

**THE ROYAL SOCIETY FOR THE PREVENTION OF ACCIDENTS**  
**(a company limited by guarantee)**

**Report and Financial Statements**

**Year ended 31 March 2014**

**Charity No: 207823 for England and Wales**  
**Charity No: SCO39289 for Scotland**

**Company No: 231435**

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## Reference and Administrative Details

### Legal Status

The Royal Society for the Prevention of Accidents (RoSPA) is a registered charity, No.207823 and a Company registered in England and Wales, No.231435 and Scotland, SCO39289, limited by guarantee and having no share capital. There were 4,005 members as at 31 March 2014 who are liable to contribute 50p each in the event of the Society being wound up.

### Trustees

Lord Jordan of Bournville CBE – President	Resigned 8 <sup>th</sup> November 2013
Mr E Wiles – Chairman	Resigned 8 <sup>th</sup> November 2013
Mr M Hampson – Chairman	
Mr I Bucknell – Hon Treasurer	
Mr J Clayton	Resigned 8 <sup>th</sup> November 2013
Mr E L Clark	
Dr D Lloyd	
Mrs M O'Mahony	
Mr M Parker CBE	
Mr P Brown	Appointed 1 <sup>st</sup> September 2013
Professor S Page	Resigned 19 <sup>th</sup> February 2014
Professor Y Doyle	
Mrs Jocelyn McNulty	Appointed 8 <sup>th</sup> November 2013

### President

Lord McKenzie of Luton Appointed 8<sup>th</sup> November 2013

### Chief Executive

Mr T Mullarkey MBE

### Company Secretary

Mr M Penny

### Registered Office

RoSPA House, 28 Calthorpe Road, Edgbaston, Birmingham, B15 1RP

### Auditors

BDO LLP, 125 Colmore Row, Birmingham, B3 3SD

### Bankers

Lloyds Bank plc, 142 Edgbaston Park Road, Birmingham, B15 2TY

### Solicitors

DWF LLP, One Snowhill, Birmingham, B46 6GA

### Fund Managers

Jupiter Asset Management Ltd, 1 Grosvenor Place, London, SW1X 7JJ

## **Structure, Governance and Management**

### **Governance and Internal Control**

RoSPA is governed by its Memorandum and Articles of Association and has members, who may be individuals or corporate bodies. RoSPA also has Honorary Members, appointed at the discretion of RoSPA's Board of trustees (known as the "Board"). RoSPA holds its AGM in November each year.

### **Trustees**

As set out in the Articles of Association, RoSPA is governed by the Board. The trustees, of whom there are currently 9, are individually elected annually. The normal term of office is 5 years, although exceptionally trustees may serve for up to 10 years, at the discretion of the Board. Trustees are appointed at, and by, RoSPA's Annual General Meeting.

The requirement for new trustees arises on the retirement or resignation of existing trustees or where the Nominations Committee (see next section) identifies the need for new skills.

In selecting new trustees the Board seeks to achieve a range of skills and experience appropriate to the mission and objectives of the Society as the UK's leading safety charity.

Trustees may be recruited from, or on the recommendation of, organisations that encompass particular skills sets or professional skills. However, appointment of a trustee is based on the quality and skills of the individual and not simply by nomination of a particular organisation.

An informal interview process will take place before an individual is recommended to the Board as a prospective new trustee. On appointment, a new trustee will be given an induction pack and have induction meetings with RoSPA's senior managers. Trustees are encouraged to attend RoSPA events. On appointment, and during their term of office, training needs are identified and addressed.

Trustees at all times operate under the powers and duties given to them by the Memorandum and Articles of Association and under the various statutes relating to Trustees and Charities.

The trustees normally meet four times a year as the Board. The Board governs the charity and delegates specific responsibilities to sub-committees comprising the Nominations Committee (NomCom), the Remuneration Committee (RemCom), the Audit Committee and the Pensions Sub-Committee. These committees are all made up of trustees with senior members of RoSPA staff in attendance to support the decision-making processes.

All committees operate under specific terms of reference and their decisions are ratified by the Board.

## Management Committees and the decision-making process

### *The Board (of Trustees)*

RoSPA's Board of Trustees are Directors of RoSPA for the purposes of the Companies Act. The Board governs the charity and delegates certain powers to the following entity and committees:

- *RoSPA Enterprises Ltd (REL)*

REL is a registered company, wholly owned by RoSPA. The Board of REL reports to the Board of RoSPA. REL optimises RoSPA's income from commercial business opportunities, oversees the production of RoSPA's annual business plans, recommends and develops new commercial activities and monitors business performance. It also makes decisions to invest or divest and adjust strategic direction to maximise sustainable contribution.

- *Nominations Committee (NomCom)*

The RoSPA Nominations Committee monitors and reviews the skills mix of the Board, identifies areas for improvement and makes recommendations to the Board on matters relating to the recruitment of new trustees.

- *Remuneration Committee (RemCom)*

RemCom determines, within the policy approved by the Board, the remuneration of the Chief Executive, other Executive Committee members and the overall level of staff pay.

- *Audit Committee*

The Audit Committee reviews and reports to the Board on any financial statements produced for statutory and regulatory purposes, reviews the reports and findings of the external auditors and reviews the processes governing risk management and internal control within RoSPA.

- *Pensions Sub-Committee*

The Pensions Committee, established in November 2013, reviews and reports to the Board on all matters relating to RoSPA's Retirement and Death Benefits Plan; a closed-ended final salary scheme, including but not restricted to funding and valuation issues with the objective of reducing the scheme's funding deficit of circa £5 Million.

## **Objectives and Activities**

RoSPA's Mission and Vision are its reason for being and are fundamental to all that it does. Our focus is very much on making a practical difference to people's lives:

RoSPA's Mission:  
**To save lives and reduce injuries**

RoSPA's Vision:  
**To lead the way in accident prevention**

How RoSPA delivers its Mission and Vision adapts over time to reflect the safety issues and challenges facing people in an ever changing world. Increasingly RoSPA seeks to demonstrate the effectiveness and value of the work that RoSPA does. RoSPA seeks to effect positive change through its work as a promoter of key safety issues and as a provider of relevant services. The Society collects data, carries out research, develops policies, informs, educates, audits and provides expert consultancy in each of the following areas:

- At work
- At leisure
- On the road
- In the home
- By influencing and informing
- By developing risk education

### **Public Benefit**

A comprehensive review of RoSPA's activities during the year ended 31<sup>st</sup> March 2014 is presented below. Through these initiatives, RoSPA continued to focus on achieving its mission and vision and the trustees are satisfied that the Charity continues to meet the required public benefit test: there is a clear public benefit and RoSPA's activities are designed and implemented to meet it.

For further information and a more detailed review of achievements and performance, see also RoSPA's Annual Review for the year ended 31 March 2014.

## **Strategic Report**

The trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their Strategic Report and the audited Financial Statements for the year ended 31st March 2014.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2005) 'Accounting and Reporting by Charities' issued by the Charity Commission.

The Strategic Report of the trustees comprises the following sections:

- Achievements and Performance
- Financial Review of RoSPA 2013/14
- Plans for Future Periods
- Principal Risks and Uncertainties

### **Achievements and Performance**

During 2013/14, RoSPA took a big step forward in engaging the public in its mission to save lives and reduce injuries when it launched the UK's first Family Safety Week. Held from March 24-28, the week enabled people to find out about the common causes of accidents and the simple steps to prevent them. There were more than 3,800 unique visits to [www.familysafetyweek.org.uk](http://www.familysafetyweek.org.uk) during the week, and nearly 700 people completed the National Accident Survey to report accidents that had affected their loved ones and suggest ideas for future prevention activities.

Improving help on accident prevention was also the aim of various website developments. For example, [www.helpingdrivers.com](http://www.helpingdrivers.com) and [www.childcarseats.org.uk](http://www.childcarseats.org.uk) were completely revised to provide clearer advice to families on important road safety topics, and [www.childsafetyscotland.org.uk](http://www.childsafetyscotland.org.uk) was established to pass on home, road and water safety information to the families of children aged up to 11.

Practical accident prevention help was offered to families through Scotland's Home Safety Equipment Scheme, household cleaning products campaigns in Birmingham, Liverpool and Scotland, and the continuation of the Be Gas Safe carbon monoxide programme - which was found to have saved lives in at least three families. There was also a significant development in RoSPA's blind cords campaign, with the strengthening of a European standard.

For professionals, RoSPA published *Delivering accident prevention at a local level in the new public health system* - an in-depth online handbook - and *Northern Ireland's Big Book of Accident Prevention* was also produced.

As part of its ongoing commitment to encourage effective and proportionate health and safety management in schools and colleges, RoSPA launched the SchoolSafe review programme. It also entered into partnerships with organisations in the leisure industry, enabling more people to benefit from the philosophy that life should be "as safe as necessary, not as safe as possible".

More generally, RoSPA continued to expand its occupational health and safety services across the UK, making the courses more accessible to safety professionals.

RoSPA is grateful for the advice and guidance of its members and others in supporting the development of its work through four national safety committees and one national safety forum in the areas of home, road, work, leisure safety and in safety education. RoSPA works to an annual programme in each of these areas which is based upon a set of key safety issues designed to highlight problems and bring about change in subjects as diverse as driver behaviour, safer building design and the responsibilities of directors for safety at work.

An overview and highlights of the services on offer and the successful progress of RoSPA's work is set out in the Annual Review which can be found on the Society's website [www.rosipa.com](http://www.rosipa.com) with more information and greater detail provided on the pages of the website itself.

The RoSPA website continues to be popular with almost 5 million visits during the year and enabling over 2 million downloads of documents offering a wide variety of technical information and advice.

### **Financial Review of RoSPA 2013/14**

The Society produced a trading surplus of £1k (2013: surplus £190k) for the year; a healthy outcome after allowing for a major investment in new systems of £190k during the year. The systems will replace RoSPA's existing client relationship management and finance systems with more efficient systems during 2014/15 to improve internal management information and reporting for years to come. The £1k surplus comprised an increase in unrestricted funds of £774k and a reduction of £773k in restricted funds. After accounting for an unrealised loss on investments of £35k (2013: £234k gain) and an actuarial gain on the final salary pension scheme of £155k (2013: £1,081k loss) there was a net surplus for the year of £121k (2013: £657k net deficit).

The Group continued to maintain a healthy bank balance; at the year end, cash balances totalled £2,309k (2013: £2,383k). Turnover increased by 6.6% to £8,787k (2013: £8,241k), while Scotland traded successfully during the year, comprising 11% of total revenues (2013: 9%).

In overview, 36.1% of the Society's income for the year came from Grants, Sponsorship and Membership with the remainder coming from chargeable activities. These activities are in line with the charitable objectives of the Society and include training in safety, implementation of safety audit procedures, awards for best practice and the hosting of events to assist in the implementation of new legislation and other key initiatives.

RoSPA's wholly owned trading subsidiary, RoSPA Enterprises Ltd (REL), continued to trade successfully during the period, providing training and consultancy, advertising and sponsored activities such as the RoSPA Occupational Health & Safety Awards Scheme. For the year ended 31st March 2014 REL made a covenanted payment to the Charity, included in the results discussed above, of £504k, representing all of its taxable profits (2013: £468k).

Further information about the extensive range of activities and services provided through REL are included in the Annual Review and on the RoSPA website.



## Pension Scheme

Considerable focus was given during the year to RoSPA's final salary pension scheme. A pensions sub-committee of the Board was established in November 2013 to monitor the deficit more closely and new actuarial advisers, Broadstone were recruited, to advise on how best to mitigate this long term liability.

Despite being closed to new members and new accrual since 2001 the deficit, under FRS17, remains significant; £5,147k at year end, (2013: £5,337k). Nevertheless, RoSPA has no external debt other than trade creditors and has been successful at strengthening its balance sheet over recent years to provide a strong covenant for this long term liability. Increased funding has been agreed for the next three years, supplemented by an agreement to make additional contributions insofar as the Society exceeds its annual financial targets, with a view to clearing the funding deficit over the medium term.

## Reserves

The trustees continue to recognise the need to hold sufficient free reserves to protect the continuation of RoSPA's core activities. These reserves should allow the organisation to plan ahead with a reasonable degree of confidence in the event of income shortfalls due to economic or market downturns and to undertake effective long-term strategic planning.

Free reserves available for use by RoSPA comprise those that are readily realisable, less funds subject to restricted uses or designated for particular purposes and fixed assets. At 31<sup>st</sup> March 2014 these comprised a total of £2,533k (March 2013 £2,489k), an increase of £44k for the year.

The ongoing target level for RoSPA's free reserves should approximately equate to six months of fixed operating costs or £2,500k, reflecting the variability of commercial returns and the fact that RoSPA's income is predominantly self-generated via its training and associated activities. Hence we are currently operating at our target level of free reserves. Restricted reserves at 31<sup>st</sup> March 2014 were £503k (March 2013: £660k) as analysed in Note 2 to these accounts.

## Investment Portfolio

The investment portfolio managed by Jupiter Asset Management, London, reduced by £35k (plus expenses of £13k) during the period to £2,256k.

The Investment Policy continues to target three objectives:

- a) The maintenance/enhancement of invested funds – Jupiter are seeking to deliver CPI+4% over the investment cycle;
- b) a reasonable balance between capital growth and income; and
- c) the avoidance of undue risk.

The Policy also seeks to achieve a sound financial return while not investing in assets which could be detrimental to the aims and objectives of the Society.

Jupiter's Private Client and Charity business and investment teams were acquired by Rathbone Investment Management Limited, London, during April 2014 and RoSPA has agreed to transfer its portfolio to the new company.

### **Plans for Future Periods**

In policy terms, RoSPA will continue to develop the key safety messages and issues programmes it currently pursues, with the goal of cutting accident rates across all areas. This will continue to involve working with governmental and other organisations to develop effective strategies for reducing accidents and avoiding the lost opportunities and adverse societal impacts they cause.

In terms of its business activities, RoSPA will continue to focus on managing its affairs professionally and efficiently and on providing high quality training and consultancy to its clients, supported by leading edge seminars and congresses developing discussion and information exchange on emerging issues.

RoSPA's aim is to ease access to knowledge and good practice through face-to-face contact and via information systems, which are increasingly used by business where staff time is at a premium.

An existing project, commenced in 2013/14, to replace RoSPA's client relationship management (CRM) and finance systems with more modern and efficient business systems will go live during 2014/15 and is targeted to both improve the quality of internal management information and improve online access to RoSPA's databases for its clients and other stakeholders.

### **Principal Risks and Uncertainties**

#### **Identification and Management of Risks**

The Board assesses business risks and implements risk management strategies. The trustees are pleased to report that the Charity's internal financial controls conform to guidelines issued by the Charity Commission. In addition, the trustees have considered the guidance for directors of public listed companies contained within the Turnbull and Higgs reports.

A Risk Register has been prepared to help manage the risk process. It contains all risks identified, and is subject to regular review. A formal review of the risk management processes is undertaken on an annual basis.

The key controls used by the charity include:-

- Formal agenda for all Board and Committee activity.
- Detailed terms of reference for all Committees.
- A commitment to selecting suitable nominated trustees and where applicable, to provide risk training.
- A process for strategic planning, budget setting and management accounting.
- Established organisational structure with clear lines of reporting.
- Written policies, clear authorisation and approval levels.
- Clear allocation of all significant risks to named individuals.

Through the established risk management processes, the Board is satisfied that, while systems can only provide reasonable rather than absolute assurance, the major risks encompassing the final salary pension deficit, the major systems replacement project and related issues, have been identified and appropriately managed as necessary.

## **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the Strategic Report, Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The trustees are also responsible for preparing the financial statements in accordance with 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity, and to enable them to ensure that the financial statements comply with the Companies Act 2006.

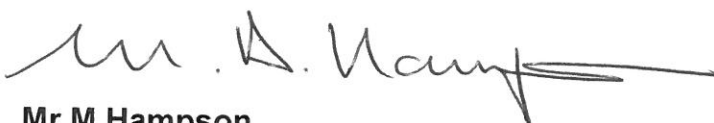
They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charitable company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charitable company's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

## **Auditors**

All of RoSPA's current trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The trustees are not aware of any relevant audit information of which the auditors are unaware.

The Board of Trustees approved this report on 12th September 2014.



**Mr M Hampson**  
Chairman

## **Independent Auditor's Report**

To the Members and Trustees of the Royal Society for the Prevention of Accidents  
(RoSPA)

We have audited the financial statements of RoSPA for the year ended 31 March 2014 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's Trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's Trustees and 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 charity and the charity's Trustees and 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.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on financial statements**

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2014 and of the group's 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 prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### **Opinion on other matters 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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records or 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.



Don Bawtree, Senior Statutory Auditor  
For and on behalf of BDO LLP, Statutory Auditor  
Birmingham  
United Kingdom  
Date:

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

24 September 2014

**Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account) for the 12 months ended 31 March 2014**

	Note	2014	2014	2014	2013
		£	£	£	£
		<u>Unrestricted</u>	<u>Restricted</u>	<u>Total Funds</u>	
<b>Incoming Resources</b>					
<b>Activities in furtherance of the charity's objects:</b>					
At Work		5,124,014	105,528	<b>5,229,542</b>	4,644,541
At Leisure		237,773	86,750	<b>324,523</b>	377,714
On the Road		1,425,191	473,956	<b>1,899,147</b>	1,837,336
In the Home		52,377	820,011	<b>872,388</b>	927,054
By influencing and informing		72,787	278,715	<b>351,502</b>	257,714
<b>Royalties and Other Income</b>		21,710	-	<b>21,710</b>	78,521
<b>Investment Income</b>	3	88,312	-	<b>88,312</b>	93,719
<b>Net Gain on Disposal of Fixed Assets</b>		-	-	<b>-</b>	24,819
<b>Total incoming resources</b>	2	<u>7,022,164</u>	<u>1,764,960</u>	<b>8,787,124</b>	8,241,418
<b>Resources Expended</b>					
<b>Costs of Activities in furtherance of the charity's objects:</b>					
At Work		4,785,093	204,764	<b>4,989,857</b>	4,639,025
At Leisure		36,686	383,691	<b>420,377</b>	371,027
On the Road		1,062,553	622,402	<b>1,684,955</b>	1,528,705
In the Home		(39,217)	999,128	<b>959,911</b>	767,247
By influencing and informing		76,980	328,175	<b>405,155</b>	617,177
<b>Central and Governance</b>		326,084	-	<b>326,084</b>	128,293
<b>Total resources expended</b>	4	<u>6,248,179</u>	<u>2,538,160</u>	<b>8,786,339</b>	8,051,474
<b>Net incoming resources before transfers</b>		773,985	(773,200)	<b>785</b>	189,944
Transfers between funds	2	(615,834)	615,834	<b>-</b>	-
<b>Net incoming resources</b>		158,151	(157,366)	<b>785</b>	189,944
Unrealised (Loss)/Gain on investment assets	9	(35,179)	-	<b>(35,179)</b>	234,160
Actuarial (Loss)	16	155,000	-	<b>155,000</b>	(1,081,000)
<b>Net movement in funds</b>		<u>277,972</u>	<u>(157,366)</u>	<b>120,606</b>	(656,896)
<b>Fund Balances brought forward at 1 April 2013</b>	2	(615,475)	660,410	<b>44,935</b>	701,831
<b>Fund Balances carried forward at 31 March 2014</b>	2	<u>(337,503)</u>	<u>503,044</u>	<b>165,541</b>	44,935

All of the above results are derived from continuing activities. All gains and losses in the year are included above. The notes on pages 15 to 29 form part of these financial statements.

**Consolidated and Charity Balance Sheets as at 31 March 2014**

	Note	Group 2014	Group 2013	Charity 2014	Charity 2013
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	5	<b>2,276,183</b>	2,232,982	<b>2,276,183</b>	2,232,982
Heritage Assets	6	<b>75,000</b>	75,000	<b>75,000</b>	75,000
Investment	7,9	<b>2,255,671</b>	2,303,599	<b>2,255,673</b>	2,303,601
		<b>4,606,854</b>	4,611,581	<b>4,606,856</b>	4,611,583
<b>Current Assets</b>					
Debtors	8	<b>1,851,235</b>	1,844,531	<b>1,528,287</b>	1,469,881
Cash at Bank and in Hand		<b>2,309,188</b>	2,383,238	<b>2,287,473</b>	2,369,412
		<b>4,160,423</b>	4,227,769	<b>3,815,760</b>	3,839,293
Creditors: amounts falling due within one year	10	<b>(3,454,736)</b>	(3,457,415)	<b>(3,307,294)</b>	(3,338,435)
<b>Net Current Assets</b>		<b>705,687</b>	770,354	<b>508,466</b>	500,858
<b>Total Assets less Current Liabilities</b>		<b>5,312,541</b>	5,381,935	<b>5,115,322</b>	5,112,441
Pension Liability	16	<b>(5,147,000)</b>	(5,337,000)	<b>(5,147,000)</b>	(5,337,000)
<b>Net Assets</b>		<b>165,541</b>	44,935	<b>(31,678)</b>	(224,559)
<b>Funds :</b>					
Unrestricted Funds excluding the Pension Liability		<b>4,809,497</b>	4,721,525	<b>4,809,497</b>	4,721,525
Pension Liability	16	<b>(5,147,000)</b>	(5,337,000)	<b>(5,147,000)</b>	(5,337,000)
Unrestricted Funds	2	<b>(337,503)</b>	(615,475)	<b>(337,503)</b>	(615,475)
<b>Restricted Funds</b>	2	<b>503,044</b>	660,410	<b>305,825</b>	390,916
<b>Total Funds</b>	2	<b>165,541</b>	44,935	<b>(31,678)</b>	(224,559)

The financial statements on pages 12 to 29 were approved by the trustees on 12th September 2014 and signed on their behalf by:

Mr M Hampson  
Chairman

The notes on pages 15 to 29 form part of these financial statements.





**Consolidated Cash Flow Statement for the 12 months ended 31 March 2014**

	Note	2014 £	2013 £
<b>Net cash outflow from operating activities</b>	11	<u>96,038</u>	<u>(8,050)</u>
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets	5	(182,837)	(76,420)
Proceeds from sale of tangible fixed assets		-	226,850
Proceeds from sale of investment assets		12,749	12,630
		<u>(170,088)</u>	<u>163,060</u>
<b>Financing</b>	11	(74,050)	155,010
<b>(Decrease)/Increase in cash in the year</b>	11	<u><u>(74,050)</u></u>	<u><u>155,010</u></u>

The notes on pages 15 to 29 form part of these financial statements.

## Notes forming part of the financial statements for the year ended 31 March 2014

### 1. Accounting policies

#### a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of freehold land and buildings and the inclusion of investments at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) 2005 and applicable accounting standards including FRS17.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

#### b) Fund accounting

Unrestricted Funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. This includes funds received under supply contracts which may be restricted as to their purpose but cannot be classed as such due to their legal status.

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors. The cost of administering such funds is charged against each specific fund. The aim and use of each restricted fund is set out in note 2 to the financial statements. Restricted Funds include funds for distribution. These are funds passed through the society to forward to other charities or to benevolent causes, and do not represent activity of the Society itself. Distribution funds are not included in the calculation for irrecoverable VAT. The funds assets are held entirely as cash at bank and in hand.

Funds that partially sponsor an activity or event are charged with cost equal to the sponsorship value.

Overhead costs are charged to grant-funded activities, whether or not they are specifically referenced by the grant provider. Allocation is by head count, except helpdesk, press office and website costs which are allocated by activity level.

Where the funding does not cover the costs a balance is transferred from unrestricted funds to cover any deficit. For the year ended 31 March 2014 the value of this transfer was £615,834.

#### c) Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Subscriptions are receivable on varying dates throughout the year and are apportioned on a time basis; the proportion received in advance being carried forward in the balance sheet.

Where funding is provided by way of grants and sponsorship, the monies are separately accounted for as Restricted Funds and applied to the projects specified by their providers. Grant income is accounted for on a receivable basis.

Income is deferred to future periods from the period when it is received to the period to which it relates. This includes income for membership, training courses and events.

**d) Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where possible, costs have been allocated directly to the activity to which they relate. However, there are also shared support costs that enable the charity's charitable, income generating and governance activities to be undertaken. These costs have been allocated to the Charity's activities using appropriate cost drivers as follows:

1. Staff Numbers for administration, IT, Human Resources, Accountancy, WP, Edgbaston, Calthorpe Road and facilities costs.
2. Press Office, Information Centre and Website on number of enquiries and level of activity.

**e) Tangible fixed assets and depreciation**

Tangible fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets except freehold land at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Freehold buildings	over 50 years
Short leasehold properties	over term of lease
Office equipment	over 6-7 years
Computer equipment	over 4 years

Purchases are recognised as fixed assets only if the economic life of the purchase can reasonably be expected to be at least as long as the depreciation period, and purchase cost exceeds £500.

On the initial adoption of FRS-15 'Tangible Fixed Assets' the Society had taken advantage of the transitional arrangements of the standard, to retain the existing book values (including those of its unimpaired tangible fixed assets, which were previously stated in the valuation) as at that date.

**f) Investments**

The investments are stated at their market value at the year end. The investment policy is determined by the Board, and is reviewed every three years.

**g) Pension costs**

The charity has adopted accounting standard FRS-17 "Retirement Benefits".

The difference between the fair value of the assets held in the charity's defined benefit pension scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the charity's balance sheet as a pension scheme liability. The carrying value of any resulting pension scheme asset is restricted to the extent that the charity is able to recover the surplus either through reduced contributions or through refunds from the scheme.

Changes in the deferred benefit pension asset or liability arising from factors other than cash contribution by the charity are charged to the SOFA in accordance with FRS17 on retirement benefits.

**h) Finance and operating leases**

Rentals applicable to operating leases are charged in the SOFA over the period in which the cost is incurred. There are currently no assets purchased under finance leases.

**i) Lessors**

Rents receivable are spread from the inception of the lease to the break points evenly over that period.

**j) Foreign exchange**

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the statement of financial activities.

**k) Contingent liability**

There is a potential clawback for all grant monies and restricted funds where they are not spent in accordance with the terms and conditions of the grant offer letter or contract.

**l) Central and Governance Costs**

Central and governance costs include direct and related support costs of trustees meetings, AGM, preparation of statutory report and accounts including internal and external audit and any legal costs associated with the charity's constitutional structure.

**m) Heritage Assets**

The charity's collection of artwork and posters is reported in the Balance Sheet at valuation. Valuations are made by professional valuers. It is the charity's policy to maintain its collection of artwork and posters in good condition and any maintenance costs incurred to preserve such are charged to the Statement of Financial Activities when incurred. The artwork and posters are deemed to have indefinite lives and the Trustees do not therefore consider it appropriate to charge depreciation.

2. Statement of funds	At 1 April		Other recognised			At 31 March
	2013	Income	Expenditure	Gains	Transfers	2014
	£	£	£	£	£	£
<b>Restricted funds:</b>						
<b>Grants and Sponsorships:</b>						
<b>At Work</b>						
Awards and Events Sponsorships	-	105,250	105,250	-	-	-
BNFL Scholarship	173,565	-	85,640	-	-	87,925
Other Occupational Sponsorships	15,773	278	13,874	-	-	2,177
	<b>189,338</b>	<b>105,528</b>	<b>204,764</b>	<b>-</b>	<b>-</b>	<b>90,102</b>
<b>At Leisure</b>						
Grants England	43,936	75,000	383,281	-	279,492	15,147
NWS Forum Donations	-	11,750	410	-	-	11,340
	<b>43,936</b>	<b>86,750</b>	<b>383,691</b>	<b>-</b>	<b>279,492</b>	<b>26,487</b>
<b>On the Road</b>						
Grants Scotland	46,549	142,300	156,972	-	2,391	34,268
Grants Wales	-	104,000	141,088	-	37,088	-
Grants and Sponsorship England	7,293	227,656	324,342	-	94,780	5,387
	<b>53,842</b>	<b>473,956</b>	<b>622,402</b>	<b>-</b>	<b>134,259</b>	<b>39,655</b>
<b>In the Home</b>						
Grants Scotland	44,359	296,327	336,571	-	26,440	30,555
Grants and Sponsorship Northern Ireland	7,500	97,327	163,472	-	60,643	1,998
Grants and Sponsorship England	291,218	426,357	499,085	-	86,285	304,775
	<b>343,077</b>	<b>820,011</b>	<b>999,128</b>	<b>-</b>	<b>173,368</b>	<b>337,328</b>
<b>By influencing and informing</b>						
Grants and Sponsorship England	10,609	20,000	50,724	-	28,715	8,600
ECSA Eurosafe Sponsorship	19,608	111,684	130,420	-	-	872
TACTICS	-	99,465	99,465	-	-	-
DAPHNE – PIECES	-	47,566	47,566	-	-	-
	<b>30,217</b>	<b>278,715</b>	<b>328,175</b>	<b>-</b>	<b>28,715</b>	<b>9,472</b>
<b>Total restricted funds</b>	<b>660,410</b>	<b>1,764,960</b>	<b>2,538,160</b>	<b>-</b>	<b>615,834</b>	<b>503,044</b>
<b>Unrestricted funds</b>	<b>(615,475)</b>	<b>7,022,164</b>	<b>6,248,179</b>	<b>119,821</b>	<b>(615,834)</b>	<b>(337,503)</b>
<b>Total funds</b>	<b>44,935</b>	<b>8,787,124</b>	<b>8,786,339</b>	<b>119,821</b>	<b>0</b>	<b>165,541</b>

Where the funding on restricted funds does not cover the costs the balance is transferred from unrestricted funds. For the year ended 31 March 2014 the value of this transfer is £615,834 (2013 £567,232).

## **Grants and Sponsorships**

### **At Work**

#### **Awards and Events Sponsorships include support from:**

NEBOSH, BHSF Group, Springfields Fuels Ltd, GPIC and Allianz for the Awards Scheme  
NHS Health Scotland for Health and Safety events in Scotland

#### **BNFL Scholarship funded by:**

British Nuclear Fuels Ltd to carry out research into safety and accident prevention. The scheme will finance students undertaking advance studies into these areas of knowledge.

#### **Other Occupational Sponsorships include support from:**

NHS Health Scotland for the Scotland Health Risks at Work Toolkit and the Scottish Centre for Healthy Working Lives Road Risk

### **At Leisure**

#### **Water Safety Grant paid by:**

The Department for Transport to support the work of the secretariat, fund a technical support manager and establish a water safety statistics database.

### **On the Road**

#### **Road Safety Grants Scotland paid by:**

The Scottish Government to fund RoSPA's road safety activities in Scotland including the Black Box Pilot Project.

#### **Road Safety Grants Wales paid by:**

The Welsh Assembly Government to support RoSPA's road safety activities in Wales.

#### **Road Safety Grants England paid by:**

The Department for Transport to support RoSPA's road safety activities in England.

#### **Other Sponsorships include support from:**

NHS Health Scotland for Road Safety Unit support in Scotland.

### **In the Home**

#### **Home Safety Grants and Sponsorship Scotland paid by:**

The Scottish Government to support RoSPA's Home Safety activity in Scotland and the Scotland Home Safety Equipment Scheme (SHSES).

The Scottish Government, Aberdeen City Council, Fife Community Safety Partnership and Stirling and Clackmannanshire to support the blind cord campaign in Scotland.

Glasgow City Council to support the development of Home Safety Section – Go Safe Scotland.

Greater Glasgow Health Board for support on liquitab and poisoning campaign and the Child Injury Prevention Conference.

Strathclyde Fire and Rescue Service for the young people project. Electricity Safety Council for the electrical safety campaign.

**Home Safety Grants and Sponsorship Northern Ireland paid by:**

The Department of Health, Social Services & Public Safety, to support RoSPA's Home Safety activity in Northern Ireland.

**Home Safety Grants and Sponsorship England paid by:**

The Department for Business, Innovation and Skills to support improving product safety through the supply chain, including blind cord awareness, nappy sacks, poisoning and statistical research funding.

Department of Health for the Safer Homes Programme and the Accidental Injury Prevention Handbook.

Carbon Monoxide Safety Project supported by the Gas Safe Charity.

Poisoning Awareness Raising Programme supported by UKCPI.

**By Influencing and Informing**

**Grants and Sponsorship England paid by:**

The Gas Safety Trust to support the Learning About Safety by Experiencing Risk (LASER) project.

**ECSA Eurosafe Sponsorship from:**

Johnson and Johnson, Kid Rapt, Underwriters Labor, CSC France to support work by the European Child Safety Alliance (ECSA).

**TACTICS 'Tools to Address Childhood Trauma, Injury and Children's Safety'**

Project co-funded by the European Commission to provide better information, practical tools and resources to support adoption, implementation and monitoring of evidence based good practices for the prevention of injury to children and youth in Europe.

**DAPHNE – PIECES Child Violence Project**

Project co-funded by the European Commission to investigate national policies to address child violence and identify good practices for translation across the EU.

**RoSPA is committed to working in partnership and is most grateful for the help and support of the Government departments and organisations listed above, without whose assistance much of the Society's work would not be possible.**



**3. Investment income**

	2014	2013
	£	£
Interest receivable	8,312	13,719
Dividends receivable from short term investments	80,000	80,000
	<u>88,312</u>	<u>93,719</u>

**4. Total resources expended**

	Staff Costs £	Other Direct Costs £	Allocated Costs £	Total 2014 £	Total 2013 £
<b>Costs of Activities in furtherance of the charity's objects:</b>					
At Work	1,707,106	2,330,514	952,237	4,989,857	4,639,025
At Leisure	133,994	163,237	123,146	420,377	371,027
On the Road	435,262	907,183	342,510	1,684,955	1,528,705
In the Home	354,055	377,166	228,690	959,911	767,247
By influencing and informing	360,544	183,389	(138,778)	405,155	617,177
<b>Premises Shared Costs</b>	-	-	-	-	-
<b>Central and Governance</b>	-	326,084	-	326,084	128,293
<b>Pension Costs per FRS17</b>	-	-	-	-	-
<b>Total resources expended</b>	<u>2,990,961</u>	<u>4,287,573</u>	<u>1,507,805</u>	<u>8,786,339</u>	<u>8,051,474</u>

Governance costs include £21k auditors' remuneration and £19k Committee, AGM and trustee expenses.

Allocated costs include support costs of £1,479k comprising IT (£281k), Accounts (£278k), HR (£135k), Calthorpe Road (£355k), Facilities (£59k), Legal, Audit, Bank Charges and Committee Expenses (£100k), Additional Pension Provision (£219k), Postage and Stationery (£52k).

**Other direct costs include :**

	2014	2013
	£	£
Depreciation	139,636	117,443
Auditors' remuneration:		
Audit fee	20,160	19,668
Non Audit Services	475	2,009
Operating lease rentals:		
Cars	66,037	67,642
Office Equipment	59,940	67,619
Property	41,186	59,511

5. Tangible fixed assets	Leasehold property	Motor Vehicles	Office Equipment	Computer Equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2013	2,027,783	-	327,519	211,980	2,567,282
Additions	-	-	60,800	122,037	182,837
Disposals	-	-	-	-	-
<b>At 31 March 2014</b>	<u>2,027,783</u>	<u>0</u>	<u>388,319</u>	<u>334,017</u>	<u>2,750,119</u>
<b>Depreciation</b>					
At 1 April 2013	136,739	-	76,517	121,044	334,300
Charge for Year	47,239	-	38,350	54,047	139,636
Disposals	-	-	-	-	-
<b>At 31 March 2014</b>	<u>183,978</u>	<u>0</u>	<u>114,867</u>	<u>175,091</u>	<u>473,936</u>
Net book value					
<b>At 31 March 2014</b>	<u>1,843,805</u>	<u>0</u>	<u>273,452</u>	<u>158,926</u>	<u>2,276,183</u>
At 1 April 2013	<u>1,891,044</u>	<u>0</u>	<u>251,002</u>	<u>90,936</u>	<u>2,232,982</u>

## 6. Heritage Assets

During the year 2011-12, a substantial archive of artwork and posters was discovered. These have been reflected in the financial statements as a heritage asset in line with the valuation received by Dr Paul Rennie of the University of Arts London at £75,000. The valuation has remained unchanged for the last three years, and there have been no acquisitions or disposals.

## 7. Subsidiary company: RoSPA Enterprises Ltd

The charity owns the whole of the issued ordinary share capital of RoSPA Enterprises Ltd, a company registered in England. The subsidiary is used for non-primary purpose trading activities, namely consultancy and sales of advertising in the Society's journals. In addition corporate sponsorships are also carried out by the subsidiary. All activities have been consolidated on a line by line basis in the SOFA. The total net profit is gifted to the charity.

A summary of the results of the subsidiary is shown below:

	Total 2014 £	Total 2013 £
Turnover	1,531,622	1,335,939
Cost of Sales	940,828	787,975
Gross Profit	590,794	547,964
Administrative Expenses	86,508	80,266
<b>Net Profit</b>	<u>504,286</u>	<u>467,698</u>

The aggregate of the assets, liabilities and funds was:

Assets	359,346	504,136
Liabilities	(359,344)	(504,134)
Funds (representing 2 ordinary shares of £1 each)	<u>2</u>	<u>2</u>

8. Debtors	Group 2014	Group 2013	Charity 2014	Charity 2013
	£	£	£	£
Trade debtors	1,212,271	1,219,994	889,711	856,304
Other debtors	606,073	594,463	591,002	583,500
Amount owed by subsidiary undertaking			14,683	
Prepayments	32,891	30,074	32,891	30,074
	<u>1,851,235</u>	<u>1,844,531</u>	<u>1,528,287</u>	<u>1,469,884</u>

### 9. Investments - Group and Charity

	2014 £	2013 £
Market Value at 1st April	2,303,599	2,082,069
Disposals	(1,148,476)	(246,240)
Acquisitions at cost	1,164,502	236,828
Management Fee	(12,749)	(12,630)
Unrealised (loss)/gain	(35,179)	234,160
Other income	(16,026)	9,412
Market value at 31st March	<u>2,255,671</u>	<u>2,303,599</u>
Historical cost at 31st March	<u>2,055,619</u>	<u>1,988,429</u>

Investments are held to achieve long term capital growth with income.

An analysis of the market value of investments at 31st March is as follows:

	2014 £	2013 £
UK Equities	814,318	553,550
Overseas Equities	1,019,005	989,332
Fixed Interest	276,455	520,338
Cash	8,499	81,639
Other	137,394	158,740
	<u>2,255,671</u>	<u>2,303,599</u>

The charity owns 100% of the share capital of RoSPA Enterprises Limited a company registered in England and Wales.

**10. Creditors: amounts falling due within one year**

	<b>Group 2014</b>	<b>Group 2013</b>	<b>Charity 2014</b>	<b>Charity 2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	145,545	158,817	133,175	147,707
Taxation and social security costs	248,120	237,366	246,597	234,643
Accruals	804,265	904,868	670,716	684,060
Amount owed to subsidiary undertaking	-	-	-	115,661
Deferred income	2,256,806	2,156,364	2,256,806	2,156,364
	<b>3,454,736</b>	<b>3,457,415</b>	<b>3,307,294</b>	<b>3,338,435</b>

**11. Cash flow information for the group****(a) Reconciliation of changes in resources to net inflow from operating activities**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Net Incoming resources	785	189,944
Net Gain on Sale Fixed Assets	-	(24,819)
Society Pension Contributions	(229,000)	(210,000)
Pension Costs born by pension fund	194,000	174,000
Depreciation	139,636	117,443
(Increase) / Decrease in debtors	(6,704)	(604,838)
(Decrease) / Increase in creditors	(103,121)	181,800
Increase / (Decrease) in deferred income	100,442	168,420
<b>Net cash (outflow) from operating activities</b>	<b>96,038</b>	<b>(8,050)</b>

**(b) Reconciliation of net cash flow to movement in net funds**

Increase/(Decrease) in cash	(74,050)	155,010
Movement in net funds	(74,050)	155,010
Cash at bank and in hand at 1 <sup>st</sup> April	2,383,238	2,228,228
Cash at bank and in hand at 31 <sup>st</sup> March	2,309,188	2,383,238

**(c) Analysis of net funds/debt**

	<b>1 April 2013</b>	<b>Cashflow</b>	<b>31 March 2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	2,383,238	(74,050)	2,309,188

**12. Financial commitments**

At 31st March the group had annual commitments under non-cancellable leases as follows:

Expiry date:	2014		2013	
	Land and Buildings	Other	Land and Buildings	Other
Within one year	£ 5,726	£ 136,824	£ -	£ 99,689
Two to five years	-	-	30,052	88,235
Over five years	35,460	53,912	29,459	-
	<u>41,186</u>	<u>190,736</u>	<u>59,511</u>	<u>187,924</u>

**13. Trustees' remuneration**

The Trustees neither received nor waived any emoluments during the year (2013: £Nil).

Out of pocket expenses incurred by Trustees were as follows:

	2014 Number	2013 Number	2014 £	2013 £
Travel	9	11	1,841	1,736

**14. Staff costs**

	2014 £	2013 £
Wages and salaries	3,328,787	3,223,740
Social security costs	315,638	300,915
Pension costs	259,206	226,882
	<u>3,903,631</u>	<u>3,751,537</u>

The number of employees whose emoluments as defined for taxation purposes amounted to over £70,000 in the year was as follows:

	2014 Number	2013 Number
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	1
£100,001 - £110,000 *	1	2
£110,001 - £120,000	2	-
£120,001 - £130,000	1	1
£130,001 - £140,000	-	-
£140,001 - £150,000	-	-
£150,001 - £160,000 *	1	1

Six employees earning more than £70,000 in the year participated in recognised pension schemes to which contributions of £35,616 were paid during the year on their behalf. Two employees included above (in salary bands marked \*) in both 2014 and 2013 were not involved in the management of RoSPA but contracted out to an external agency.

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

	<b>2014 Number</b>	<b>2013 Number</b>
Charitable activities and cost of generating funds	<b>87</b>	85
Management and administration of the charity	<b>17</b>	17
	<b>104</b>	102

## 15. Status

The Society is a Company registered in England no. 231435, limited by guarantee and having no share capital. There were 4,005 registered members as at 31 March 2014 (2013: 4,014), who are liable to contribute 50p each in the event of the Society being wound up.

The Society is a registered charity no. 207823 in England and Wales and SCO392289 in Scotland and its objects are set out in its Articles of Association. As a charity the Society is exempt from corporation tax.

**16. Pension: Defined benefit**

The Society operates a defined benefit scheme in the UK – the RoSPA Retirement and Death Benefits Plan. A full actuarial valuation was carried out as at 5 April 2010 and has been updated to 31 March 2014 by a qualified independent actuary.

Society contributions of £229,000 were paid over the year ended 31st March 2014. This includes payments towards expenses of £40,000. The Society expects to contribute £200,000, plus £40,000 in expenses to its defined benefit pension scheme in the next financial year.

The Society has applied FRS17 (allowing for the 2006 amendment) and the following disclosures relate to this revised amount.

**The amounts recognised in the balance sheet are as follows:**

	<b>31/03/2014</b>	<b>31/03/2013</b>
	£000	£000
Present value of funded obligations	15,076	15,486
Fair value of scheme assets	<u>(9,929)</u>	<u>(10,149)</u>
	5,147	5,337
Present value of unfunded obligations	0	0
Deficit	5,147	5,337
Related deferred tax asset	n/a	n/a
<b>Net liability</b>	<b>5,147</b>	<b>5,337</b>
Amounts in the balance sheet	<b>31/03/2014</b>	<b>31/03/2013</b>
	£000	£000
Liabilities	5,147	5,337
Assets	0	0
<b>Net liability</b>	<b>5,147</b>	<b>5,337</b>

The pension scheme assets include no assets from the Society's own financial instruments.

The pension scheme assets include no property occupied by, or other assets used by, the Society.

**The amounts recognised in profit or loss are as follows:**

	<b>31/03/2014</b>	<b>31/03/2013</b>
	£000	£000
Current service cost	0	0
Interest on obligation	642	657
Expected return on scheme assets	(448)	(483)
Past service cost	0	0
Losses(gains) on curtailments and settlements	0	0
Total	<u>194</u>	<u>174</u>

**Changes in the present value of the defined benefit obligation are as follows:**

	<b>31/03/2014</b>	<b>31/03/2013</b>
	£000	£000
Opening defined benefit obligation	15,486	13,896
Service Cost	0	0
Past service cost	0	0
Interest cost	642	657
Actuarial (gains)/ losses	(305)	1,642
Losses (gains) on curtailments	0	0
Liabilities extinguished on settlements	0	0
Liabilities assumed in a business combination	0	0
Exchange differences on foreign schemes	0	0
Contributions by scheme participants	0	0
Benefits paid	<u>(747)</u>	<u>(709)</u>
Closing defined benefit obligation	<u>15,076</u>	<u>15,486</u>

**Changes in the fair value of scheme assets are as follows:**

	31/03/2014	31/03/2013
	£000	£000
Opening fair value of scheme assets	10,149	9,604
Expected return	448	483
Actuarial (losses)/gains	(150)	561
Assets distributed on settlements	0	0
Contributions by employer	229	210
Assets acquired in a business combination	0	0
Exchange differences on foreign schemes	0	0
Contributions by scheme participants	0	0
Benefits paid	(747)	(709)
Closing fair value of scheme assets	9,929	10,149

**The major categories of scheme assets as a percentage of total scheme assets are as follows:**

	31/03/2014	31/03/2013
	%	%
Bonds	47	49
Diversified Growth Fund	51	51
Cash & Other	2	0

**Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):**

	31/03/2014	31/03/2013
Discount rate	4.40%	4.25%
Expected return on scheme assets	5.70%	5.25%
Inflation (RPI)	3.05%	3.10%
Inflation (CPI)	2.00%	2.00%
Future revaluation of pensions in deferment	2.25%	2.25%

**Mortality - current pensioners**

Actuarial tables used	SIPA 105%, CMI-2013 YOB 1.0%	SIPA 105%, CMI-2009 YOB 0.75%
Male life expectancy at age 65 (years from 65)	21.6	21.3

**Mortality - future pensioners currently aged 50**

Actuarial tables used	SIPA 105%, CMI-2013 YOB 1.0%	SIPA 105%, CMI-2009 YOB 0.75%
Male life expectancy at age 65 (years from 65)	23.0	22.4

Where investments are held in bonds and cash, the expected long term rate of return is taken to be the yields generally prevailing on such assets at the balance sheet date. A higher rate of return is expected from the diversified growth fund, which is based more on realistic future expectations than on returns that have been available historically. The overall expected long term rate of return on assets is then the average of these rates taking into account the underlying asset portfolio of the pension scheme.

The expected rates of return for each asset class (for the period beginning at the relevant date)

	31/03/2014	31/03/2013
Bonds	4.40%	4.25%
Diversified Growth Fund	7.00%	6.15%
Cash & Other	3.20%	2.50%

**Amounts for the current and previous four periods are as follows:**

	2014	2013	2012	2011	2010
	£000	£000	£000	£000	£000
Defined benefit obligation	15,076	15,486	13,896	12,070	12,598
Scheme assets	(9,929)	(10,149)	(9,604)	(9,031)	(8,755)
Deficit (surplus)	5,147	5,337	4,292	3,039	3,843
Experience adjustments on scheme liabilities	21	0	(867)	0	0
Experience adjustments on scheme assets	(150)	561	(241)	40	1,458
Cumulative amount recognised in the SOFA	(5,037)	(5,192)	(4,111)	(2,204)	(2,978)



**17. Financial activities of the charity**

The financial activities shown in the consolidated statements include those of the charity's wholly owned subsidiary, RoSPA Enterprises Limited.

A summary of the financial activities undertaken by the charity is set out below.

	2014	2013
	£	£
Gross incoming resources	<u>7,759,788</u>	<u>7,373,178</u>
Net Outgoing Resources	<u>(503,501)</u>	<u>(277,753)</u>
Net Movement in Funds	<u>192,881</u>	<u>(587,545)</u>

**18. Analysis of net assets between funds**

	Tangible Fixed Assets	Net Current Assets	Pension Scheme Funding Deficit	Total
	£	£	£	£
Restricted	-	503,044	-	503,044
Unrestricted	4,606,854	202,643	(5,147,000)	(337,503)
	<u>4,606,854</u>	<u>705,687</u>	<u>(5,147,000)</u>	<u>165,541</u>