

Financial Statements

31 December 2024



President

Field Marshal The Lord Guthrie GCB LVO OBE DL

Vice Presidents

Phil Hodgkinson

Stephen May

Richard Price

The Duchess of Northumberland

Trustees**Chair**

Luke Bordewich

Honorary Treasurer

Richard Wild

Professor David Edwards MA MBBS DSc MRCR
FRCP FRCPCH FMed Sci

Clare Ferguson

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Karen Last

Professor David Rowitch MD PhD ScD

Professor Stephanie Schorge PhD

Rajat Sharma (retired 28 November 2024)

Richard Stoneham-Buck

Charity Management**Chief Executive**

Julie Buckler

Director of Finance/Company Secretary

Kabba Njie

Director of Fundraising

Lewis Coghlin

Director of Research

Dr Sarah Wagstaffe-Jones

Director of Communications

Sarah Moss

Principal Advisers**Auditors**

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Investment Managers

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Charity registration nos. 208701

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Action Medical Research

Report of the trustees for the year ended 31 December 2024

Action Medical Research (company number 549089) is a charity whose objects are to promote research into the prevention, management and cure of disabling diseases and conditions.

This report covers the work of Action Medical Research for the 12 months to 31 December 2024.

The trustees' report and financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

About Action Medical Research

Action Medical Research is committed to fighting for answers that can lead to medical breakthroughs, treatments and cures for some of the toughest fights faced by children and their families.

We are the leading UK-wide charity dedicated to saving and changing children's lives through medical research and proud to have funded over £137m of medical research (over £375m in today's terms) since we began in 1952. This has led to successes that include:

- Helping to develop the first polio vaccines in the UK.
- Discovering the importance of taking folic acid before and during pregnancy to prevent spina bifida.
- Developing the use of ultrasound technology in pregnancy.
- Testing the rubella vaccine.
- Helping to develop the Hib meningitis vaccine, now a routine immunisation for young children.
- Pioneering a unique portable fetal heart rate monitor.
- Contributing to the development of groundbreaking cooling therapy to prevent brain damage in babies.
- Funding research to reduce stillbirth which led to new advice for pregnant women to go to sleep on their side, rather than their back, in the third trimester of pregnancy.
- Helping to bring dedicated eye services to children in special schools across the UK.

Today, we remain dedicated to funding a broad range of high-quality medical research to help babies, children and young people. We make a difference by preventing infections; targeting rare diseases; tackling premature birth and pregnancy complications and developing treatments for sick and vulnerable babies; and helping children affected by disabilities and disabling conditions. With hundreds of thousands of children all around the UK who desperately need help, we continue our mission to save and change lives through cutting-edge medical research.

The medical research we fund at leading research institutions across the UK is recommended by our expert Scientific Advisory Panel. To move research forward, we develop partnerships with other charities. We assess the success and impact of the research we fund and we share the results. We work hard to raise funds, to make vital research possible.

We are dependent on voluntary income, raised through our fundraising, to fund vital research. We are extremely grateful to our supporters, volunteers, committees, families, researchers, staff and expert advisers, who together work so hard to save and change children's lives.

Action Medical Research

Report of the trustees for the year ended 31 December 2024

Strategic report for 2024

Our achievements and performance in 2024

At Action Medical Research we help save and change the lives of babies, children and young people by funding world-class medical research.

Our research is led by researchers and doctors in NHS hospitals, universities and specialist units across the UK. This research is identified through our rigorous, open-competition peer review process meeting the best practice of the Association of Medical Research Charities, of which we are a founder member. We assess our performance through the amount and quality of research we fund and the impact that it has over time.

Despite ongoing challenges within the economic environment, in 2024 we successfully awarded fourteen new grants, committing £3.080m (2023 £2.556m) to vital new medical research projects. We currently have around £9m invested in the work of more than 180 top researchers working on around 45 research projects across the UK and more information on these can be found on our website www.action.org.uk

Our fourteen new research grants in 2024 covered a range of conditions affecting children including epilepsy, preterm birth, Duchenne muscular dystrophy, bacterial infections in critically ill children, and neurodevelopmental conditions.

We also awarded three new Fellowships researching brain development in preterm babies, reducing infection risk from breathing tubes in preterm babies, and treatment for children with rare conditions affecting their immune system. Our Fellowships have to date funded the development of 189 future research leaders. We are proud that some of today's leading researchers were former Action Medical Research Fellows including Professor Sir Andrew Pollard, now director of the Oxford Vaccine Group who led the trial to test the Oxford/AstraZeneca COVID-19 vaccine, and Professor Bobby Gaspar who helped deliver Great Ormond Street Hospital for Children's pioneering gene therapy programme.

Our work together with other organisations in 2024 included funding five new awards in partnership with medical research charity LifeArc to tackle rare diseases in children.

Our fundraising continued to adapt to the changing environment and we assessed how best to fund and deliver our income generation over time to enable the charity to support more new medical research. Together our supporters, volunteers, researchers and staff made possible once again a very successful year in demanding circumstances. Our sincere thanks go to all those who contributed to Action Medical Research in 2024.

We were successful in managing our income, expenditure and investments to maintain a strong financial position and reserves. In 2024 we received £706,543 from the UK Government Post-COVID Recovery Medical Research Charity Support Fund.

£180,142 was received in 2024 in execution of a deed of transfer by way of a gift for the residual value of the assets upon the closure of the Children's Research Fund. We are grateful to the former trustees of the Children's Research Fund and this sum has been used to fund research into asthma and cytomeglovirus in children as well as vitamin D deficiency in pregnancy.

At the year end, we were very pleased to achieve £8.181m total income. Despite the continuing uncertainty in the external environment, we moved into 2025 with strong confidence in our ability to fund further research.

Financial review

In 2024 we funded fourteen new medical research projects to help children. Our total income was £8.181m (2023 £7.986m) with total expenditure of £8.633m (2023 £7.974m). Our voluntary income was £7.136m (2023 £6.921m). We spent £4.235m on medical research grants and dissemination (2023 £3.663m).

Total funds at the end of the year were £7.125m (2023 £7.888m), a decrease of £0.763m (2023 £1.347m increase), with total net losses on investments during 2024 of £0.311m (2023 £0.803m losses).

At 31 December 2024, in addition to tangible fixed asset and investment holdings and long-term grant commitments, the charity had net current liabilities of £2.958m (2023 £2.549m). The trustees do not anticipate that this financial position will require a considerable drawdown from the investment portfolio in 2025 given that these short-term

Action Medical Research Report of the trustees for the year ended 31 December 2024

grant commitments will be partly met from future income and, although technically falling due within one year, some are likely to be paid after the 2025 financial year.

The public benefit and impact of our work

The trustees have referred to the Charity Commission's guidance on public benefit in relation to the charity's aims and objectives. The trustees consider it important to demonstrate the medical progress being made to supporters and others who are interested in our work.

The outcomes of the research we fund are published in peer-reviewed journals and presented at national and international meetings of researchers and we share news of progress with our supporters.

When projects that we fund are completed, our independent scientific advisers examine and assess the final reports. In 2024, 12 final reports were assessed: 100% were rated as of a major, sizeable or marked potential level of clinical importance; 92% as excellent or good in terms of quality of research; and 83% to be of immediate, near or medium-term clinical impact.

We evaluate the impact of our research funding over time and in 2024 reviewed the effect of £65,061 awarded in 2016 to fund research led by Dr Sylwia Ammoun at the University of Plymouth. This project explored the role of viral proteins in the development of tumours linked to neurofibromatosis type 2 (NF2) and tested if antiviral drugs could offer a new treatment option.

More recently known as NF2-related schwannomatosis, NF2 is a rare genetic condition usually diagnosed in childhood or early adulthood and linked to the development of multiple slow-growing tumours in the nervous system. Children and young people with NF2 can experience problems with hearing, sight, balance and mobility, and can suffer from weakness, pain, and headaches, as well as life-threatening complications.

The research showed that viral proteins contribute to the growth of NF2 tumours and that existing drugs, already used to treat HIV, can reduce and slow the growth of NF2 tumours

in the laboratory. Since the Action-funded work, a clinical trial of two antiviral drugs has been launched to look at their safety and effectiveness in people with NF2, in the hope that these can be developed into new treatments.

A second new report in 2024 evaluated the effect of £51,650 awarded in 2019 to Dr Melanie Griffin, at St Michael's Hospital, University Hospitals Bristol and Weston and University of Bristol, to research whether childhood cancer survivors who have bone marrow transplants may be at a higher risk of pregnancy complications and giving birth too soon.

Over 850 girls are diagnosed with cancer each year in the UK, and receive a combination of treatment including chemotherapy, radiotherapy, and/or bone marrow transplants with or without total body irradiation. The research investigated the risk level and types of complications and showed that childhood cancer survivors who had bone marrow transplants, particularly in combination with total body irradiation, were at risk of giving birth very early and having smaller babies.

The results have been presented widely to patients, families and clinicians. The researchers are hoping to use their findings to create better guidelines for the care of bone marrow transplant recipients and childhood cancer survivors who wish to become, or are pregnant, with the hope of reducing the risk of babies being born prematurely. This project was jointly funded in partnership with the charity Borne. Action Medical Research is grateful for the generous support of The James Tudor Foundation towards this project.

Other exciting progress in 2024 included a new blood test that could help prevent sudden child deaths caused by a rare heart condition. This was developed by Professor Juan Pablo Kaski and his team at University College London and Great Ormond Street Hospital, thanks to funding from Action Medical Research.

Hypertrophic cardiomyopathy (HCM) is an inherited condition that causes a thickening of the heart muscle. It is estimated to affect up to 1,000 children and young people in the UK. The thickened muscle becomes stiff and less efficient at pumping blood around the body which can lead to symptoms such as shortness

Action Medical Research Report of the trustees for the year ended 31 December 2024

of breath, chest pain and palpitations. Current treatments are aimed at managing symptoms, screening relatives and preventing complications, including sudden death, heart failure and stroke. However, there are no treatments which target the cause or aim to prevent disease development in those at risk.

In 2020 Action together with LifeArc awarded £113,793 to fund a study in which the researchers developed a blood test which can identify children with HCM and who are more at risk of developing symptoms. They have shown that this test can successfully detect seven proteins in the blood that are a marker for this disease. The results show that the new test can also identify four proteins which may indicate cases where there is a greater risk of sudden death, and there is hope this could be developed for use across the NHS to speed up diagnosis and treatment for children. This new test has the potential to improve and save lives of children with HCM and the biomarkers identified could also be used to assess the success of new drug treatments in future clinical trials.

In another key development Action funding has shown how a simple play intervention with very premature babies, involving Velcro-covered mittens, can improve learning and cognitive development.

Around 8,000 babies born in the UK every year are very premature, born before 32 weeks of pregnancy, and many go on to have learning difficulties. Previous research with 3-month-old full-term babies has shown that they benefit from play involving Velcro-covered sticky mittens that can be used with Velcro-covered soft toys to enable infants (who are at the pre-reaching stage) to grab and manipulate toys simply by swiping and touching them.

In 2016 Action awarded £134,594 to Dr Ruth Ford at Anglia Ruskin University, and a team of researchers from the Universities of Nottingham and Leicester, and Addenbrooke's Hospital in Cambridge, to investigate whether play experiences using sticky mittens and toys could improve the exploratory behaviours of infants born very prematurely. The group using the sticky mittens showed larger improvements than the control group in important aspects of their exploratory behaviours, mainly related to oral exploration of rattles and teething. Dr Ford now plans further

research to see whether the benefits of the intervention are longer lasting. If the use of sticky mittens is proven to be successful in the longer term, the researchers aim to influence national policy on the post-discharge care of very premature infants, by promoting use of the sticky mittens by their parents or carers to support their child's development.

In further important progress, with Action Medical Research funding, new biomarkers have been identified that will enable less painful, more rapid diagnosis and improved screening for congenital dyserythropoietic anaemia type 1 (CDA-I). Improvements in understanding of how current treatments work could also lead to reduced side effects for patients.

Congenital dyserythropoietic anaemia type 1 (CDA-1) is a rare, inherited type of anaemia that is usually diagnosed in childhood and can seriously affect a child's everyday life. Symptoms include weakness, shortness of breath, headaches as well as organ damage leading to heart failure, diabetes and liver disease. Treatments involve blood transfusions or twice weekly injections with interferon. Side effects include flu-like and gastrointestinal symptoms and long-term interferon treatment can cause depressive illness and serious auto-immune diseases. In addition, this is not effective for all patients, leaving many with no option other than transfusion.

With £184,829 awarded in 2021, Dr Chris Babbs and his team at the University of Oxford investigated how mutations in two genes, which cause CDA-1 anaemia, change the behaviour of specific proteins, CDIN and CDAN1. The results suggest that impaired CDIN protein function is the root cause of CDA-1 anaemia. Other proteins identified, involved in essential processes in the development of red blood cells, were shown to interact with CDIN/CDAN1. The use of a genetic panel for screening means that CDA-1 patients are being diagnosed earlier, allowing earlier treatment.

The researchers have also created a universal reporting system about interferon treatment for CDA-1, accessible to patients, clinicians and families, which is improving the way in which children are treated. The research shed light on how red blood cells respond to treatment with

Action Medical Research Report of the trustees for the year ended 31 December 2024

interferon suggesting that giving lower doses may produce similar benefits, with fewer side effects.

The project ultimately will lead to better diagnosis for children, and a reduced need to take bone marrow for diagnosis. The researchers have also revealed several candidates for biomarkers of CDA-1 anaemia, which could help lead to the discovery of new and improved treatments for CDA-1 anaemia.

We are pleased that these examples add to the exciting progress made though Action's long-standing record of successes over more than 70 years of funding medical research.

Communicating our work

We share information about the research we fund to help babies, children and young people as well as the results from this research. This includes through our website, blogs, emails, social media channels, printed materials and via the mainstream and specialist press.

In 2024 we generated 423 pieces of media coverage with a potential reach of 2.68bn people. Our research and fundraising activities featured in a range of national media including *Channel 4 News*, *BBC News*, *STV News* (Scotland) *UTV News* (Northern Ireland), *Daily Express*, women's magazine *Woman & Home*, cycling magazines *Rouleur* and *Cycling Plus* as well as various regional media including *The Birmingham Post*, *Glasgow Times*, *Belfast Telegraph*, *The Brighton Argus*, *The Oxford Mail*, *London TV*, *Derby Telegraph*, *Bucks Herald*, *Peterborough Telegraph* as well as a range of scientific media such as *PharmaTimes* and *Medical Xpress*.

We communicated with supporters through our magazines and regular bi-monthly newsletters. Our social media content was displayed to people 652,280 times and our followers on our @actionmedres social media platforms stayed steady at 33,689. We had 589,041 sessions to our website with 17,205 sessions to our news pages and 4,456 sessions to our blogs pages.

How we raised money

Following the strong recovery in our fundraising in the period since the end of COVID-related lockdowns, in 2024 the charity's fundraising income rose to £7.125m, an increase of £0.272m

and 4% on the previous year. Everyone at Action Medical Research is grateful to all the individuals, trusts, foundations and companies who have supported us in 2024.

We received over £650,000 from trusts and foundations, a strong result given the increasing competition in this area, and we delivered high quality reporting to donors on the progress of the specific medical research project that they are supporting.

Over £400,000 was raised by our volunteer-delivered social events programme, including the Aberdeen and Glasgow Killer Heels and Cocktails events, Dine with Davina (which had its most successful year), the Million Dreams Ball delivered by our volunteers in Peterborough and the autumn fair organised by the Chiltern fundraising committee. We are grateful to the many loyal and selfless volunteers who give up so much time for the charity.

We extend our thanks to Alliance Healthcare, BDO, BGC Brokers, Lloyd's of London, Brett Group, Ki, Brit Insurance, Garmin, Maylim, SIG Plc, Team Elijah's Star, Liberty Specialty Markets, The Gingerman Group, Two Circles, Scor, Ascot, Lockton, Lifeplus, Lendlease, The Chyah Davies Foundation, Next, Airport Parking & Hotels, the OSO Foundation, the Milton Damerel Trust, and a diverse array of other companies and generous individuals. We also established new partnerships with ERDINGER Alkoholfrei and EBD Group. For the second year running our fundraising during The Big Give matched funding week in December raised over £100,000, and we received £22,500 from Christmas card sales by Helpcards Ltd. The inspirational efforts of Linda Blakely, who rowed the Atlantic Ocean solo, were also hugely significant as she raised over £100,000 for Action Medical Research.

Income from monthly givers increased once again, in line with the charity's investment in growing the number of supporters who help in this way. We worked with professional fundraising agencies to recruit new monthly givers in shopping centres and town centres and through door-to-door fundraising. Our staff team helps deliver training, monitors the activity through regular 'mystery shopping' and works closely with the agencies to ensure any complaints are dealt with swiftly

Action Medical Research

Report of the trustees for the year ended 31 December 2024

and effectively. All agency staff representing the charity are required to comply with the Fundraising Regulator's Code of Fundraising Practice and adhere to the Chartered Institute of Fundraising guidance on treating donors fairly, with its focus on protecting vulnerable people.

The number of people raising money for Action Medical Research through our cycling events grew in 2024. Three events returned their best-ever results – the Raptor networking ride for the insurance industry, our RIDE Essex one day sportive and the Garmin Ride Out. Our gala dinner, Champions of Cyclesport, proved more popular than ever.

More than £200,000 was raised by our fantastic London Marathon runners. Of the other challenge events offered by the charity, our Race the Sun series grew again, and we grossed over £1 million from six events in iconic locations throughout the UK. Our new event on the Jurassic Coast proved particularly popular.

Gifts in wills make up a crucial, cost-effective element of our fundraising income and remained at around £400,000 in 2024. We are very grateful to those who make the decision to include us in their will. We continued with our successful approach to legacy marketing and eight people made the decision to pledge to leave a legacy to Action in 2024, with a further 40 asking to receive a copy of our Guide to Making a will.

We received a total of fifteen complaints about our fundraising in 2024. We had one request from a member of the public, via the Fundraising Preference Service, to be suppressed from future communications from the charity.

Where we are going

Action's core purpose and strategy is to fund medical research to help babies, children and young people. The need for medical research and its importance remains very evident and we remain committed to funding high-quality research most likely to make a difference to children, using our rigorous peer review process. We plan to continue to use this strength to fund more research, including by working in partnership with other charities to fund children's research. It remains very important to us to show the impact being delivered through our funding and to share this.

Plans going forward for the charity include further developing our fundraising across a range of income streams to fund more vital research to help children and to address the key financial risk, common to most charities, of maintaining voluntary income. We will continue to adapt flexibly, as well as consider what might be the longer-term implications of the economic environment for our charity and work.

How we are governed

The charity was formed in 1952 and is registered as a charity in England and Wales number 208701 and in Scotland number SC039284. Its governing instruments are the Memorandum and Articles of Association which were adopted on 10 July 1996, and amended on 12 July 2000, 2 July 2003, 30 October 2007 and 17 June 2022. Action Medical Research is incorporated under the Companies Act 2006 as a company limited by guarantee having no share capital. For the purpose of this Act, the Chair and other trustees (none of whom receive any remuneration) are the directors of the company. A full list of trustees, together with the charity's registered office, key management and advisers, is shown on the inside front cover of these financial statements.

On 31 December 2024 there were nine trustees. Each year one third of the trustees retire or are eligible for re-election in accordance with the Memorandum and Articles of Association. The normal maximum tenure of trustees is nine years. We were sorry to say goodbye to Rajat Sharma as a trustee and pleased to welcome Bhavin Patel to the trustee body from January 2025.

The council of trustees currently meets at least three times a year and is supported by five advisory panels or sub-committees involving trustees (see inside back cover). All key decisions, including the allocation of charitable funds for research, are made by the trustees in council.

Meetings of the council of trustees regularly address the following:

- the way ahead for the charity in our strategy
- the impact of the work of the charity
- the award of medical research grants
- the financial plan for the current year and further two years

Action Medical Research

Report of the trustees for the year ended 31 December 2024

- the lessons learnt from the review of risks
- the governance of the charity including in relation to the Charity Governance Code.

Each year, the experience, skills and diversity needed within the trustee body are reviewed to help the charity deliver its objectives. If gaps are identified or a vacancy occurs, new trustees are sought with the appropriate skills and expertise. Potential trustees are then interviewed by a nominating committee formed for the purpose and appointments considered by the council and, if agreed, confirmed at the Annual General Meeting. All trustees are given an induction programme when they join and offered opportunities to increase their knowledge and expertise. The trustees regularly review their performance as a board, with a review held in early 2023 and further discussions of effectiveness held in 2024.

The Chief Executive is responsible for the management of the charity's business and for implementing the policies agreed by the trustees. We now operate as a remote charity with home-based staff who deliver the charity's activities and raise funds around the UK.

The charity has adopted the Charity Governance Code for larger charities. This code asks charities to apply the recommended practices set out in the code or to explain why such practices have not been applied.

The trustees believe that we have substantively applied the Code's recommended practices in all respects save the following. We discuss and review the effectiveness of the trustee board each year as well as having mechanisms in place to raise and address issues as they arise. To date our effectiveness reviews have been conducted internally in an open and transparent manner, led by the Chair and supported by the Honorary Treasurer in respect of the Chair's performance. In contrast the Code recommends an external review of board effectiveness. However, we believe that the approach taken is appropriate for a charity of our nature and size, given the cost and time required to commission an external evaluation, which our trustees have agreed should remain an option if important issues arise that warrant it.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs and of 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 Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP FRS 102)
- make judgments and estimates that are reasonable and prudent
- state whether applicable United Kingdom 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's

Action Medical Research

Report of the trustees for the year ended 31 December 2024

website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware – and
- the trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Trading

The charity had one subsidiary at 31 December 2024 wholly owned and registered in England and Wales, Action Medical Research (Trading) Limited. There has been no activity in the company which therefore remained dormant in 2024 and any limited and small-scale trading has been carried out directly by the charity. Given the length of time in which this company has been dormant and the small scale of trading activities undertaken by the charity, trustees decided in the interests of simplification to close the dormant company with effect from 1 January 2025.

Risk management

The trustees consider that the charity has an effective continuous risk management mechanism with risk management considered by the Risk Management Committee and at each council meeting. A risk register is maintained assessing the likelihood and potential impact of all major risks, including key financial risks, and is reviewed by management, the Risk Management Committee and council. The trustees are satisfied that the correct processes are in place to identify the major risks to which the charity is exposed and that, in so far as is possible, systems are in place to manage them.

Throughout 2024 the trustees continued to assess, monitor, and respond to risks. The major risks identified relate to maintaining voluntary income and the performance of invested funds. These in combination ultimately determine the level of new research grants that can be awarded. The charity's strategy is based on a broad range of fundraising channels and active development of further streams to manage income risks. Investments are overseen by our Investment and Audit Committee with extensive investment management experience which considers reports at each meeting. In addition, we continue actively to address issues of cybersecurity and to develop our technology systems.

Staff management

The charity has committed, talented and hard-working staff. The plan and budget approved by the trustees each year continues to allocate resources to train and develop staff in skills needed to meet the charity's needs.

Our average head count in 2024 was 51 (2023 49), full-time equivalent 42 (2023 39).

Key management personnel are defined by trustees as the Chief Executive and Directors of Research, Communications, Fundraising and Finance shown on the inside front cover of this report. The total remuneration of this group in 2024 was £455,825 (2023 £437,986). The pay of all staff, including key management personnel, is reviewed annually and considered by a sub-committee of the Board of trustees that includes the Chair and Honorary Treasurer. Any increase relating to cost of living may take into consideration external factors as well as the charity's financial position and the economic environment, and market rate reviews are also undertaken.

Investments

In 2024 the charity did not make any withdrawal from its investments (2023 withdrew a net of £0.657m). Taking into account unrealised capital losses excluding longer term fixed deposit holdings, the value of investments closed the year at £10.473m (2023 £10.663m). These investments are held to ensure that the charity is able to meet its grant liabilities and as part of the free reserves of the charity.

Action Medical Research Report of the trustees for the year ended 31 December 2024

The charity has a risk averse investment policy, with the trustees' first priority being to preserve capital in order to meet existing and future research grant commitments. The Investment & Audit Committee, a sub-committee of the Board of trustees, continues to keep under review the charity's investment strategy and, in coordination with our Investment Managers Ruffer LLP, explore ways of implementing investment strategies that minimise the risk of capital loss. The Committee will continue to review the allocation of the investment portfolio to ensure it remains appropriate for the charity's funding plans.

In 2024 Ruffer LLP managed the investment portfolio for the charity on a discretionary basis, which followed strict guidelines in line with the charity's investment policy.

In January 2024 the charity moved its funds with Ruffer into the Charity Asset Trust, including an ethical investment exclusion policy that accords with the charity's purpose and values. This includes a restriction relating to tobacco (defined as companies that derive more than 10% of their revenue from tobacco-related business activities). It excludes any company which manufactures cluster munition systems, manufactures landmines, is involved in the production of depleted uranium weapons, ammunition or armour, and manufactures biological or chemical weapons systems; and includes further restrictions on companies deriving revenue from weapons systems, civilian firearms and ammunition, alcohol, gambling, adult entertainment, oil sands and thermal coal, and high-interest lending.

The investments were managed in a globally diversified portfolio with the objectives of both preserving capital and achieving an absolute return in excess of at least twice the Bank of England base rate in any 12-month period after all expenses. In pursuit of these objectives, the charity's investments are held in a pooled investment fund. In 2024 the portfolio achieved a negative return of 1.9% net of fees (2023 a negative return of 6.6%) and thus the trustees consider that these investment objectives were not met in the past year but remain confident that our investment objectives remain appropriate and we will continue to monitor returns over the medium term.

The trustees continue to monitor the situation closely to ensure the charity's ability to realise assets from the portfolio as and when required to fulfil its current and future commitments.

Reserves

On 31 December 2024, the charity's free reserves (unrestricted funds, which includes designated funds less tangible fixed assets) including unrealised investment gains, stood at £7.044m (2023 £7.828m).

The trustees review their reserves policy annually, in 2024 continuing a dynamic policy to enable the charity to cope in the face of a range of unlikely but plausible downside events including circumstances that might lead to a significant temporary reduction in fundraising income, such as that recently experienced as a result of the pandemic. Our financial modelling indicates a steady increase to our income, building from strong performance this year, but also factoring the impact of current macro-economic challenges. A check on the charity's financial position and medium-term projections indicate that the charity would be able to continue delivering on its objectives and fulfil commitments as they fall due. Notwithstanding the uncertainty from the current economic challenges, given our reserves position we can and do approach 2025 with confidence and have continued to adopt the going concern basis of accounting.

Fixed assets and designated funds

Information relating to changes in tangible fixed assets is given in note 10 to the financial statements.

In 2023, trustees took the decision to set up Designated Funds in the context of the uncertain environment. The need for medical research to help children will undoubtedly continue and evolve and change over time as health needs develop and new opportunities emerge to tackle disease through research. The need will also continue for the charity to develop and adapt, including in relation to available technology. The Designated Funds are to be spent over the next 10 years on: future new opportunities to develop medical research to help children (£2m); and on future infrastructure development (£138k).

By order of the council of trustees



Luke Bordewich

Chair

30 April 2025

Independent auditor's report to the trustees and members of Action Medical Research

Opinion

We have audited the financial statements of Action Medical Research (the 'charitable company') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of 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 prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report has been prepared in accordance with applicable legal requirements.

Independent auditor's report to the trustees and members of Action Medical Research

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- proper and 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' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always

detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with key management and from our knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of key management and review of minutes of Trustees' meetings.

Independent auditor's report to the trustees and members of Action Medical Research

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- their knowledge of actual, suspected and alleged fraud;
- Making enquiries of key management as to where they considered there was susceptibility to fraud, and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested and reviewed journal entries to identify unusual transactions;
- Tested the authorisation of expenditure;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of Trustees; and
- Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of key management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees as a body, in accordance with Section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katharine Patel

(Senior Statutory Auditor)

For and on behalf of

Buzzacott Audit LLP, Statutory Auditor

130 Wood Street

London

EC2V 6DL

Action Medical Research

Statement of financial activities for the year ended 31 December 2024

(incorporating an income and expenditure account)

		Unrestricted funds	Restricted funds	Total funds 2024	Unrestricted funds	Restricted funds	Total funds 2023
Income from:	Note	£	£	£	£	£	£
Donations and legacies	3.1	5,706,546	1,429,022	7,135,568	5,174,607	1,746,651	6,921,258
Investments	3.2	338,648	-	338,648	135,125	-	135,125
Charitable activities	3.3	-	706,543	706,543	-	929,702	929,702
Total income		6,045,194	2,135,565	8,180,759	5,309,732	2,676,353	7,986,085
Expenditure on:							
Raising funds	6.1	4,397,558	-	4,397,558	4,313,951	-	4,313,951
Charitable activities							
Grants for medical research	6.2	2,094,865	1,373,223	3,468,088	2,101,158	839,331	2,940,489
Medical research dissemination	6.2	767,373	-	767,373	720,014	-	720,014
Total expenditure on charitable activities		2,862,238	1,373,223	4,235,461	2,821,172	839,331	3,660,503
Total expenditure		7,259,796	1,373,223	8,633,019	7,135,123	839,331	7,974,454
Net (expenditure)/income before investments		(1,214,602)	762,342	(452,260)	(1,825,391)	1,837,022	11,631
Net gains on investments	11	(311,064)	-	(311,064)	(802,708)	-	(802,708)
Profit on sale of fixed assets	10	-	-	-	2,137,590	-	2,137,590
Net (expenditure)/income before transfer between funds		(1,525,666)	762,342	(763,324)	(490,509)	1,837,022	1,346,513
Transfers between funds	9	762,342	(762,342)	-	1,837,022	(1,837,022)	-
Net movement in funds		(763,324)	-	(763,324)	1,346,513	-	1,346,513
Balances brought forward at 1 January		7,888,497	-	7,888,497	6,541,984	-	6,541,984
Balances carried forward at 31 December		7,125,173	-	7,125,173	7,888,497	-	7,888,497

The notes on pages 18 to 30 form part of the financial statements. All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

Action Medical Research

Balance sheet as at 31 December 2024

(company no. 549089 England and Wales)

		31 December 2024	31 December 2023
	Note	£	£
Fixed assets			
Tangible assets	10	80,783	60,011
Investments	11	12,608,812	12,799,185
		12,689,595	12,859,196
Current assets			
Debtors	12	1,989,365	1,682,727
Cash at bank and in hand		703,799	872,470
		2,693,164	2,555,197
Creditors			
Amounts falling due within one year	13	(5,651,369)	(5,104,037)
Net current liabilities		(2,958,205)	(2,548,840)
Total assets less current liabilities		9,731,393	10,310,357
Creditors			
Amounts falling due after more than one year	13	(2,606,220)	(2,421,860)
Total net assets		7,125,173	7,888,497
The funds of the charity			
Unrestricted funds			
General funds		4,906,389	5,750,497
Designated funds	15	2,218,784	2,138,000
Restricted funds	15	-	-
Total charity funds		7,125,173	7,888,497

The notes on pages 18 to 30 form part of the financial statements.

The financial statements were approved and authorised for issue by the trustees on 30 April 2025 and were signed on their behalf by:



Luke Bordewich
Chair



Richard Wild
Honorary Treasurer

Action Medical Research

Statement of cash flows for the year ended 31 December 2024

		2024	2023
	Note	£	£
Cash flows from operating activities:			
Net cash (used) in operating activities	a	(330,472)	(538,734)
Cash flows from investing activities:			
Investment income and interest receivable		338,648	135,125
Payments to acquire investments		(5,876,671)	(11,112,345)
Payments to acquire tangible fixed assets		(56,156)	(55,148)
Receipts from disposals of investments		5,474,594	9,731,404
Receipts from disposals of tangible fixed assets		-	2,525,000
Net cash used in investing activities		(119,585)	1,224,036
Change in cash and cash equivalents in the reporting period		(450,057)	685,302
Cash and cash equivalents at 1 January 2024		1,153,856	468,554
Cash and cash equivalents at 31 December 2024	b	703,799	1,153,856
Notes to the statement of cash flows for the year ended 31 December 2024			
a) Reconciliation of net (expenditure)/income to net cash flows from operating activities			
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(763,324)	1,346,513
Adjustments for:			
Depreciation charges		35,384	19,141
Investment income and interest receivable		(338,648)	(135,125)
Losses/(Gains) on investments		311,064	802,708
(Profit) on the sale of fixed assets		-	(2,137,635)
Grants authorised		3,079,979	2,555,931
Grants paid		(2,331,822)	(2,319,244)
(Increase)/decrease in debtors		(306,638)	(427,852)
(Decrease)/increase in non-grant creditors		(16,466)	(243,216)
Net cash used in operating activities		(330,472)	(538,734)
b) Analysis of cash and cash equivalents			
Cash at bank and in hand		703,799	872,470
Cash held by investment managers		-	281,386
Total cash		703,799	1,153,856

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Action Medical Research

Notes to the financial statements for the year ended 31 December 2024

1. Liability of members

The company is limited by guarantee having no share capital and, in accordance with Clause 7 of the Memorandum of Association, every Member, as defined by Clause 2 of the Articles of Association (as amended by Special Resolution passed 10 July 1996), is liable to contribute a sum not exceeding £10 in the event of the charity being wound up while a Member or within one year thereafter. At 31 December 2024 there were 24 Members.

2. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

a) Basis of preparation and comparative information

The financial statements have been prepared for the year to 31 December 2024. Comparative information reflects the financial results for the year ended 31 December 2023.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities FRS 102 SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

b) Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

Our financial modelling indicates a steady increase to our income, building from very strong performance this year but also factoring the impact of current macro-economic challenges. A check on the charity's financial position and medium-term projections indicate that the charity would be able to continue delivering on its objectives and fulfil commitments as they fall due. Notwithstanding the uncertainty from the current economic challenges, given our reserves position we can and do approach 2025 with a degree of confidence and have continued to adopt the going concern basis of accounting.

The charity has sufficient liquid resources to continue as a going concern for the foreseeable future and the trustees believe the charity will be able to meet its liabilities as they fall due for at least twelve months from the date of approval of these financial statements, including sufficient reserves to enable the charity to operate in exceptional circumstances.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed as follows.

**c) Critical accounting estimates
and areas of judgement**

The most significant areas of adjustment and key assumptions that affect items in the financial statements are in respect to:

- assessing the probability of receiving legacies where the charity has been notified of its entitlement;
- estimating the liability for multi-year grant commitments;
- estimating the useful economic life of tangible fixed assets for the purposes of determining the annual depreciation charge; and
- determining the basis for allocating support costs across expenditure classification.

As set out in these accounting policies under going concern, the trustees have concluded that it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

d) Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, legacies, investment income and other income. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Grants and donations from government and other agencies and charitable foundations are included as income from activities in furtherance of the charity's objectives where these relate to a specific project or activity or take the form of a contract for services. Where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding, then the income is classified as a donation.

Donations and grants in respect to charitable activities are recognised when the charity has

confirmation of both the amount and settlement date. In the event of amounts pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation or grant is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Investment income is recognised once the dividend or interest has been declared and notification has been received of the amount due.

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

Action Medical Research

Notes to the financial statements for the year ended 31 December 2024

e) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accrual basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds include the salaries, direct costs and support costs associated with generating donated income, with the exception of small regional events where it is not practicable to separate costs from income, together with the fees paid to investment managers in connection with the management of the charity's listed investments; and
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs including governance costs.

Grants are included in full in the statement of financial activities in the year in which they are awarded.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity, it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs include the cost of running the administration, governance, finance and IT departments.

Support costs and governance costs are apportioned using percentages based on the time spent on the relevant activities by the employees of the charity.

f) Fixed assets and depreciation

All assets costing more than £2,000 are capitalised. Fixed assets are depreciated over their estimated useful life. Furniture and equipment and motor vehicles are depreciated at the rates of 20% and 25% per annum on cost respectively. IT equipment is depreciated at 33% per annum on cost. Buildings are depreciated at 2% on cost.

g) Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their mid-market value as at the balance sheet date. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise. Alternative investments for which there is no readily identifiable market price are included at the most recent valuations from their respective managers.

Realised gains and losses represent the differences between individual investment disposal proceeds and the related opening market values, or costs if acquired in the year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

h) Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

i) Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

j) Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

k) Fund structure

Unrestricted funds comprise amounts available for the general purposes of the charity. Designated funds are those funds set aside for future charitable commitments and expenditure in line with the charity's purpose. Restricted funds are donations or legacies which are given by the donor for a specific purpose within the overall aims of Action Medical Research.

l) Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the term of the lease.

m) Pension costs

The charity continues to operate a defined contribution scheme. Contributions to this scheme are charged as expenditure when they are payable. The charity's contributions are restricted to the contributions disclosed in note 8. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

n) Subsidiary undertaking

The charity has one subsidiary undertaking, Action Medical Research (Trading) Limited. The company was dormant during the year.

Action Medical Research
Notes to the financial statements for
the year ended 31 December 2024

3. Income

	Unrestricted funds	Restricted funds	Total 2024	Unrestricted funds	Restricted funds	Total 2023
	£	£	£	£	£	£
3.1 Donations and legacies						
Direct gifts from individuals and trusts	2,373,639	1,380,173	3,753,812	2,236,234	1,526,651	3,762,885
Legacies	345,542	48,849	394,391	266,187	220,000	486,187
Community & Events income	2,987,365	-	2,987,365	2,672,186	-	2,672,186
	5,706,546	1,429,022	7,135,568	5,174,607	1,746,651	6,921,258
3.2 Investments						
Investment income	338,648	-	338,648	135,125	-	135,125
	338,648	-	338,648	135,125	-	135,125
3.3 Charitable activities						
Government grant	-	706,543	706,543	-	929,702	929,702
	-	706,543	706,543	-	929,702	929,702
Total income	6,045,194	2,135,565	8,180,759	5,309,732	2,676,353	7,986,085

Donations Income received from supporters, local activities, trusts, regular donations and appeals.

Legacies Income from legacies notified during the period that can be reasonably measured.

Community & Events Income from events in UK and overseas organised on behalf of the charity.

Government grant Income from government grant represents funding from Business, Energy and Industrial Strategy (BEIS) to help sustain early-career researchers supported by medical research charities.

4. Investment income

	2024	2023
	£	£
UK equities	238,437	11,846
Overseas equities	-	14,360
UK fixed interest	-	16,002
Overseas fixed interest	-	32,310
Bank deposit interest	100,211	60,607
	338,648	135,125

5. Subsidiary undertaking

The charity has one subsidiary company limited by guarantee: Action Medical Research (Trading) Limited whose principal activity is derived from the sale of merchandise and other commercial activities.

For the years to 31 December 2024 and 31 December 2023 the company was dormant.

Action Medical Research
Notes to the financial statements for
the year ended 31 December 2024

6. Expenditure

	Grant awards	Direct costs	Support costs	Total 2024
31 December 2024	£	£	£	£
6.1 Raising funds				
Cost of fundraising	-	4,027,072	282,740	4,309,812
Investment management costs	-	87,746	-	87,746
	-	4,114,818	282,740	4,397,558
6.2 Charitable activities				
Grants for medical research	3,079,979	227,448	160,661	3,468,088
Medical research dissemination	-	510,401	256,972	767,373
	3,079,979	737,849	417,633	4,235,461
Total expenditure	3,079,979	4,852,667	700,373	8,633,019

	Grant awards	Direct costs	Support costs	Total 2023
31 December 2023	£	£	£	£
6.1 Raising funds				
Cost of fundraising	-	3,843,905	350,924	4,194,829
Investment management costs	-	119,122	-	119,122
	-	3,963,027	350,924	4,313,951
6.2 Charitable activities				
Grants for medical research	2,555,931	218,213	166,305	2,940,489
Medical research dissemination	-	458,518	261,496	720,014
	2,555,931	676,731	427,801	3,660,503
Total expenditure	2,555,931	4,639,758	778,725	7,974,454

6.3 Expenditure include charges for:

	Total 2024	Total 2023
	£	£
Fees payable to the charity's auditors for audit of the financial statements	23,640	22,272
Other fees payable to the charity's auditors	8,652	1,406
Depreciation (note 10)	35,384	19,141

Action Medical Research
Notes to the financial statements for
the year ended 31 December 2024

7. Support costs – general funds

	Staff costs	Other overheads	Total 2024	Total 2023
	£	£	£	£
Cost of raising funds	120,633	162,107	282,740	350,924
Research	112,313	48,348	160,661	166,305
Medical research dissemination	183,030	73,942	256,972	261,496
	415,976	284,397	700,373	778,725

Support costs include the cost of running the administration, governance, finance and IT departments. Support costs are apportioned using percentages based on the time spent on the relevant activities by the employees of the charity.

8. Analysis of staff costs – general funds

	2024	2023
	£	£
Wages and salaries	1,695,444	1,604,303
Social security costs	171,090	162,029
Pension costs	94,644	86,238
Redundancy	-	20,308
Total	1,961,178	1,872,878

The pension charge for the year comprises of Action Medical Research Group Personal Pension Plan which is a defined contribution scheme and the charge for the period represents those contributions payable to the scheme in respect of the accounting period.

The average number of full-time equivalent employees, analysed by function, was:

	2024	2023
Grant administration	5	5
Medical research dissemination	5	4
Fundraising	26	24
Support	5	5
Charity governance	1	1
	42	39

The average monthly headcount was 51 staff (2023 49).

The number of staff whose emoluments (including taxable benefits but excluding employer national insurance and pensions contributions) were over £60,000 fell within the following bands:

	2024	2023
£60,001 to £70,000	2	2
£70,001 to £80,000	2	1
£80,001 to £90,000	1	1
£100,001 to £110,000	1	1

Action Medical Research
Notes to the financial statements for
the year ended 31 December 2024

8. Analysis of staff costs (continued)

Contributions totalling £17,386 (2023 £17,373) were paid in the period to a defined contribution pension scheme in respect of the above employees.

The total remuneration (including taxable benefits, employer national insurance and pension contributions) of the key management personnel for the year was £455,825 (2023 £437,986).

Trustee remuneration

No fees are paid to trustees for their services as board members (2023 none). Directly incurred expenses are reimbursed, if claimed. In the year to 31 December 2024 £nil was claimed (2023 £nil).

9. Transfers

During the year the charity was awarded grants from third parties to support specific research projects which had been funded in previous years from the charity's unrestricted funds. These grants have been recorded as restricted income and then transferred to reflect the reimbursement from the restricted to unrestricted funds.

10. Tangible fixed assets

	Fixtures and fittings	Totals
	£	£
Costs		
At 1 January 2024	93,953	93,953
Additions	56,156	56,156
At 31 December 2024	150,109	150,109
Depreciation		
At 1 January 2024	33,942	33,942
Charge for period	35,384	35,384
At 31 December 2024	69,326	69,326
Net book value at 31 December 2024	80,783	80,783
Net book value at 31 December 2023	60,011	60,011

All fixed assets are held for the charity's own use.

Action Medical Research
Notes to the financial statements for
the year ended 31 December 2024

11. Fixed asset investments

	2024	2023
	£	£
Market value:		
At 1 January	12,799,185	12,113,327
Net funds invested in / (withdrawn from) portfolio	120,691	(647,434)
Realised gains	14,396	317,359
Unrealised (losses)	(325,460)	(1,120,067)
Acquisition of fixed-term deposit	-	2,136,000
At 31 December	12,608,812	12,799,185

Listed investments		
Charity Asset Trust	10,470,511	-
UK equities	-	1,415,882
Overseas equities	828	1,766,803
UK fixed interest	-	1,968,840
Overseas fixed interest	-	3,975,277
Foreign currency contracts	-	33,623

Unlisted investments		
Alternative investments	-	1,219,901
Associated company (see below)	1,473	1,473
Cash held by investment manager	-	281,386
Fixed-term deposit	2,136,000	2,136,000
	12,608,812	12,799,185

Cost of investments	12,681,447	12,962,325
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At 31 December 2024 listed investments included the following material individual holdings:

	Market value of holding £	Percentage of overall portfolio
Ruffer Charity Asset Trust	10,470,511	99.99%

Unlisted investments – associated company: this represents the charity’s 24.9% shareholding in Helpcards Limited. The principal activity of Helpcards Limited is the publishing of Christmas cards. Its turnover for the year ended 30 April 2024 was £121,811 (2023 £129,588) with a profit of £89,500 (2023 £100,829). The total distribution to the charitable company’s shareholders was £110,000 (2023 £110,000).

Action Medical Research
Notes to the financial statements for
the year ended 31 December 2024

12. Debtors

	31 December 2024	31 December 2023
	£	£
Prepayments	743,609	453,574
Accrued income due within 1 year	915,727	540,520
Accrued income due in more than 1 year	231,569	410,872
Other debtors	70,356	236,565
Income tax recoverable	28,104	40,896
	1,989,365	1,682,727

13. Creditors

	Amounts falling due within one year		Amounts falling due after more than one year	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	£	£	£	£
Research grants payable (note 16)	4,398,677	3,834,880	2,606,220	2,421,860
Trade creditors	789,578	1,018,512	-	-
Accruals	216,994	52,272	-	-
Taxation and other social security costs	(1,084)	51,794	-	-
Deferred income	247,204	146,579	-	-
Total	5,651,369	5,104,037	2,606,220	2,421,860

At 31 December 2024, in addition to its tangible fixed asset and investment holdings and long-term grant commitments, the charity had net current liabilities of £2.9m (2023 £2.5m). The trustees do not anticipate that this financial position will require a considerable drawdown from the investment portfolio in 2025 given that these short-term grant commitments will be partly met from future income and, furthermore, although technically falling due within one year, some of these grant commitments are likely to be paid after the 2025 financial year.

14. Related party transactions

At the meeting of trustees held on 25 April 2025 the trustees confirmed that, following appropriate enquiries, they were not aware of any related party transactions which required disclosure in the financial statements, but wished to disclose the following trustee connection:

Due to the nature of the charity's operations and the composition of the trustees (some being drawn from medical or research organisations), it is possible that transactions may take place with organisations in which a trustee may have an interest, including the awarding of research grants (see note 18). All grant transactions involving organisations in which a trustee may have an interest are conducted at arms' length and in accordance with the charity's financial regulations and normal procedures. No such transactions were identified which should be disclosed under Financial Reporting Standard 102 Section 33.

Fundraising, sponsorship and donations totalling £9,812 (2023 £10,653) were received by the charity from trustees.

Action Medical Research
Notes to the financial statements for
the year ended 31 December 2024

15. Restricted and designated funds

The charity receives restricted donations, legacies and events income to assist in the charity's funding of specific research projects. In 2024 the total of this restricted income was £2,135,565 (2023 £2,676,353) and the amount utilised from this to fund the relevant research and other related costs was £1,373,223 (2023 £839,331). During the year, £762,342 (2023 £1,837,022) was transferred to unrestricted funds being a reimbursement of expenditure incurred for restricted fund purposes but met out of the unrestricted fund balances in the first instance.

At 31 December 2024 the charity had a nil balance in restricted funds (2023 £nil). The Designated Funds are to be spent over the next 10 years on: future new opportunities to develop medical research to help children (£2m); and on future infrastructure development (£138k).

16. Research grants

	31 December 2024	31 December 2023
Research grants payable	£	£
Amounts outstanding at 1 January	6,256,740	6,020,053
New research grants awarded (note 6)	3,079,979	2,555,931
Amounts paid during the year	(2,331,822)	(2,319,244)
Amount outstanding at 31 December	7,004,897	6,256,740
The outstanding balance is payable:		
Within one year (note 13)	4,398,677	3,834,880
After more than one year (note 13)	2,606,220	2,421,860
	7,004,897	6,256,740

Analysis of awards made in 2024 – please see list on pages 29-30.

17. Reconciliation of movements on unrealised gains

	2024	2023
	£	£
Unrealised gains at 1 January	(163,141)	1,284,122
Add: in respect to disposals in year	415,966	(327,196)
Add: net gains/(losses) arising on revaluations in the year	(325,460)	(1,120,067)
Total unrealised gains at 31 December	(72,635)	(163,141)

Action Medical Research
Notes to the financial statements for
the year ended 31 December 2024

18. Analysis of awards made in 2024

Institution	Title	Grant award £
Centre for Perinatal Research Queen Mary Medical Centre Nottingham	Reducing infections from breathing tubes in premature babies	£274,690
Translational & Clinical Research Institute Newcastle University	Inborn errors of immunity: improving the outcomes of stem cell transplantation	£274,999
Paediatric Neuroimaging Group Oxford University	Improving outcomes for premature babies: can gentle touch reduce pain?	£274,951
Newcastle University School of Pharmacy	Cystinosis: engineering new forms of cysteamine to improve palatability and shelf life	£176,636
Centre for Adolescent Rheumatology University College London #	Juvenile systemic lupus erythematosus (JSLE): identifying children at risk of cardiovascular disease	£242,545
University College London Great Ormond Street Institute of Child Health #	Histone deacetylase inhibitors and oligonucleotide antisense double treatment for DMD	£175,252
University of Exeter Department of Clinical and Biomedical Sciences	Developing an effective treatment for neurofibromatosis type 1	£128,644
Institute of Cancer and Genomic Sciences, College of Medical and Dental Sciences, University of Birmingham; Department of Endocrinology, Birmingham Women's and Children's Hospital	New treatments for rare childhood onset neurological diseases, Niemann-Pick type C1 disease and Wolfram syndrome	£249,999

Action Medical Research
Notes to the financial statements for
the year ended 31 December 2024

Analysis of awards made in 2024 continued

Institution	Title	Grant award £
Royal Veterinary College Department of Comparative Biological Sciences	Preterm birth: preventing brain injury with a novel therapy	£196,306
University of Cambridge Department for Paediatrics #	Ventilator-associated pneumonia (VAP): developing a tool to predict lung infections in children who are critically ill	£199,999
King's College London Department of Perinatal Imaging and Health #	Neurodevelopmental conditions: a new way to understand social brain processing in autism by combining MRI scanning and virtual reality	£199,956
St Mary University Hospital Department of Surgery and Cancer	Respiratory infections: developing a novel non-invasive breath test to diagnose bacterial chest infections in critically ill children	£199,977
Zayed Centre for Rare Disease Research University College London #	Epilepsy: putting the brake on sodium channels	£199,526
King's College London Department of Psychology #	Epilepsy: identifying early life predictors of later neurodevelopmental outcomes	£196,701
Grants		2,990,181
Grant adjustments		89,798
Total grants spend 2024 (note 6)		3,079,979

denotes a grant made to an institution with which a trustee, holding office at the time of the decision, had a related party connection. Any trustee with a related party connection is excluded from council decisions approving such grants.

Advisory Committees serving Council of Trustees

Investment and Audit Committee

Chair and Honorary Treasurer

Richard Wild

Mark Everitt

Rajat Sharma (retired 28 November 2024)

Risk Management Committee

Chair

Richard Stoneham-Buck

Julie Buckler

Karen Last

Kathy Harvey

Steering Committee

Chair

Luke Bordewich

Richard Wild

Julie Buckler

Marketing Insights Panel

Chair

Tobin Aldrich

Julie Buckler

Emily Casson

Kate Cox

Lewis Coghlin

David Haseler

Karen Jankel (retired 30 September 2024)

Rachel Molho

Sarah Moss

Richard Stoneham-Buck

Robert MacDonald

David Hammond

Clare Ferguson (appointed 2 October 2024)

Scientific advisory panel

Chair

Professor Stephanie Schorge PhD

Professor Simon Bailey MBChB MRCP PhD
(joined May 2024)

Professor Diana Baralle MBBS MD FRCP (on sabbatical)

Professor Joanne Blair MB ChB MRCP MRCPC MD
(joined May 2024)

Professor James Boardman MBBS MSc PhD

Professor Adnan Custovic MD PhD FRCP FMedSci

Professor Deborah Gill PhD

Professor Ed Johnstone MBChB PhD MRCOG

Professor Pablo Lamata PhD

Professor Robert McFarland MA MBBS PhD MRCP FRCPCH

Professor Juan Kaski MD(Res) FRCP FESC (joined July 2024)

Associate Professor Nazima Pathan PhD FRCP
(joined August 2024)

Professor Padmanabhan Ramnarayan MD FRCPCH FFICM
(joined July 2024)

Dr Claire Thornton PhD (joined August 2024)

Professor Brigitte Vollmer Dr.med PhD FRCPCH
(joined August 2024)

*Additionally for joint Action Medical Research/LifeArc project
grant applications on rare disease research*

Dr Thorsten Forster PhD

Dr Andy Merritt PhD CChem

Professor Felicity Rose PhD FHEA

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