

**Association of
Personal Injury Lawyers**
Annual Report &
Accounts 2012

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The Association of Personal Injury Lawyers

Believes passionately that victims deserve committed, well trained lawyers to support their fight for justice;

Understands that injured people can often be the most vulnerable in society and need help;

Campaigns to make a tangible difference to the lives of injured people and society as a whole;

Reassures victims and acts fairly with honesty and integrity;

Drives up standards in personal injury law and process, encouraging innovation and efficiency;

Is 'not for profit' and does not seek to make money out of the misfortune of injured people;

Treats law as a rewarding vocation, not a job, and encourages its members to thrive in their work.

Objectives

- 1 / To promote full and just compensation for all types of personal injury;
- 2 / To promote and develop expertise in the practice of personal injury law;
- 3 / To promote wider redress for personal injury in the legal system;
- 4 / To campaign for improvements in personal injury law;
- 5 / To promote safety and alert the public to hazards wherever they arise;
- 6 / To provide a communication network for members.

President's Report

2012 was undoubtedly a tough year for APIL. Indeed, looking back it feels like a year of trench warfare. It was the year that the Government passed the legislation to give effect to Sir Rupert Jackson's recommendations by way of the Legal Aid Sentencing and Punishment of Offenders Act 2012. But so much of the government's implementation was also outside of that Act. And this is what we will see in the changes to the civil procedure rules, in April 2013.

But the Government also chose to go beyond Jackson's recommendations by again raising the question of the small claims limit.

At every turn APIL has been actively lobbying, putting the claimant's viewpoint in relation to all of this.

This included detailed engagement with the Ministry of Justice and the Civil Justice Council on the fine detail of proposals and indeed the precise wording of proposed new rules. Whatever the bigger picture there is always the matter of the devil in the detail.

But also in 2012 there have been other substantial issues relating to the actual entitlement of injured people to compensation. For instance, APIL has still been campaigning for the discount rate, to be properly set. It will be in 2013 when we see finally where this goes.

In the realm of the law of health and safety the Government chose to go way beyond the recommendations of Professor Löfsted and seek to remove the right to rely on breach of regulations when bringing a civil claim. This would turn the clock back over 100 years. Again, APIL has been working hard in explaining and lobbying to prevent such a dreadful change for injured people.

In July the Government announced a scheme for mesothelioma claims where no insurer can be traced. It will not be as good a scheme as we say there should be, but does represent a positive outcome to over a decade of campaigning.

It's worth looking back at the history of health and safety law. It's a story that goes back to the 19th century. The pendulum has swung over the years, sometimes being good and kind to the fate of people injured at work, and other times being harsh and, in my view, unfair. The pendulum is swinging against them at the moment. What we as an organisation have to do, as I believe we have done in 2012, is to battle and struggle to stop the pendulum swinging too far in the wrong direction and be prepared to push it back when circumstances allow.

I would like to record in this report my appreciation, and huge respect for all of the staff at the APIL office who have worked extremely hard to further APIL's aims. Most APIL members may not see it close up but their commitment to the rights of injured people is extremely impressive.

Karl Tonks
President



Secretary's Report

2012 has been another very busy year for the APIL staff and executive committee.

The Legal Aid, Sentencing and Punishment of Offenders Act (LASPO) 2012 and the Enterprise and Regulatory Reform Bill 2012, have caused substantial work for all of the executive committee and the majority of APIL staff. Besides the obvious lobbying, much "behind-the-scenes" work goes on in the APIL office. Research is undertaken, policy is developed and then communicated. New training courses need to be planned and implemented.

APIL responded to 24 Government consultations during 2012 – again involving staff and executive committee members. We also responded to high-profile consultations, for example, in relation to fixed fees and the implementation of the Löfstedt report. Much detailed work has also been carried out in relation to less high profile, but equally important subjects, such as the discount rate consultation; the European Commission consultation on compensation for victims of cross border road traffic accidents; the Scottish Government consultation on drink driving; and the Northern Ireland consultation on claims for wrongful death bereavement damages and gratuitous care.

This year there were four vacancies on the executive committee. Brian Dawson and Robert Webb joined the committee for the first time. John McQuater was re-elected to the committee for a second period and Victoria Mortimer Harvey was also re-elected. Additionally, Karl Tonks was elected as president, Matthew Stockwell as vice president and Nigel Tomkins as treasurer.

The executive committee met formally on eight occasions in 2012: including two meetings in Nottingham. I also visited the Nottingham office in my capacity as secretary on four occasions this year. I am always impressed by the dedication and enthusiasm of APIL staff who tirelessly strive to help us represent innocent injured victims.

As at 31 December 2012, APIL employed 30 staff including six who work part-time. There were no reportable incidents under the RIDDOR regulations.

This will be my last report as secretary. I have served in this position for six years and I now stand down. I am grateful that the membership has allowed me to retain this position for so long. I know that the organisation will be well served by my successor, Stuart Kightley.

Stephen Lawson
Secretary



Chief Executive's Report

This has been a year of uphill struggles as we fought against the tide to bring some common sense and perspective to current legal reform.

It became apparent as more and more detail surfaced that the victim was not at the heart of these proposals. Their rights were slowly being eroded. Somewhere along the way the victim was brushed aside, with the wrongdoer being given preferential treatment in the reforms. The agenda was painted as one of 'redressing the balance' and making justice more 'affordable' for defendants.

At APIL we believe that injury is life changing, and that those who have been genuinely injured at the hands of another deserve care, support and compensation in order that they can get their life back on track. We will continue to stand up for the victim, and for the lawyers who represent them.

We believe that change should be properly planned and thought through, with proper consultation and research to support decisions and get the best answer for everyone. We believe in doing it right. As a consequence, we were left with no choice but to proceed with legal action over the rushed and ill-informed decisions the Government were making. We were heartened by the Secretary of State's decision at the end of the 2012 to delay the extension of the RTA portal in April 2013 as a result of the legal challenge.

Yet there is a further, more severe threat, both to the victim and the claimant lawyer. The attack on access to justice through slashing fees must be stopped. Making all claims uneconomic to run is the real agenda here. Do we really want to return to the days when you can be injured at work with no recompense? This is our next battle – to fight for the right of the victim to continue to have independent representation.

So, 2012 will be remembered for the fight, for the building of strong alliances, and for influence and persuasion. People wanted to hear from us – we saw an impressive 32 per cent increase in press coverage and a massive increase of 92 per cent in broadcast coverage. Our visibility increased as our messages got stronger and hit a chord. People will listen. Let's keep talking.

Deborah Evans
Chief Executive



Annual Review

Fighting for the rights of injured people – Parliamentary campaigns

APIL continued to provide briefings for, and seek meetings with, parliamentarians from across the political spectrum. In November, the Association held a well-attended parliamentary reception which was used to launch APIL's Whiplash Report 2012, as well as to offer views on the myths and misconceptions relating to personal injury, including the Enterprise and Regulatory Reform Bill 2012, and levels of damages.

As MPs and peers continued to rely on APIL for expert briefings and opinions, APIL was mentioned 23 times during parliamentary debates, in ministerial statements, and in answers to parliamentary questions.

- The Legal Aid, Sentencing and Punishment of Offenders Act 2012 dominated the start of 2012, as the Bill continued its legislative journey through Parliament. APIL continued to meet with influential peers and MPs, and provided parliamentarians with detailed talking points, which were used during debates on the Bill.
- As part of the campaign for a fund of last resort for sufferers of asbestos-related diseases, MPs from across the country joined with APIL in a localised press campaign, highlighting the number of deaths from mesothelioma and calling for a fund of last resort. Meetings about the issue were held with MPs and peers from across political parties.
- MPs and peers were presented with the truth about whiplash claims, as APIL launched its Whiplash Report 2012, at its parliamentary reception in the House of Commons. The report, which tackled the myths that surround whiplash, was welcomed by MPs and peers, and was later referenced during a parliamentary debate on whiplash claims.
- Towards the end of the year, the Government revealed proposals to amend the law on civil liability in workplace claims with an 11th-hour amendment to the Enterprise and Regulatory Reform Bill 2012, as the Bill approached the end of its scrutiny in the House of Commons. APIL brought this to the attention of the press and politicians, and began work to oppose the proposals with Labour and cross-bench peers.
- Throughout the year, APIL was very much involved in the fight against the Government's proposals to make cuts to the Criminal Injuries Compensation Scheme. Working with MPs and other organisations, APIL was involved in helping to secure a rare delay in the introduction of the changes, as the Government was forced to drop and re-consider its proposals.

Ultimately, and despite continued efforts, however, the Government brought back its proposals and was able to force them through.

Safeguarding the rights of injured people – law reform

The face of personal injury law is changing dramatically, and there have been many consultations this year that threaten the injured person's right to redress. APIL has responded to 24 public consultations across the jurisdictions this year with the aim of improving the system for victims. All of APIL's consultation responses can be found on the Association's website under "Campaigning" and "Consultations and responses."

England and Wales

In addition to public consultation there has been relentless informal consultation with the Ministry of Justice (MoJ) regarding the details of the cost reforms that will come into force in April 2013. We have been invited to five meetings with the MoJ policy team responsible for implementing this. In addition, numerous papers have been submitted following requests for additional comments on damages based agreements, conditional fee agreements, funding for clinical negligence cases, qualified one way costs shifting, the supplementary legal aid scheme and Part 36. Unfortunately, opposition from Government to many of these arguments has been unyielding.

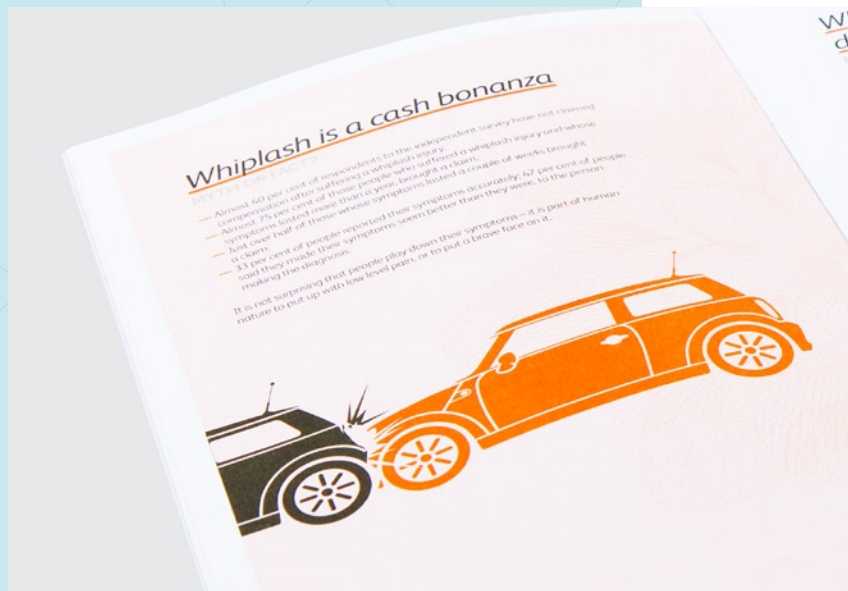
Extension of the RTA low value protocol to cases up to £25,000 and incorporating employers' liability and public liability cases has also been a major challenge for the association. Concerns about rolling out an extended process without proper evaluation has also threatened to undermine the injured person's right to access independent advice and appropriate levels of damages. Responses to the Ministers call for evidence in May and Master of the Rolls consultation on the draft protocols has also assisted with our challenge of the Government's decision to extend the scheme and reduce the fees.

Following the Löfstedt review, there has been extensive examination of health and safety, leading to numerous consultations focusing on the Government's promise to cut back on so called "needless red tape." These consultations included the proposed changes to the RIDDOR reporting requirements; proposals to exempt the self-employed from health and safety law; and changes to the Approved Codes of Practice. In all responses, APIL has stood firm on the need for the largely successful framework that



health and safety regulations provide. There is a very real danger that if the proposed changes were to be implemented, many people will be put at risk in their workplace, and if they were to suffer an injury, their right to compensation would be denied.

The Solicitors Regulation Authority (SRA) has issued two consultations, in June and October this year, on the proposed ban on referral fees, to be implemented in April. APIL responded to both consultations by highlighting the need for clarity and consistency in the implementation of the ban. Of particular concern is that allowances made within LASPO for “legitimate” services could lead to abuse by those seeking to circumvent the ban. In addition, it is necessary to ensure that sponsorship of charities is not classed as a referral. APIL also raised the question of whether firms would be able to prepare for the ban, given the short space of time between being notified and the ban coming into force, especially given the numerous other changes coming into force from April 2013.



Research

APIL's responses to many of these consultations have been supported this year by in-house research as follows:

MoJ's fixed recoverable costs (FRC) call for evidence

Justice Minister Helen Grant MP issued a call for evidence in mid-November 2012 relating to revised fixed fee figures for the current RTA portal, as well as new figures for the forthcoming RTA and EL/PL extension. In addition, a series of new 'fast-track' fixed fees for claims falling out of the aforementioned portals were proposed. As part of APIL's response, a survey of members was undertaken in order to gain data about: the cost of case acquisition; the time taken to run an average EL, PL and RTA case; and the effect of the proposed changes on members' businesses.

Additionally, law firm management consultant Andrew Otterburn was commissioned to undertake research into the Government's misconceived assumption that the removal of referral fees would not need to be replaced by other marketing and case acquisition costs.

Extension of the RTA portal: call for evidence

After the Prime Minister announced on 5 January that the current RTA scheme would be extended, the MoJ issued a 'call for evidence' about the extension of the road traffic accident scheme to include employers' and public liability claims up to the value of £25,000. As part of APIL's response, a membership survey obtained details of average damages and costs of RTA cases between £10k and £25k. The survey also collected details of the time spent and level of fee earners on these types of cases.

Extension of the RTA portal: Prof. Fenn's review of Table B

With the Government intent on extending the RTA portal from £10k to £25k and including EL and PL cases, it was suggested that the fast-track fixed fee table developed by Prof. Fenn in Lord Justice Jackson's final recommendations could be used. As the figures were out of date, Prof. Fenn was asked to review the figures in his Table B. As part of this review, APIL undertook a large data collection exercise, and received details of over 11,000 discrete pieces of data for Prof. Fenn's analysis.

The Whiplash Report 2012

APIL launched the Whiplash Report 2012 in November 2012. Included within the report were figures from a large scale omnibus survey undertaken by Canadean Consumer research commissioned by APIL.

Third party capture

APIL has used freedom of information (FoI) requests successfully in 2012 to gain valuable information on a number of fronts. One such success was the release of an internal 2009 Financial Services Authority (FSA) report into third party capture which indicated "that on average 3rd parties were awarded 274.95% or £1,003.07 more through court proceedings than the initial rejected out-of-court offer from a [insurance] firm;" only about three per cent of third party capture offers are rejected and that third party capture is "more widespread than [the FSA] initially assumed, and that the impact and probability of consumer detriment is greater."

Judicial review: extension of RTA scheme and portal

In August, APIL sought to take advice on a possible judicial review (JR) of the Government's proposed implementation of the extended RTA portal and EL and PL portal scheme. APIL's view was that the implementation was too hasty, that practitioners had no opportunity to plan ahead, as neither the new rules, nor the electronic portal were ready. Additionally, the promised full evaluation of the existing portal and impact assessment had not been done by the MoJ. APIL's view was that the MoJ made its decision to extend the portal without the full evaluation and on that particular point, acted unlawfully.

A number of law firms were approached, based on expertise and experience of public law and APIL instructed Kingsley Napley to advise and if necessary, instigate JR proceedings.

Kingsley Napley instructed Paul Nicholas QC, of 11 Kings Bench Walk, to advise and prepare pre-action protocol letters for a JR. Following lengthy exchanges of correspondence with the MoJ and its solicitors and disclosure of evidence, APIL continued to press for further disclosure well into November and December 2012. The Motor Accident Solicitors Society (MASS) also joined APIL in November, sharing the legal cost from that point. On the last working day of 2012, the Secretary of State wrote to confirm that it would not be providing further disclosure, but would also not implement the extended portals from April 2013. A further announcement from Government is expected in the New Year.

Discount rate

Following APIL's attempted judicial review of the Lord Chancellor's failure to review the discount rate throughout 2011, a MoJ consultation was published in 2012, to which APIL responded. The main aspects of the response are that claimants who rely on their awards to provide for their needs for the rest of their lives should not be forced to risk losing all or part of their awards on risky and speculative investments; investment in ILGS is the most appropriate basis upon which to calculate the discount rate. A second consultation on the rate is expected this year.

Simmons v Castle

In this decision the Court of Appeal set guidelines on the level of general damages for pain, suffering and loss of amenity in respect of personal injury, nuisance, defamation and all other torts which caused suffering, inconvenience or distress to individuals, at ten per cent higher than hitherto to start from 1 April 2013. This would apply to all cases where judgment was given after 1 April 2013, regardless of when they were issued.

The Association of British Insurers (ABI) applied to take over the action, to re-open the appeal and make representations as an interested party. APIL successfully applied to become an interested party to the action. The Court of Appeal's judgment did not accept all the ABI's arguments: all judgments after the implementation of LASPO will benefit from the ten per cent increase in damages, unless the claimant is on a pre-LASPO conditional fee agreement (CFA). Grahame Aldous QC acted pro bono for APIL in the Court of Appeal.

Criminal Injuries Compensation Authority

APIL attended various Policy and Equality Forums at the CICA's Glasgow offices. This year the forum has dealt with issues including:

- The treatment of cautions, reprimands and spent convictions;
- Alternatives to retained awards – APIL submitted suggestions for alternative investment options;
- Payment of solicitors fees – the CICA was persuaded to revoke its ban on paying awards directly to solicitors who represent applicants;
- Withdrawal of paper applications;
- Two year limitation period for infants – interpretation of guidance – APIL raised concerns on the CICA's interpretation and this was changed to ensure infants are not penalised for failing to apply within two years.

APIL responded to a consultation on changes to the CICA scheme which was published by the MoJ this year. "Getting it right for victims and witnesses" proposed removing awards for injuries in bands one to five and various other injuries from higher bands. There were also proposals relating to claims for infants injured in utero and various other provisions relating to convictions, defining a crime of violence and eligibility criteria.

Unfortunately, a revised scheme which implemented the majority of the proposals contained in the consultation paper was laid before Parliament using the affirmative procedure. This meant that the scheme was expected to come into force on 30 September 2012. It did not do so, as the Government unexpectedly withdrew the scheme. It was reintroduced, unchanged, to Parliament the following month and the revised scheme came into force on 27 November 2012.

Association of District Judges

APIL has formally met with Her Majesty's Association of District Judges (ADJ) on two occasions, with the Forum of Insurance Lawyers (FOIL). Useful discussions took place on PORTAL Portal stage 3 hearings (paper v oral), fraudulent claims and court service administration challenges. In particular this year, APIL has been able to report members' concerns on the Salford Business Centre changes to the ADJ and feed back to members on progress being made.



APIL in the media

In an extremely difficult year for claimant lawyers and their clients, the fight for fair representation of the needs of injured people in the media had never been more important. No effort was spared in this, and coverage in the print press increased by 32 per cent in 2012. Broadcast coverage increased by 92 per cent.

Highlights

On the airwaves...

APIL spokesmen took part in 25 television and radio interviews this year. Eleven of these represented national coverage, and subjects ranged from the Government's proposed reform of whiplash claims to compensation claims for injuries sustained in schools.

Programmes which featured interviews with APIL spokesmen included Breakfast on BBC One, Channel 4 News, Sky News, Nicky Campbell Breakfast Show on BBC Radio 5live and BBC Radio Scotland, as well as various local and regional radio programmes and news bulletins.

National press

Whiplash claims featured heavily in the press, along with more general coverage of the Government's plan to 'reform' the system, not least through a series of 'summits' with insurers. National newspapers which covered the APIL view on whiplash included the Financial Times, Metro, The Independent, Daily Telegraph and Daily Mail.

In August, The Times law pages featured a comment piece from APIL president Karl Tonks about the impact of proposed legal reforms on access to justice; three letters from chief executive Deborah Evans were printed in the Daily Mail in response to misleading articles.

In general, national press circulation increased by 22 per cent.

In the regions...

A regional press campaign about mesothelioma victims who cannot trace former employers' liability insurers prompted questions in the House of Commons and helped to rejuvenate campaigning on this issue. The campaign was covered in more than 100 newspapers and reached a readership of 3,000,000 people.

Many members helped take APIL's messages to local newspapers by agreeing to have their names attached to letters on issues including LASPO and whiplash injuries. APIL continued to rebut negative articles in the regional press whenever appropriate.

Regional press circulation increased by 30 per cent.

Social media

APIL connected with opinion formers, members, parliamentarians, the press and the public through Twitter, and the Association increased its number of followers by 63 per cent. APIL's tweets reached a potential 1.9 million Twitter users. New followers included parliamentarians, Government departments, journalists, opinion formers, organisations, academics, and practitioners.

We tweeted 799 times on issues relating to personal injury, sharing breaking news, opinion, and insight.

Campaigning on behalf of injured people: Scotland, Northern Ireland and Wales

Parliamentary campaigns

Scotland

An Apologies (Scotland) Bill was proposed by Conservative MSP Margaret Mitchell earlier in the year. The proposed Bill, which would prevent an apology from being used as a legal admission of liability in civil cases in Scotland, was the subject of a consultation over the summer. APIL, in its response to the consultation, told Ms Mitchell that such a law was not needed, as the courts already have discretion over whether an apology can be used in evidence.

Wales

Mick Antoniwi, a former member of APIL and now a member of the Welsh Assembly, put asbestos-related diseases on the agenda of the Welsh Assembly by introducing his own members' Bill. APIL welcomed Mr Antoniwi's Bill, which would allow the NHS in Wales to recover medical costs incurred by treating asbestos sufferers from a liable defendant, if there has been successful litigation.

Northern Ireland

Northern Ireland became the latest jurisdiction to consider bereavement damages, as the Northern Ireland Executive launched a consultation on the law of damages. Following the news that only eight organisations, including APIL, responded to the consultation, APIL wrote to the Minister for Finance and Personnel urging him to follow through the consultation, and not to be deterred by such a small response. Earlier in the year, APIL also contacted members of the Northern Ireland Assembly Committee for Finance and Personnel, urging them to pay close attention to APIL's views.

Law reform

Scotland

Expenses have also been the focus of review in Scotland this year. APIL made submissions to Sheriff Principal Taylor. The main theme of the response is that reforms must not be implemented simply for the sake of change, and that process and procedures from other jurisdictions must not be adopted in Scotland without considering the differences in society and culture. One area where reform is needed is in the recovery of judicial expenses, as the difference has to be met by the injured person. Sheriff Principal Taylor is not now due to report his recommendations until summer 2013.

In addition, APIL responded to five consultations exclusively relating to the Scottish jurisdiction. Among these was a response to the Scottish Government's proposals to introduce a no fault scheme for victims of clinical negligence. Our response acknowledged that there are problems that need to be solved regarding clinical negligence claims; however there are alternative

solutions that would be cheaper than a no fault scheme (even potentially cost neutral). These solutions would not involve a complete overhaul of the current system. They include the introduction of a pre-action protocol, and a simplified scheme for clinical negligence cases valued below £20,000. We are concerned that a no fault scheme would not address the real issues, as in particular, causation would still need to be proved.

Northern Ireland

Throughout the year, APIL has responded to three consultations focussing solely on issues in Northern Ireland. In March, APIL responded to the Northern Ireland Courts and Tribunals Service consultation on proposals to close a number of courts. We voiced concern in this response that there needs to be full and fair access to justice, and if the proposed closures were to go ahead, access to justice would be diminished for a number of people.

The law of damages was examined by the Northern Ireland Department of Finance and Personnel (DFPNI) in light of recent developments elsewhere in the United Kingdom.

The department's consultation looked at extending the range of people eligible to make a claim for wrongful death under the Fatal Accidents (Northern Ireland) Order 1977. It also consulted on the appropriateness of bereavement damages and whether they should continue to form part of the law of Northern Ireland. The DFPNI is yet to report its recommendations.

Working with other organisations

In terms of campaign work, this year APIL routinely liaised with like-minded organisations, including charities, to gain valuable views and input. Such liaison was particularly strong on issues like LASPO, health and safety reform and the proposed mesothelioma scheme. Several of the organisations with which we have worked, sent representatives to our parliamentary reception in November. We would like to thank those organisations for giving up their time to liaise on these matters.

Public information campaign

APIL's client leaflet "Rest assured – you have come to the right person" was redesigned and re-written to bring it in line with the public-facing website and fact sheets.

An average of around 3,500 lawyer searches are made each month at www.apil.org.uk, and a further 70 telephone calls to the APIL office are received from injured people searching for accredited lawyers.



Events and networking

Residential events and networking

Brain injury conference – Oulton Hall, Leeds

Almost 100 delegates attended APIL's brain injury conference in March. The theme this year was "Managing mild to moderate brain injuries", including presentations on neurology, neuropsychology, neuropsychiatry and rehabilitation.

Annual conference – Celtic Manor, Newport

Preceded by a sell-out charity golf day in aid of the Spinal Injuries Association on the Twenty Ten Ryder Cup course, the annual conference included an opening debate on insurance and ethics entitled "What's my insurance really worth." Panellists included Nick Starling of the ABI, Don Clarke, president of FOIL, and Tony Whitston, chair of the Asbestos Victims Support Groups Forum. The conference was well received with over 450 delegates, speakers and exhibitors in attendance.

Catastrophic injuries conference – Marriott Worsley Park, Manchester

In June, APIL ran its third residential catastrophic injuries conference. Over 100 delegates and exhibitors had the opportunity to listen to eminent experts and practitioners, including the running and funding of brain and spinal cord injury cases, diagnosis, legal updates, and the Mental Capacity Act 2005.

Clinical negligence conference – Four Pillars Cotswold Water Park, Gloucestershire

The final residential conference of the year was the paediatrics themed clinical negligence conference. There were 166 delegates, along with a further 20 speakers, and 55 exhibitors and sponsors. Roger Wicks and Fran Pollard of Gadsby Wicks, with counsel Christopher Limb, developed the impressive programme and line-up of speakers.

Training

National

The 2012 training schedule was another extensive programme, with 114 courses and one day conferences throughout the year.

Responding to requests and suggestions from members, several new training courses including 'clinical negligence update' and 'advanced public liability' were added to the range of courses offered.

A variety of successful one day conferences also ran this year. These covered topics including: costs and funding, whiplash, military claims, plastic and cosmetic surgery, child injuries and child abuse claims, damages and asbestos.

The ever popular PI update series ran across 13 locations in both the spring and the autumn. Including in-house training and consortiums, APIL's PI updates reach around 1,000 members.

With regard to the APIL Certificate in Personal Injury Law, ten new delegates have enrolled. There are currently 31 delegates studying for the certificate.

In-house training

In all, APIL delivered 44 in-house courses this year. A number of new firms took up the in-house option and many applied for, or continued their accreditation. Of the 44 courses, four were for consortiums of local firms.

Webinars

A record number of webinars were delivered in 2012 – twenty five in all.

Membership, regional and special interest groups

A total of 47 membership, regional and special interest groups meetings were held this year. Additionally, four forums were held in November and December in the locations of Bristol, Leeds, Manchester and Warwickshire. Each forum provided updates on costs, clinical negligence, damages and procedure. Delegates also heard from the president at each forum, who updated members on the latest information on the reforms and APIL policy matters.

Special interest group co-ordinators and secretaries also helped with the development of some one-day specialist conferences and the residential catastrophic injuries conference.



Accreditation

Standards of Occupational Competence

APIL launched its new competency framework at its annual conference this year. The framework comprises Standards of Occupational Competence at three general levels of experience and expertise in personal injury law. These three levels link in with the three levels of APIL accreditation of litigator, senior litigator and fellow.

The Standards form a dual purpose: they can not only be used as an aid to recruitment, promotion, and as a personal development plan but, once all criteria have been satisfied, they provide evidence that a person is sufficiently competent to be awarded APIL accredited status. After a six month pilot period, the new Standards took over from 1 October 2012.

Logos

New logos were introduced for all accredited levels. Accredited practice and accredited chambers logos were also introduced.



APIL Accredited clinical negligence specialist and APIL Accredited brain injury specialist: Both quality marks were introduced in August, along with a panel of assessors for each specialism. A number of other organisations were made aware of APIL's work in this area – the NHSLA, the LSB, the Legal Services Consumer Panel, the OFT, the SRA, Headway, UKABIF, SIA and AvMA.



Information technology

Information exchange service and discussion forums

The APIL discussion forums form part of the information exchange and members can interact with each other and the APIL office, either through online discussions or by direct contact (phone/email). The purpose of the APIL online forums is to facilitate the sharing of information between members about their cases, case law, experts, offering assistance to others with their cases and highlighting potential issues which could be of relevance to members. They allow APIL members to share information about their work in a civilised, professional way. The forums rules and procedures were amended this year to ensure that this purpose was achieved, and to encourage more members to feel confident enough to interact online, rather than simply browsing and not actively participating. So far, the rule changes appear to be achieving this.

Online activity

Compared with 2011, there were 26 per cent more visits to the APIL website - 277,868 in total. Unique visits to the website increased by 36 per cent.

Traffic from Google has increased by 13 per cent but the biggest increase is in direct traffic which increased by 50 per cent.

Mobile website

To cater for an increasing number of mobile devices used to access the website a new mobile site has been launched. This online area has less content than the main website to make it easier to view and navigate on smaller displays.

Online marketing

Our campaign through Google banner advertisements, which targets injured people, has been running successfully for several years. The budget for this campaign was increased in 2012 resulting in almost 3,000 extra visits. Two additional campaigns were created, one for CPD related search terms and one for expert witnesses.

Website improvements

Accredited members' details within the online search facility were enhanced by including an image of the lawyer and a brief biography. This section is updated by accredited members through the 'My details' section once a member has logged in.

E-commerce

Implementation of a shopping basket system for training events, now allows users to purchase several courses in one transaction, saving time and reducing transaction charges. Potential members now also have the option of joining online.

Experts

As at 31 December, 795 experts were registered on the database. APIL offers experts a standard or an enhanced listing: 401 experts have opted for the standard listing and 394 for the enhanced package. Online, a new system has been implemented showing the number of recommendations an expert has received. This is illustrated with a 'thumbs-up' image on the expert's profile followed by the number of recommendations they have received.

Books and other publications

APIL Guides

APIL's 'Guide' series of practical publications for practitioners continue to thrive. In addition to the APIL Personal Injury, Law, Practice and Precedents looseleaf, edited by David Marshall, three new APIL guides have been published for APIL by Jordan Publishing this year. They are:

[APIL Guide to Occupational Illness Claims](#)

By Christopher Goddard

[APIL Model Pleadings and Applications \(2nd Edition\)](#)

By Martin Bare, Leila Benyounes, Richard Copnall

[APIL Guide to RTA Liability](#)

By Andrew Ritchie QC

A further three new publications are due for publication in early 2013.

PI Focus

APIL's membership publication continued to publish a wide variety of articles and practice reviews, designed to assist and educate the membership. These included articles on the proposed changes to the civil procedure rules in 2013, Part 36, fatal accidents, whiplash, maritime accidents, clinical negligence and sports injury claims.

Membership directory

The 2012/2013 directory was published in October and circulated to members. It contains contact and accreditation details of all APIL members, along with contact information for key organisations, executive committee members and group co-ordinators and secretaries.

Expert and rehabilitation services directory

The fifth edition of APIL's expert directory was published in May. Over 700 experts were included, with approximately half taking up the enhanced listing option. The directory also included rehabilitation service providers.

Statistics

Attendance at executive committee meetings
(Maximum eight) January – December 2012

Executive Committee

Karl Tonks, President Fentons, Manchester	a	8
Matthew Stockwell, Vice President St Johns Buildings Chambers, Liverpool	b	5
Stephen Lawson, Secretary Quality Solicitors Forshaws Davies Ridgway, Frodsham	c	8
Nigel Tomkins, Treasurer NT Consultancy, Nottingham	d	7
David Bott, Immediate Past President Bott & Co, Wilmslow	e	8
Christopher Limb 18 St John Street Chambers, Manchester	h,i	3

Additional officers

Cenric Clement-Evans NewLaw Solicitors, Cardiff		8
Gordon Dalyell Digby Brown, Edinburgh		7
Brian Dawson Walker Smith Way, Chester	g,j	4
Michael Imperato NewLaw Solicitors, Cardiff	h,i	3
Martin Hanna Francis Hanna & Co, Belfast		6
Jane Horton Irwin Mitchell, Leeds		8
Stuart Kightley Osbornes, London		7
Muiris Lyons Stewarts Law, London	f,i	3
John McQuater Atherton Godfrey, Doncaster	g,j	3
Victoria Mortimer-Harvey Pattinson Brewer, London		5
John Spencer Spencers Solicitors, Chesterfield		7
Neil Sugarman GLP Solicitors, Bury		6
Mark Turnbull Thompsons, Liverpool		8
Robert Webb HSR Law, Gainsborough	g,j	4
Jonathan Wheeler Bolt Burdon Kemp, London		8

- a Elected as president at AGM: 19 April 2012
- b Elected as vice president at AGM: 19 April 2012
- c Re-elected as secretary at AGM: 19 April 2012
- d Elected as treasurer at AGM: 19 April 2012
- e Post as president ended at AGM: 19 April 2012
- f Post as immediate past president ended at AGM: 19 April 2012
- g Elected at AGM: 19 April 2012
- h Did not stand for re-election
- i Out of a possible three meetings prior to AGM
- j Out of a possible five meetings post election at AGM

Membership

With 504 new members recruited in 2012, APIL's total membership by the end of the year was 4,562. In addition, 4,058 members renewed their membership, resulting in an attrition rate of 14.64 per cent, compared with 13.22 per cent in the previous year.

Categories

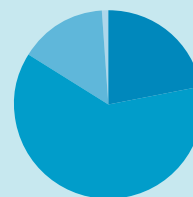
Practitioners	4,017
Non practising members	25
Honorary life members	14
Barristers in chambers	164
Paralegals	205
Students	30
Academics	12
Overseas	95
Total	4,560

Accreditation

Figures as at 31 December 2012.

Individuals

Litigators	294
Senior litigators	824
Fellows	197
Senior fellows	10
Total	1,325



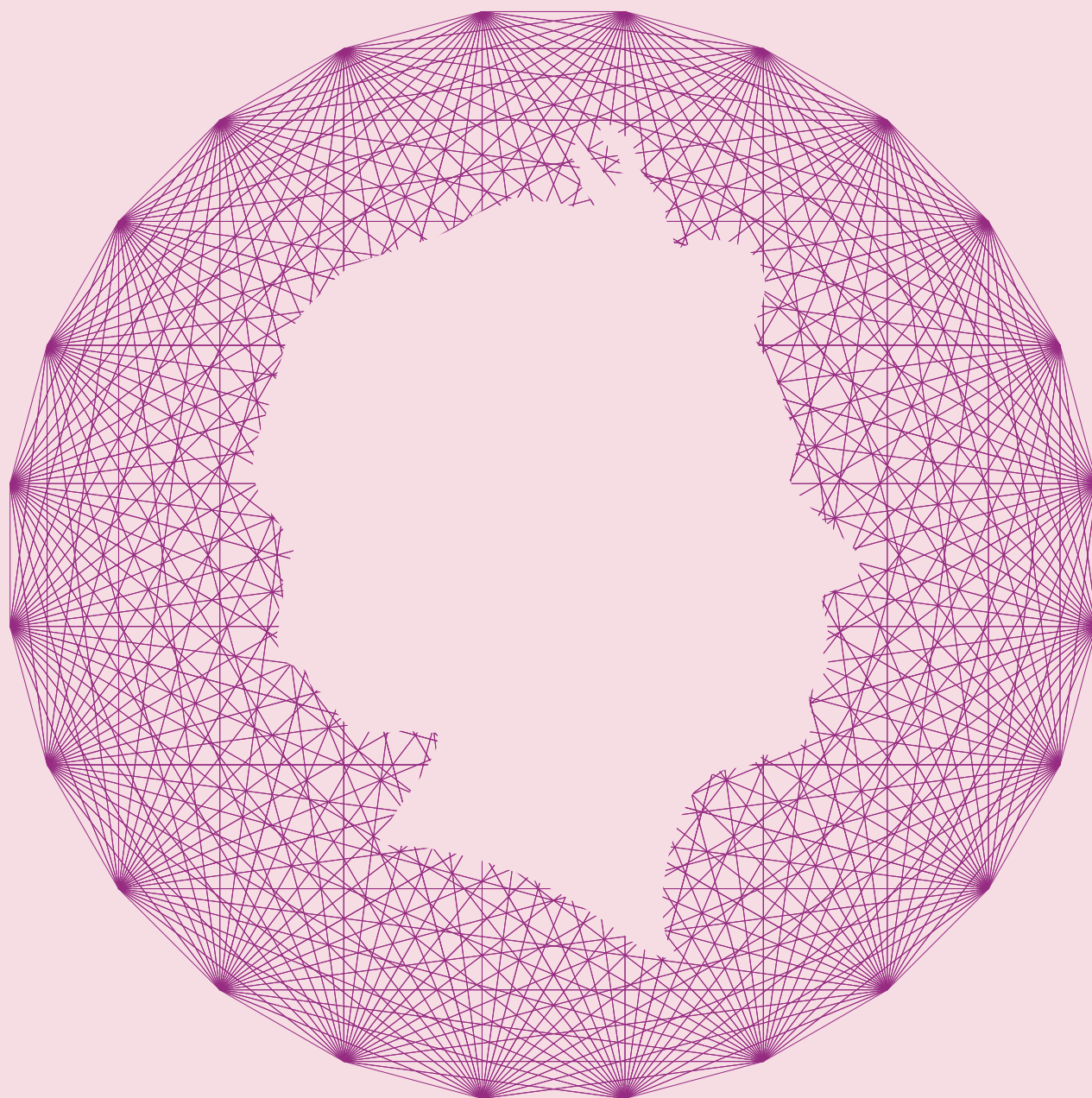
254 Corporate accredited firms

76 In-house accredited firms

47 Externally accredited training providers

A total of 121 new individuals were accredited and many members upgraded their accreditation status. Around 30 per cent of the eligible membership is accredited.

Financial Report 2012



Nigel Tomkins

Treasurer



This is my first report in my capacity as APIL's treasurer, having taken up the position at the end of the AGM in April 2012. I am absolutely delighted to report that financially, this has quite simply been APIL's best year ever. We are reporting an after tax surplus for 2012, of some £177,429, far and away exceeding any budgetary expectations that we had at the beginning of the financial year.

What is remarkable, is that this position has been realised in a year when shrinkage in the personal injury market has led to our membership numbers reducing to their lowest level since 1999. It should also be borne in mind, that the surplus has been generated against a backdrop of extremely difficult financial pressures that both we and all our members have, and will of course, continue to face in the future.

In addition, our surplus has been achieved against an ever changing legal landscape which is having a particularly devastating effect on our members. Certainly 2012 presented APIL with a unique "one off" opportunity to lay on a whole host of additional training events and engage with our members like never before.

In addition to our usual residential conference (annual conference/AGM, clinical negligence conference, brain injury conference and catastrophic injury conference), the events team organised a programme of additional non-residential conferences, many with supporting sponsors and exhibitions including the following:

- Whiplash conference
- Child injury conference
- Costs and funding conference (twice)
- Damages conference
- Business conference
- Asbestos conference
- APIL/ACAL child abuse claims conference
- Military claims conference
- Plastic and cosmetic surgery conference
- Ireland conference

Furthermore, towards the end of the year we set up a series of Regional Forums in Manchester, Leeds and Bristol, and at the Belfry in Warwickshire, all of which were extremely well attended and supported by our members.

The above training activities were further complimented by a substantial increase to both our in-house and webinar course programmes from their initial budget projections. In terms of in-house courses, we organised 44 against a budget figure of 40, and in terms of webinars, we put on a total of 25 against a budget projection of just 12.

It was not all of course plain sailing, as outlined earlier, and as was predicted from very early on in the financial year, sadly we have seen a decline in our membership numbers for the first time in many years as some members left the profession. Compared to the end of the previous financial year, our membership count is down by 224, equating to a reduction from our 2011 position of some 4.6 per cent. The drop in membership numbers, however, is not reflected in the total income received from membership subscriptions in 2012. This was a total of £908,088, which is slightly up on the previous year, however, this apparent anomaly is due to the fact that our membership fees were increased at the beginning of 2012.

APIL members will be aware that in terms of our investments, we operate a "minimum risk" strategy, which does of course limit our exposure, but also affects any return on our investments. Even though interest rates have remained at a record low 0.5 per cent for a second year in succession, the return on our investments was an improved, although a very modest sum of £10,949, compared to just £6,858 in 2011.

I am delighted to report that the income generated by our business sales co-ordinator in respect of advertising revenue for PI Focus, has for the first time in many years, achieved its budgetary target. The initiative to bring this dedicated activity back "in-house", has proven to be an extremely sound business decision, with in excess of £81,000 in advertising revenue being accumulated over the ten annual editions of PI Focus in 2012.

In addition, the partnership arrangement entered into with AON in September 2011, which made available to APIL members the opportunity to access discounted rates for their Professional Indemnity Insurance (PII), has recently been renegotiated for a second successive year, generating a further £20,000 for the organisation in the financial years 2012/13.



I would also draw your attention once again to the improved cash position at the end of 2012, which for the second successive year, shows a substantial increase from the previous year, amounting to some £178,459.

The APIL management team have always been extremely competent at controlling the Association's expenditure, and I am pleased to say that these skills have been evident again this year. At a time when costs across the board have continued to rise, we have managed to restrict our outgoing expenditure on operational activities, overheads and salaries to some £200,000 below our original budgetary target.

In every financial year there always seem to be additional financial pressures and demands, not apparent when the original budget is set. This year has once again been no exception. In 2012, APIL and its members faced possibly the biggest challenge to their very existence with the proposed introduction of fixed recoverable costs and extensions to the RTA portal scheme. APIL subsequently challenged the process of consultation adopted by the MoJ and threatened to issue judicial review proceedings in October 2012. The process is presently on-going, and to date has cost APIL some £32,000. It is too early to say how much more it will cost, it depends to a large extent on the response from the MoJ, however, future costs are expected to be shared with MASS, which, in December 2012, joined APIL in its plans to continue with the judicial review process.

Once again, we have not had to make any withdrawals from APIL's reserves, which at the end of 2011 stood at £466,465. The after tax surplus figure on our Income and Expenditure account for the current year of £177,429, will of course increase our reserves by the corresponding amount, taking them to £643,894. The level of our reserves is appropriate for both our known current and any reasonable foreseeable future commitments, particularly those emanating from the issue of any judicial review proceedings in 2013. The intention is to fund the judicial review costs in 2013 out of the reserves rather than the Income and Expenditure account.

“ APIL made two charitable donations during the financial year, to the Spinal Injuries Association and to Epilepsy Research UK.”

It is abundantly clear from these financial results that APIL has had an extremely good year. The large surplus has been generated on the one hand by our extremely good house-keeping, but in the main by the quality, diversity, relevance and availability of our training and conference activities. Much of this was driven by the recent raft of proposed legislative changes in personal injury which provided us with a unique “one-off” opportunity to increase our portfolio of training events, whilst at the same time engaging directly with our members, who have supported the additional events in increasingly large numbers.

As a consequence of these financial results, I am delighted to announce that all membership services in 2013, will remain at their 2012 prices.

In conclusion, it is patently clear to me that APIL is an extremely well managed and highly motivated organisation led by a very committed executive committee supported by a dedicated and highly skilled senior management board. The Association has performed outstandingly well in 2012, in the most difficult of circumstances and these results are testament to the efforts of all the staff team based at the APIL offices in Nottingham. My thanks to you all.

Year ended
31 December
2012

Report of the Executive Committee

The Executive Committee present their report and the audited financial statements for the year ended 31 December 2012. This report also forms the report of the directors, as required under s.415 of the Companies Act 2006.

Activity

The principal activities of the company are to campaign for improvements in personal injury law on behalf of injured people; to promote, encourage and develop expertise in the practice of personal injury law by education and the exchange of information and knowledge.

Review of developments and future prospects

In 2012, APIL developments included:

- APIL mounting and funding a legal challenge against the Ministry of Justice (MoJ), in the form of a judicial review, opposing the proposed introduction of fixed recoverable costs and extensions to the RTA portal scheme;
- In an extremely difficult financial climate for both APIL and APIL members, an increase in Association's turnover of some 6.10% on the previous year;
- APIL broadened the range and complexity of all its' training provision, including one day conferences on new subject matter such as military, cosmetic/plastic surgery and whiplash, an excellent programme of one day training events and webinars which were fully supported by our members, enabling the association to see almost a 20% increase in course attendance on our 2011 numbers;
- A marked increase in the visibility and profile of the Association in the broadcast media;
- Influencing government decision making by contributing to some 24 legal policy consultation papers in 2012;
- The formulation of APIL's "Myth or Fact" whiplash report containing our ten-point plan for eliminating fraudulent whiplash claims;
- The introduction of APIL's new competency standards identifying specialists in clinical negligence and brain injuries;
- The continuation of our partnership arrangement with AON;

- The launching of a new and improved website;
- A comprehensive programme of research in support of APIL's on going projects .

In 2013, we expect:

- A continuation of APIL's legal challenge to the MoJ;
- Further enhancements to the APIL website, including developing a specific area for accredited clinical negligence lawyers;
- The launch of the new Accredited Specialist Counsel in Personal Injury;
- To be working towards a new competency standard for personal injury lawyers in Scotland and Northern Ireland;
- To be introducing the re validation of individual accreditation every five years;
- To be organising training events/courses tailored to the outcomes of the LASPO/Portal scheme;
- To be undertaking project work on bereavement damages;
- To be continuing with the on going work already being undertaken on the multi track code, NHSLA, extension of the portals, and developing fact sheets for members of the public;
- To be looking at experts fees in public funded cases;
- To continue with our existing lobbying, campaigning, press and media strategy;
- To ensure that APIL are properly prepared to be able to deal with a rapidly changing personal injury market;
- To work towards the continued financial sustainability of APIL.

Results

Details of the results for the year are set out in the income and expenditure account on page 21.

Charitable gifts

APIL made one charitable donation during the financial year, namely £1,000 to The Spinal Injuries Association, from funds raised directly from the APIL charity golf day (2011, £1,105 to Mesothelioma UK).

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Executive Committee

M Lyons
C Limb * (resigned 23 April 2012)
S Kightley
M Imperato
V Mortimer Harvey
K Tonks *
J Spencer
G Dalyell
D Bott * (resigned 23 April 2012)
M Hanna
S Lawson Company secretary

N Tomkins * (appointed 23 April 2012)
M Stockwell * (appointed 23 April 2012)
N Sugarman
M Turnbull
C Clement Evans
J Wheeler
J Horton

** are also directors of the company*

Financial risk management

The company's objective regarding financial risk management is to keep exposure of price risk, credit risk, liquidity risk and cash flow risk to a minimum. The company makes sales on normal credit terms and manages the related risks through its credit control procedures. In the opinion of the Executive Committee the exposure of such risks has been assessed and at present deemed to be low and at an acceptable level for the company to continue to operate.

Qualifying third party indemnity provisions

The company maintains liability insurance for directors and officers as permitted by section 234 of the Companies Act 2006.

Provision of information to auditor

So far as each of the members of the Executive Committee are aware at the time the report is approved:

- there is no relevant audit information of which the company's auditor is unaware; and
- the members of the Executive Committee have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Executive Committee and signed on the behalf of the Executive Committee and the directors on 27 February 2013.

S Lawson
Secretary

A company
limited by
guarantee

Independent Auditor's Report to the Members

We have audited the financial statements of the Association of Personal Injury Lawyers for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to smaller entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.



Gareth Singleton

(Senior statutory auditor) for and on behalf of
PKF (UK) LLP, Statutory auditor, Nottingham, UK
19 March 2013

Year ended
31 December
2012

Income & Expenditure Account

	Note	2012 £	2011 £
Income	1	2,811,574	
Cost of sales		(1,191,774)	(1,222,766)
Gross surplus		1,619,800	1,426,979
Administration expenses		(1,404,993)	(1,392,291)
Operating surplus	2	214,807	34,688
Interest receivable and similar income		10,949	6,858
Surplus of income and expenditure before tax		225,756	41,546
Taxation	5	(48,327)	(11,149)
Surplus after tax		177,429	30,397
Balance brought forward		466,465	436,068
Balance carried forward		643,894	466,465

All activities derive from continuing operations.

There are no recognised gains or losses for the current financial year or previous year other than as stated in the income and expenditure account.

The notes on pages 22 to 24 form part of these financial statements.

Year ended
31 December
2012

Balance Sheet

	Note	2012 £	2011 £
Fixed assets			
Tangible assets	6	558,425	564,445
Current assets			
Debtors	7	110,180	43,737
Cash at bank		1,031,127	852,668
		1,141,307	896,405
Creditors: amount falling due within one year	8	(824,652)	(739,051)
Net current assets		316,655	157,354
Total assets less current liabilities		875,080	721,799
Creditors: amount falling due within one year	9	(230,032)	(255,334)
Provisions for liabilities			
Deferred tax	10	(1,154)	–
Net assets		643,894	466,465
Reserves			
Income & expenditure account		643,894	466,465
		643,894	466,465

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

These financial statements were approved and authorised for issue by the Officers on 27 February 2013. Signed on behalf of the Executive Committee

N Tomkins

Treasurer & Director

The notes on pages 22 to 24 form part of these financial statements.

Year ended
31 December
2012

Notes To The Financial Statements

1.0 Accounting Policies

Basis of preparation of financial statements

The financial statements are prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The particular accounting policies adopted are described below. The profit and loss account has been replaced by an income and expenditure account as the executive committee considers that this statement is more appropriate given the nature of the company's activities.

Accounting convention

The financial statements are prepared under the historical cost convention.

Income

Membership subscriptions to the association cover a period of twelve months to 31 March each year. Subscriptions received during the year have been credited to the income and expenditure account, subject to the deferral of three months of each subscription, representing that portion attributable from 1 January 2013 to 31 March 2013.

Other income represents income from conferences, training events and publishing, and is recognised when the contractual obligations of the service for which the receipt relates have been delivered.

Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost less accumulated depreciation.

Depreciation of tangible fixed assets is calculated to write off their cost over the period of their estimated useful economic lives at the following rate:

Freehold property	2% straight line
Computer equipment and fixtures and fittings	20% straight line

Deferred taxation

Full provision is made for material deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Interest receivable

Interest receivable is credited to the income and expenditure account on an accruals basis.

Pension scheme

The company contributes to the personal pension schemes of eligible employees. Costs are charged to the profit and loss account as they are incurred.

Leases

Operating lease rentals are charged against income in equal amounts over the lease term.

2.0 Operating Surplus

The operating surplus is stated after charging:

	2012	2011
	£	£
Depreciation of tangible fixed assets: – owned by the company	11,643	16,709
Auditor's remuneration	5,750	5,400
Profit/loss on sale of tangible assets	–	16
Equipment leases – other	6,426	5,582

3.0 Membership Subscriptions

	2012	2011	2012	2011
	No.	No.	£	£
Practitioner members	4,205	4,428	869,286	863,025
Student members	30	21	1,903	1,412
Paralegal members	204	214	24,668	27,612
Academic members	12	11	1,227	1,311
Overseas members	95	96	11,197	11,376
Web members	-	-	-	-
Honorary members	14	14	-	-
Total	4,560	4,784	908,281	904,736
Add Deferred income brought forward			228,701	226,986
Less Deferred income carried forward (see note 1)			(228,894)	(228,701)
			908,088	903,021
Corporate accreditation income received in the year			57,700	51,801
Add Deferred income brought forward			35,563	28,610
Less Deferred income carried forward			(34,563)	35,563
			58,695	44,848
			966,783	947,869

4.0 Committee and Employees

Staff costs were as follows:

	2012	2011
	£	£
Wages and salaries	837,122	787,417
Social security costs	84,910	72,931
Pension costs	37,553	48,237
	959,585	908,585

The average monthly number of employees during the year was as follows:

	No.	No.
Administration	30	30

5.0 Taxation

Analysis of tax charge in the year

	2012	2011
	£	£
Current tax UK corporation tax charge on surplus for the year	47,173	11,149
Deferred tax (see note 10) Origination and reversal of timing differences	1,154	–
Tax on surplus on ordinary activities	48,327	11,149

Factors affecting tax charge for the year

Profit on ordinary activities multiplied by the effective rate of corporation tax in the UK of 20% (2011: 21%)

Surplus of income over expenditure before tax	225,756	41,546
Surplus on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2011–21%)	45,151	8,725

Effects of:

Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,401	906
Capital allowances for year in excess of depreciation	621	1,518
Current tax charge for the year (see note above)	47,173	11,149

6.0 Tangible Fixed Assets

	Freehold property	Office equipment	Total
Cost	£	£	£
At 1 January 2012	577,135	86,817	663,952
Additions	-	6,406	6,406
Disposals	-	(48,187)	(48,187)
At 31 December 2012	577,135	45,036	622,171

Depreciation

At 1 January 2012	23,086	76,421	99,507
Charge for the year	11,543	6,143	17,686
Reversal	-	(53,447)	(53,447)
At 31 December 2012	34,629	29,117	63,746

Net book value

At 31 December 2012	542,506	15,919	558,425
At 31 December 2011	554,049	10,396	564,445

During the year the company has reviewed all its fixed assets, and taken a full inventory, which has resulted in a reversal of excess depreciation of £6,043.

7.0 Debtors

	2012	2011
	£	£
Trade debtors	65,310	10,435
Other debtors	44,870	33,302
Profit/loss on sale of tangible assets	110,180	43,737

8.0 Creditors

Amounts falling due after more than one year

	2012	2011
	£	£
Mortgage	25,335	23,911
Trade creditors	55,472	57,589
Corporation tax	47,174	11,080
Social security and other taxes	16,914	26,563
Deferred income – subscriptions	228,894	228,701
Deferred income – corporate accreditations	34,568	35,563
Deferred income – courses	73,130	37,166
Deferred income – other	283,529	280,859
Accruals	59,636	37,619
	824,652	739,051

The mortgage is secured on the property, 3 Alder Court, Rennie Hogg Road, Nottingham.

9.0 Creditors

Amounts falling due after more than one year

	2012	2011
	£	£
Mortgage	230,032	255,334

Creditors include amounts not wholly repayable within 5 years as follows:

Mortgage	112,260	144,220
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The mortgage is secured on the property, Unit 3 Riverside Business Park, Nottingham.

10.0 Deferred Taxation

	2012	2011
	£	£
At beginning of year	–	–
Charge for year	1,154	–
At end of year	1,154	–

The provision for deferred taxation is made up as follows:

Accelerated capital allowances	1,154	–
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11.0 Capital Commitments

At 31 December 2012 the company had capital commitments as follows:

	2012	2011
	£	£
Contracted for but not provided in these financial statements	3,118	–

12.0 Operating Lease Commitments

At 31 December 2011, the company had annual commitments under operating leases as follows:

Expiry date:	6,426	6,265
Between 1 and 5 years		

13.0 Related Party Transactions

The following amounts have been paid to members of the Executive Committee for their provision of services as trainers (applies only to full day training provision), to the company in the year. All transactions are at arms length and are on normal commercial terms. The amounts disclosed only relate to the period in which the members are elected to the Executive Committee.

N Tomkins	64,450	72,590
D Bott	3,440	3,600
B Dawson *	2,320	n/a
J McQuater *	44,540	n/a
C Clement Evans	7,200	6,200

* Joined APIL's executive committee April 2012

14.0 Ultimate Controlling Party

The company is limited by guarantee and has no shareholders. Under the constitution the Executive Committee is the ultimate controlling party.

15.0 Share Capital

The company is limited by guarantee and does not have share capital. Every member of the Association undertakes to contribute such amount as maybe required (not exceeding £1) to the assets of the Association if it should be wound up.

Year ended
31 December
2012

Detailed Income & Expenditure Account

	Page	2012 £	2011 £
Turnover	21	2,811,574	2,649,745
Direct expenditure	21	(1,191,774)	(1,222,766)
Gross surplus		1,619,800	1,426,979
Less: overheads			
Administration expenses	21	(1,404,993)	(1,392,291)
Operating surplus		214,807	34,688
Interest receivable	21	10,949	6,858
Surplus for the year		225,756	41,546

Year ended
31 December
2012

Schedule to the Detailed Accounts

	2012 £	2011 £
Turnover		
Membership (including other related income)	1,135,116	1,098,686
Conference, SIGS and regional meetings	615,015	606,836
Training events	957,568	844,812
Publishing	103,875	99,411
	2,811,574	2,649,745

Direct Expenditure	£	£
Membership (including other related expenditure)	37,030	56,450
Conference, SIGS and regional meetings	420,430	460,512
Training events	579,274	569,755
Legal affairs	30,130	16,374
Publishing and communications	124,910	119,675
	1,191,774	1,222,766

Administration Expenses	£	£
Staff costs (including training and recruitment)	837,122	787,417
Staff national insurance	84,910	72,931
Pension costs	37,553	48,237
Recruitment expenses	2,952	38,293
Staff training	11,989	4,156
Property costs	68,725	68,623
APIL stationery, postage and other costs	266,117	195,111
Staff travel	19,579	16,193
IT costs	7,985	6,388
Executive Committee	56,418	64,523
Depreciation	17,686	16,709
Surplus recognised on scrapping of assets	(6,043)	–
Public information campaign	–	73,710
	1,404,993	1,392,291

Interest Receivable	£	£
Bank deposit interest	10,949	6,858

APIL Officers
and Executive
Committee Members

2012



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