>

**ACTION ON SMOKING AND HEALTH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)**

6	Fixed Assets	Office fixtures, fittings and equipment £
	Cost	
	At 1 April 2012	77,785
	Additions	4,800
	Disposals	<u>(25,532)</u>
	At 31 March 2013	<u>57,053</u>
	Depreciation	
	At 1 April 2012	75,274
	Charge for the year	2,902
	Eliminated on Disposals	<u>(25,532)</u>
	At 31 March 2013	<u>52,644</u>
	Net Book Value	
	At 31 March 2013	<u>4,409</u>
	At 31 March 2012	<u>2,511</u>

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

7	Debtors	2013 £	2012 £
	Trade debtors	49,338	-
	Other debtors	25,110	18,523
	Prepayments	<u>17,195</u>	<u>12,914</u>
		<u>91,643</u>	<u>31,437</u>
8	Creditors: Amounts falling due within one year	2013 £	2012 £
	Trade creditors	33,135	-
	Taxation and social security	2,280	-
	Other creditors	1,375	3,192
	Accruals	<u>14,090</u>	<u>14,359</u>
		<u>50,880</u>	<u>17,551</u>

**ACTION ON SMOKING AND HEALTH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)**

9 Restricted Funds		Funds brought forward £	Incoming resources £	Resources expended £	Transfers from General funds £	Funds carried forward £
Central						
Secondhand Smoking	(a)	10,000	-	-	-	10,000
Work to support delivery of the Tobacco Control Plan for England	(b)	-	150,000	(292,675)	142,675	-
Tobacco strategy and policy	(c)	-	68,370	(275,077)	206,707	-
		<u>10,000</u>	<u>218,370</u>	<u>(567,752)</u>	<u>349,382</u>	<u>10,000</u>

- (a) This amount represents the legacy of Jean Matthews. The money was specified for use in campaigns against involuntary smoking.
- (b) This project provided factual information, resources and communications to support the implementation of the Tobacco Control Plan for England and the Framework Convention on Tobacco Control. The Department of Health made a Section 64 Scheme grant of £150,000 to this project.
- (c) This project supports research, development and promotion of new policies designed to reduce the disease and premature death caused by tobacco

10 Designated Funds		Funds brought forward £	Incoming resources £	Resources expended £	Transfers from General funds £	Funds carried forward £
Capital equipment		2,511	-	(2,902)	4,800	4,409
Tobacco Control Alliance (TCA)		56,817	-	-	-	56,817
		<u>59,328</u>	<u>-</u>	<u>(2,902)</u>	<u>4,800</u>	<u>61,226</u>

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

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

**ACTION ON SMOKING AND HEALTH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013 (CONTINUED)**

11 General Funds	Funds brought forward	Incoming resources	Resources expended	Transfers to Designated & Restricted Funds	Funds carried forward
	£	£	£	£	£
Central funds	547,230	534,375	(100,222)	(354,182)	627,201
Branch funds	8,825	1	(233)	-	8,593
	<u>556,055</u>	<u>534,376</u>	<u>(100,455)</u>	<u>(354,182)</u>	<u>635,794</u>

The transfer to the restricted fund represents deficiencies on the various restricted fund projects, for which some funding was available.

12 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	4,409	56,817	61,226
General funds:			
Central funds	-	627,201	627,201
Branch funds	-	8,593	8,593
	<u>4,409</u>	<u>702,611</u>	<u>707,020</u>

13 Operating Lease Commitments

The company had annual commitments under operating leases as follows:

	2013 Land and Buildings £	2012 Land and Buildings £
Expiring:		
- within one year	-	29,500
- in between two and five years	<u>22,000</u>	<u>-</u>