

COMPANY REGISTRATION NUMBER: 06020633

CHARITY REGISTRATION NUMBER: 1123611

The HIV Research Trust
Limited by Guarantee

Trustees' Report & Financial Statements

31 March 2023

The HIV Research Trust
Limited by Guarantee

Financial Statements
Year ended 31 March 2023

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The HIV Research Trust
Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

| | |
|--|---|
| Registered charity name | The HIV Research Trust |
| Charity registration number | 1123611 |
| Company registration number | 06020633 |
| Principal office and registered office | 439 Caledonian Road London N7 9BG |
| The trustees | Professor F M Cowan Professor E A Bukusi Professor D Pillay Professor C A Hankins Professor E G Sandstrom – resigned 14/12/22 Faye Rodney – appointed 26/03/2021 Professor E L Corbett - appointed 08/12/2022 Professor H C Mwandumba - appointed 08/12/2022 |
| Solicitors | Capsticks Solicitors, 77/83 Upper Richmond Road, London. SW 12 STT |
| External Auditors | Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG |

Other relevant organisations

Bankers
Barclays Bank PLC, 69 Albion Street, Leeds, LS1 5AA

Schroder Investments
Schroder Unit Trusts Limited, PO Box 1102, Chelmsford, CM99 2XX

CCLA (from Feb 2020)
Senator House, 85 Queen Victoria St, London EC4V 4ET

HIV Glasgow Congress
Victoria Mill, Windmill Street, Macclesfield, Cheshire SK 11 7HQ

International AIDS Society
Ch. de L'Avanchet 33, CH 12 16 Cointrin. Geneva, Switzerland

Trustees' Annual Report (Incorporating the Director's Report) **Year ended 31 March 2023**

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Articles of Association were updated in 2021 to reflect the decision made by the trustees on 23rd June 2021 to become a subsidiary organization under Terrence Higgins Trust (THT) with THT becoming the sole member.

Whilst ensuring that the trust would remain a separate charity, trustees believe this change in governance for the HIVRT will best ensure that its objectives would continue to be achieved whilst ensuring that all of its governance and regulatory requirements continued to be met. Since late 2018 THT have provided the administrative and executive functions for the HIVRT.

As a result of becoming a subsidiary company of the THT the trustee report and financial statements will undergo a formal external audit under the Companies Act 2006.

Recruitment and appointment of new trustees

Trustees serve for a fixed period of three years but may be re-appointed at the end of that period for up to two additional terms. The directors can appoint trustees to add complementary skills to the governance of the charity. The total number of trustees shall not be less than three but must not exceed eight.

Organisational structure

The main method of spoken communication between the trustees in different countries is by telephone conference call which takes place at least twice a year. At other times all communication is by email. The THT administration team, ensure that all relevant documents and reports are distributed to trustees.

Related parties

The International AIDS Society (IAS) has extensive contacts with researchers in resource-limited countries and the HIV Research Trust has partnered with IAS in order to utilise their network to advertise the scholarships more widely.

The HIV Glasgow Congress has supported the funds for the charity by donating 50% of surplus income from its bi-annual meeting in Glasgow since the congress began in 1992. This has established sufficient reserves for the charity to function using the interest on the money held in reserves together with funds received from the biennial congress. The aim is to build the reserves to ensure that the scholarships can continue in the long term.

Induction and training of new trustees

The aims and purposes of the HIV Research Trust are explained by the chairman. The work of the charity concerns the selection and financing of its scholarships. This procedure takes place once a year and all trustees participate in the process.

Trustees' Annual Report (Incorporating the Director's Report) **Year ended 31 March 2023**

Objectives and activities

Objectives and aims

These are to promote study and research into the causes and treatment of HIV infection and to provide funding in connection for this. This is achieved by building capacity in HIV in low and lower-middle income countries by supporting study into the prevention and treatment of HIV infection to further the knowledge and skills of early to mid-career healthcare professionals working in resource-limited settings. The long-term objective is to improve outcomes for patients and people living with HIV in these regions.

This is achieved by supporting individuals in resource-limited countries to obtain further training and develop expertise via short-term funded scholarships and providing ongoing collaboration and sharing of knowledge with worldwide centres of excellence and scholars. Typically the scholarships are for periods of 3-6 months and include travel and subsistence and consumable expenses for the research. As a result of COVID, the Trust has supported a larger number of on-line scholarships, to allow scholars to complete courses remotely and will continue to do so to ensure the widest range of scholars can benefit from scholarships.

Significant activities

With effect from 1 January 2008 this charitable company, incorporated on 6 December 2006, has carried on the activities, and taken over the assets and liabilities, of its predecessor unincorporated charity of the same name (registered charity number 1092284).

Public benefit

In setting our objectives the trustees have given careful consideration to the Charity Commission's public benefit guidance.

Achievements and performance Charitable activities in 2022-23

For the 2022/23 scholarship round which was launched at the 2022 HIV Congress in Glasgow the trust used a new and improved scholarship online application portal. The Trust attended the 2022 Congress in order to improve its profile following COVID. At the March 2023 awarding meeting, Trustees awarded 18 scholarships to the value of £146k as part of the 2022/23 scholarship round after receiving 141 applications. The awards are made on the basis of the scientific merit of the proposal, the appropriateness for the career intentions of the individual, and the potential value to the home institution.

The position on scholarships awarded in previous rounds is as follows:

- 2019 - 2 outstanding scholarships were withdrawn after contact from the scholars ceased; all remaining scholarships have now completed
- 2020 - 1 scholarship remains underway, expecting to complete early summer 2023; one scholarship was delayed until Sept 2023; 1 scholar reapplied in the 22/23 round and was successful; 3 scholarships were withdrawn after contact from the scholar ceased; all remaining scholarships have now completed
- 2021 - all scholarships have now completed.

Trustees will ensure that any future decisions on the level of scholarships take account of any changes to future expected funds from the HIV Congress which takes place every two years – the next congress is November 2024.

Trustees' Annual Report (Incorporating the Director's Report) Year ended 31 March 2023

Achievements and performance (continued)

During 2022 the Trust appointed 2 new trustees – Professor Liz Corbett. And Professor Henry Mwandumba following the stepping down at the end of their terms of two trustees at the end of 2021.

All aspects of research related to HIV infection and its consequences are considered and the awards have covered most aspects of HIV research including clinical care, basic and applied biology, epidemic, psycho logical, ethical, economic, educational and societal aspects.

The awards are made by a process of review by an independent assessment panel and the trustees without knowledge of the views of others. Candidates' applications and the assessments made by the reviewers are discussed and examined prior to scholarships being awarded. Trustees participate in the selection process and collectively agree the final list of awards. Where there are disagreements on the relative merits of an application these are resolved by further discussion between the trustees. The trustees are content with the scholarship process.

The outcomes for people living with HIV as a result of this programme can only be assessed by maintaining long-term contact and ongoing communication with past scholars and their institutions. A monitoring and evaluation framework is in place to ensure short, medium and long- term follow- up.

The Trust is mindful that it is difficult to measure the long term outcomes of the programme, some specific examples of the impact the scholarships have had are demonstrate by the following case studies;

A scholar from the University of Zimbabwe received funding to further his study into the characterization of mycotoxin biomarkers among HIV- and HIV+ pregnant women from high density populations in Harare. He said:

"The HIV Research Trust scholarship significantly contributed to the achievement of objectives of my DPhil research project by providing the much needed funds to cover research costs and affording me the opportunity to visit Dr Mutingwende's laboratory at the Department of Pharmacy and Pharmaceutical Sciences. Whilst at Dr Mutingwende's laboratory, I received training on laboratory techniques and made use of equipment for analyzing mycotoxin biomarkers in biological samples. I acquired knowledge, skills and experience in validation, quality control and application of laboratory techniques including HPLC, LC-MS/MS and ELISA in research experiments. HPLC, LC-MS-MS and ELISA are techniques most sought after in analysing mycotoxins and the techniques can be applied in a wide range of scientific experiments and setups. In April 2023, I aim to conduct a training workshop in order to transfer the knowledge and skills to other students and staff members of the Immunology Unit on validation, quality control and application of HPLC, LC-MS/MS and ELISA in research experiments.

During my research visit, I successfully completed all laboratory experiments of my study and I now possess laboratory results which will be analysed in order to answer my research questions.

In my spare time, I participated in research activities conducted in Dr Mutingwende's laboratory. His research matches perfectly with my research interests and I wish to learn more by conducting research with him in the future. Upon completion of my DPhil studies, a proposal will be developed for my postdoctoral research which will be conducted in the form of a collaboration between the Unit of Immunology and Dr Mutingwende's department.

The scholarship significantly contributed to the achievement of my long term career goals. Through the scholarship placement, I gained new knowledge, skills and experiences; increased my professional network and contacts, and have laid foundations for future research collaborations."

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Achievements and performance (continued)

Internal and external factors

The trustees have made a full assessment of the internal and external factors that may affect these 2022-23 financial statements. Whilst the information contained in these statements is accurate the COVID-19 pandemic remained an important factor in the normal functioning of scholarships due to travel restrictions and country lockdowns. The trustees remain committed to being flexible on when scholarships could be completed and if scholars asked to change the content of scholarships subject to any changes meeting the objectives of the scholarship scheme. This resulted in a number of scholarships being delayed and it is hoped that all pre-2022 scholarships will complete by the end of March 2024.

Financial review

Financial Position

The charity has closed the financial year with an overall deficit of £143k which included investment losses of £124k. This is in line with the trustees plans given the biennial nature of its key income source, The HIV Congress in Glasgow. The financial position remains strong and whilst there may be fluctuations in reserves the trustees are comfortable that awarding grants which approximately match the anticipated income over a two year period is prudent so that reductions in reserves should only relate to investment losses and administration costs. The charity has closing funds of £1.2m, which is a decrease of £143k with the previous year and consistent with the trustees awards policy.

Investment performance

The trustees wish to ensure that when achieved any surplus funds are invested to achieve the best return as possible within the agreed low risk framework and low management fee. Investments are currently held with two funds :

- a) Schroder Investment Management Limited UK – SUTL Cazenove Charity Bond (valued at £547,001 on 31/03/23)
- b) CCLA - COIF Charity Funds (valued at £636,797 on 31/03/23)

Financial year 2022-23 was an unusual year as a result of the world slowly emerging from the COVID pandemic the HIVRT, threats of global recession and market fluctuations in the autumn of 2022 as a result of UK government policy. This resulted in a mixed performance for HIVRT investments during the year. Income generated was £25k and in excess of the return the funds would have made in the Trust's bank account.

Investment policy and objectives

Under the Articles of Association the charity has the powers to invest in any way the trustees deem fit.

The current policy of the trustees is to cautiously invest funds in order to generate income in excess of that achieved in the bank account and protect capital. The long term aim is to generate a return of CPI plus 4% after costs.

Reserves policy

Although there is income from the congress every two years, this is not a fixed sum and cannot be assumed to be the same each time especially since the congress is now a hybrid event. Following the 2022 Glasgow Congress the Trust is waiting on receipt of the donation relating to the agreement between the Congress and the Trust. As at September 2023 this income has yet to be received. For this reason the trustees take a prudent view that, for the present, they should aim to limit the total sum awarded to that which can reasonably be sustained from this source together with the interest on

Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 March 2023

reserves. It is possible, that the reserves may be reduced with time if the income from the congress is not maintained.

Risk management

The risk register focuses on the following:

- Principal risk to which the charity is exposed, and their causes.
- Whether the risk rating associated with each risk is appropriate.
- What further actions or controls are required to mitigate the risk to reduce it to a level within the charity's risk appetite.
- Identification of principle risks which could stop us, or could help us, from achieving the strategy of the charity.
- Identification of the main causes behind the principle risks.
- Identification of our approach to risk, and risk tolerance, for each area.
- Weighting risks based upon the severity of their impact, through a RAG rating, and asking whether the risk is mitigated, or within the appetite for that risk.

The Risk Register is managed through the Executive Support Team. It is reviewed in advance of each trustee meeting, and reviewed by the trustees at their meetings.

The review considers:

Principal risk to which the charity is exposed, and their causes.

- Whether the risk rating associated with each risk is appropriate.
- What further actions or controls are required to mitigate the risk to reduce it to a level within the charity's risk appetite.

Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 March 2023

Financial review (continued)

Principle Risks

| Principle Risk | Risk Management (internal controls and actions) |
|--|---|
| Funding from principal funders and sponsors ends | Proactive work to ensure Glasgow Congress payments are thoroughly reviewed to ensure they meet requirements of legal agreement. Proactive and focused communication plan with HIV Glasgow Congress Organising Committee and Ashfield Healthcare. Proactive work to liaise with other grant organisations to ensure that HIVRT are aware of the opportunities for funding. |
| Financial sustainability | Ensure trustee scholarship and operational decisions are in line with reserves policy. Short, medium and long term financial planning is structured on prudent income growth levels Return on investments is maximised and there is regular communication with both investment firms. Trustees review funding for scholarships each year based on prudent income levels . |
| Fraudulent use of funds | All scholarships awarded are reviewed for financial sustainability. All scholars must sign and agree scholarship agreements. All scholarships require the support of both the home and host institutions to ensure that the scholarship is bona fide. Scholars are required to produce receipts for all expenditure. Scholars are required to produce a scholarship report within 6 months of the end of their scholarship. |
| Maintaining system | Maintaining investment in IT systems and processes Documented systems for the scholarship process are agreed annually and easy for applicants to follow. Ensuring the suitability of marketing and communications to generate sufficient quality scholarship applications Ensuring GDPR compliance throughout our work. |

Future plans

In recent years, increased anti-money laundering controls have led to banks and investment funds raising similar questions about what processes and procedures we have in place. This has become significantly more administratively burdensome and increasingly so both for the HIVRT administrator and the THT Finance department. At a previous HIVRT Board meeting, trustees raised the issue of around how scholarships are risk-assessed, and what safeguarding processes we put in place. As a result of this and the requirements for greater scrutiny from the parent company the trustees took the decision in April 2023 to increase the administration resources available from mid-2023. These additional resources, along with an external independent examination to be carried out by a financial expert, will enable the trust to be compliant in all necessary legislation and ensuring that scholars receive the support they require.

In a post COVID world the trustees aim to ensure that the annual scholarships round for 2023 is launched in Autumn 2023 utilising the new online scholarships grant process which was such a success for the 2022 scholarship round.. Further resources will be used to support this the HIVRT will further develop its social media presence.

The HIVRT website will continue to be populated during 2023 since becoming a micro-site within the THT website.

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To ensure the financial ability of the Trust to provide the scholarships in the long term, trustees have agreed to take a proactive approach to seeking additional funding from external sponsors.

TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare Financial Statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Trustees 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 charitable company and of the surplus or deficit for that period.

In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the Financial Statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and the group and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The trustees' annual report was approved on 16 November 2023 and signed on behalf of the board of trustees by:



Deenan Pillay
Trustee

**External Auditor's Report to the Trustees of The HIV Research Trust
for the year ended 31 March 2021**

Independent auditor's report to the members of The HIV Research Trust

Opinion

We have audited the financial statements of The HIV Research Trust for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

**External Auditor's Report to the Trustees of The HIV Research Trust
for the year ended 31 March 2021**

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

External Auditor's Report to the Trustees of The HIV Research Trust for the year ended 31 March 2021

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 11, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to year-end cut off and journals postings. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities; and
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The HIV Research Trust
Company Limited by Guarantee

**External Auditor's Report to the Trustees of The HIV Research Trust
for the year ended 31 March 2021**

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kathryn Burton (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

The HIV Research Trust, a company limited by guarantee
Statement of Financial Activities (including income and expenditure account)
for the year ended 31 March 2023

| | Note | 2023 Unrestricted funds £ | 2023 Total funds £ | 2022 Total funds £ |
|---|------|------------------------------------|-----------------------------|-----------------------------|
| Income | | | | |
| Donations and legacies | 5 | 5,718 | 5,718 | 2,168 |
| Investment income | 6 | 24,616 | 24,616 | 24,728 |
| Total income | | <u>30,334</u> | <u>30,334</u> | <u>26,896</u> |
| Expenditure | | | | |
| Expenditure on charitable activities | 7, 8 | <u>49,469</u> | <u>49,469</u> | <u>107,581</u> |
| Total expenditure | | <u>49,469</u> | <u>49,469</u> | <u>107,581</u> |
| Net gains (losses) on investments | 10 | (124,087) | (124,087) | (43,328) |
| Net income and net movement in funds | | <u>(143,222)</u> | <u>(143,222)</u> | <u>(124,013)</u> |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>1,392,410</u> | <u>1,392,410</u> | <u>1,516,423</u> |
| Total funds carried forward | | <u>1,249,188</u> | <u>1,249,188</u> | <u>1,392,410</u> |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The 2022 figures are for a 15 month period. The period end was extended to 31 March 2022, from 31 December 2021, to coincide with the period end used by Terrence Higgins Trust, the new parent.

The notes on pages 12 to 17 form part of these financial statements.

The HIV Research Trust, a company limited by guarantee
Balance sheet
at 31 March 2023

| | Note | 2023 £ | 2022 £ |
|---|-------------|-------------------|-------------------|
| Fixed assets | | | |
| Investments | 13 | 1,188,521 | 1,306,508 |
| Current assets | | | |
| Debtors | 14 | 0 | 0 |
| Cash at bank and in hand | | 113,689 | 161,790 |
| | | <u>113,689</u> | <u>161,790</u> |
| Creditors: amounts falling due within one year | 15 | <u>53,022</u> | <u>75,888</u> |
| Net current assets | | <u>60,667</u> | <u>85,902</u> |
| Total assets less current liabilities | | <u>1,249,188</u> | <u>1,392,410</u> |
| Funds of the charity | | | |
| Unrestricted funds | 16 | <u>1,249,188</u> | <u>1,392,410</u> |
| Total charity funds | | <u>1,249,188</u> | <u>1,392,410</u> |

The notes on pages 16 to 22 form part of these financial statements.

These financial statements were approved by the Board of Trustees and authorised for issue on 16 November 2023, and are signed on behalf of the board by:



Professor D Pillay
Trustee

1 General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales, and a registered charity in England and Wales. The address of the registered office is 437 & 439 Caledonian Road, London N7 9BG.

2 Statement of compliance

These financial statements have been prepared in compliance with FRS102, The Financial Reporting Standard applicable in the UK and the Republic of Ireland, the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and the Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), and the Companies' Act 2006.

3 Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities, and investment properties measured at fair value through income or expenditure.

Going concern

There are no material uncertainties about the charity's ability to continue. Expenditure on the main activity (grant giving) is only considered when adequate resources are available. The trustees have considered the level of funds held and deem them to be sufficient.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates, and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees to further any of the Charity's purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular projects or commitments.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal; they fall into two sub-classes: restricted income funds or endowment funds.

3 Accounting policies (continued)

Income

All income is included in the statement of financial activities when entitlement has passed to the Charity, it is probable that the economic benefits associated with the transaction will flow to the Charity, and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- **Income from donations or grants** is recognised when there is evidence of entitlement to the gift, receipt is probable, and its amount can be measured reliably.
- **Legacy income** is recognised when receipt is probable, and entitlement is established.
- **Grants** offered subject to conditions which have not been met at the end of the year are noted as a commitment, but not accrued as expenditure.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which can not be fully recovered, and is classified under the headings of the Statement of Financial Activities to which it relates:

- **Expenditure on raising funds** includes The costs of all fundraising activities, events, non-charitable trading activities, and The sale of donated goods.
- **Expenditure on charitable activities** includes all costs incurred by The Charity in undertaking activities that further its charitable aims, for The benefit of its beneficiaries, including those support costs, and costs relating to The governance of The Charity apportioned to charitable activities.
- **Governance and administration costs** include all Expenditure that is neither related to raising funds for The Charity, nor part of its Expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute towards on a reasonable, justifiable, and consistent basis.

Investments

- **Fixed asset investments** are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.
- **Listed investments** are measured at market value with changes being recognised in the profit and loss.

3 Accounting policies (continued)

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the charity at the discretion of the Trustees.

Investment income, gains and losses are allocated to the appropriate fund.

4 Critical accounting judgements and key estimates of estimation uncertainty

In the application of the charity's accounting policies, which are described in Note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

The HIV Research Trust, a company limited by guarantee
Notes to the Financial Statements
For the year ended 31 March 2023

5 Donations and legacies

| | Unrestricted Funds 2023 £ | Total funds 2023 £ |
|-------------------------------|--|---------------------------------------|
| Donations | | |
| Donations and legacies | 58 | 58 |
| Grants | | |
| Inter-company grants received | 5,660 | 5,660 |
| | 5,718 | 5,718 |

Donations and legacies (unaudited)

| | Unrestricted Funds 2022 £ | Total Funds 2022 £ |
|------------------------|--|---------------------------------------|
| Donations | | |
| Donations and legacies | 138 | 138 |
| Grants | | |
| Grants received | 2,030 | 2,030 |
| Other donations | | |
| | 2,168 | 2,168 |

6 Investment income

| | Total Funds 2023 £ | Total Funds 2022 £ |
|------------------------|-----------------------------|-----------------------------|
| Fixed asset investment | <u>24,616</u> | <u>24,728</u> |

7 Expenditure on charitable activities by fund type

| | Total Funds 2023 £ | Total Funds 2022 £ |
|------------------|-----------------------------|-----------------------------|
| Charity expenses | 14,576 | 58,199 |
| Support costs | <u>34,893</u> | <u>49,382</u> |
| | <u>49,469</u> | <u>107,581</u> |

8 Expenditure on charitable activities by activity type

| | Activities undertaken directly £ | Support costs £ | Total Funds 2023 £ | Total Funds 2022 £ |
|------------------|---|-----------------------|-----------------------------|-----------------------------|
| Charity expenses | 14,576 | 0 | 14,576 | 58,199 |
| Support costs | <u>0</u> | <u>34,893</u> | <u>34,893</u> | <u>49,382</u> |
| | <u>14,576</u> | <u>34,893</u> | <u>49,469</u> | <u>107,581</u> |

9 Analysis of support costs

| | Total 2023 £ | Total 2022 £ |
|---------------------------|--------------------|--------------------|
| THT administration charge | 27,947 | 42,950 |
| Legal expenses | 0 | 1680 |
| FX charges | (339) | 426 |
| Bank charges | 153 | 253 |
| Government charges | 13 | 13 |
| Administration expenses | 321 | 0 |
| Travel & accommodation | 2769 | 0 |
| Conference attendance | 730 | 0 |
| Governance costs | <u>3,300</u> | <u>4,060</u> |
| | <u>34,894</u> | <u>49,382</u> |

The HIV Research Trust, a company limited by guarantee
Notes to the Financial Statements
For the year ended 31 March 2023

10 Net gains/(losses) on investments

| | Unrestricted Funds 2023 £ | Total Funds 2023 £ | Unrestricted Funds 2022 £ | Total Funds 2022 £ |
|-----------------------------|------------------------------------|-----------------------------|------------------------------------|-----------------------------|
| Gains on listed investments | (124,087) | (124,087) | (43,328) | (43,328) |

11 Audit fees

| | 2023 £ | 2022 £ |
|------------|-----------|-----------|
| Audit fees | 3,300 | 4,060 |

As a member of the THT group, the trust is now required to undertake a statutory audit each year. The additional cost of the this audit (compared to a review in previous years) will be borne by the parent charity THT on behalf of HIVRT.

12 Trustee remuneration and expenses

No trustees claimed any remuneration or other expenses for the year ended 31 March 2023, nor for the prior period ended 31 March 2022.

13 Investments

| | Listed investments £ |
|-------------------------|----------------------------|
| Valuation | |
| at 1 April 2022 | 1,306,508 |
| Additions | 24,616 |
| Disposals | (18,516) |
| Revaluations | (124,087) |
| at 31 March 2023 | 1,188,521 |

Financial assets held at fair value

SORP 2019 requires that for all financial assets measured at fair value, the basis for determining fair value, including any assumptions applied when using a valuation technique, must be disclosed. All financial assets are held at market value as at the year ended 31 March 2023.

The HIV Research Trust, a company limited by guarantee
Notes to the Financial Statements
For the year ended 31 March 2023

14 Debtors

| | 2023 £ | 2022 £ |
|--------------------------------|-----------|-----------|
| Prepayments and accrued income | 0 | 0 |

15 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|---------------------|---------------|---------------|
| Creditors | 6,636 | 40,300 |
| Accrued expenditure | 46,386 | 35,588 |
| | <u>53,022</u> | <u>75,888</u> |

16 Analysis of charitable funds

Unrestricted funds

| | At 1/4/22 | Income | Expenditure | Gains & losses | At 31/3/23 |
|---------------|------------------|---------------|-----------------|-------------------|------------------|
| | £ | £ | £ | £ | £ |
| General funds | <u>1,392,410</u> | <u>30,334</u> | <u>(49,469)</u> | <u>(124,087)</u> | <u>1,249,188</u> |

Unrestricted funds (unaudited)

| | At 1/1/21 | Income | Expenditure | Gains & losses | At 31/3/22 |
|---------------|------------------|---------------|------------------|-------------------|------------------|
| | £ | £ | £ | £ | £ |
| General funds | <u>1,516,423</u> | <u>26,896</u> | <u>(107,581)</u> | <u>(43,328)</u> | <u>1,392,410</u> |

17 Analysis of net assets between funds

| | Unrestricted Funds 2023 £ | Total Funds 2023 £ | Unrestricted Funds 2022 £ | Total Funds 2022 £ |
|----------------------------|------------------------------------|-----------------------------|------------------------------------|-----------------------------|
| Investments | 1,188,521 | 1,188,521 | 1,306,508 | 1,306,508 |
| Current assets | 113,689 | 113,689 | 161,790 | 161,790 |
| Creditors less than 1 year | <u>(53,022)</u> | <u>(53,022)</u> | <u>(75,888)</u> | <u>(75,888)</u> |
| Net assets | <u>1,249,188</u> | <u>1,249,188</u> | <u>1,392,410</u> | <u>1,392,410</u> |

18 Related parties

Management fee of £27,947 (2022: £49,250, for the 15 month period, which included prior-year adjustments) was to be charged by Terrence Higgins Trust for administration tasks, and accrued as at 31 March 2023. £34,934 (2022: £38,711) was outstanding at 31 March 2023.

19 Controlling parties

Terrence Higgins Trust is the sole member, and appoints trustees to the board.

The HIV Research Trust, a company limited by guarantee

Management information for the year ended 31 March 2023

The following pages do not form part of the financial statements.

The HIV Research Trust, a company limited by guarantee

Management information for the year ended 31 March 2023

| | 2023 | 2022 |
|--|------------------|------------------|
| | £ | £ |
| Income & endowments | | |
| Donations and legacies | 58 | 138 |
| Grants received | 0 | 2,030 |
| Inter-company grants received | 5,660 | 0 |
| | <u>5,718</u> | <u>2,168</u> |
| Investment income | | |
| Other fixed asset investment - FII | 24,616 | 24,728 |
| | <u>24,616</u> | <u>24,728</u> |
| Total income | <u>30,334</u> | <u>26,896</u> |
| Expenditure | | |
| Expenditure on charitable activities | | |
| Legal and professional fees | 3,300 | 4,060 |
| Administration expenses | 31,593 | 45,322 |
| Grants to individuals | 14,576 | 58,199 |
| Total expenditure | <u>49,469</u> | <u>107,581</u> |
| Total expenditure | <u>49,469</u> | <u>107,581</u> |
| Net losses on investments | | |
| Gains / (losses) on listed investments | (124,087) | (43,328) |
| Net income | <u>(143,222)</u> | <u>(124,013)</u> |

The HIV Research Trust, a company limited by guarantee

Management information for the year ended 31 March 2023

Expenditure on charitable activities

| | 2023 | 2022 |
|---|---------------|---------------|
| | £ | £ |
| Charity expenses | | |
| <i>Activities undertaken directly</i> | | |
| Grants to individuals | 14,576 | 58,199 |
| Honoraria payments | 0 | 0 |
| Website design | 0 | 0 |
| | <u>14,576</u> | <u>58,199</u> |
| Governance costs | | |
| Accountancy fees | 3,300 | 4,060 |
| Legal fees | 0 | 1,680 |
| Travel expenses | 999 | 0 |
| Accommodation expenses | 1,770 | 0 |
| Conference expenses | 730 | 0 |
| Administration expenses | 28,434 | 19,202 |
| | <u>35,233</u> | <u>24,942</u> |
| Expenditure on charitable activity | <u>49,809</u> | <u>83,141</u> |