

Company number: 07941827

Charity number: 1146162

Royal Society of Tropical Medicine and Hygiene
Report and Financial Statements
31 March 2016

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Reference and administrative details

Charity number	1146162
Company number	07941827
Registered office and operational address	Northumberland House 303-306 High Holborn London WC1V 7JZ
Trustees	<p>President Dr Simon Cathcart FFPH MB BCh DTM&H MSc (from 25 September 2015) Professor Simon Hay DPhil (Oxon) CBIol FSB FRGS FRSPSoc (to 25 September 2015)</p> <p>Vice-President Dr Simon Cathcart FFPH MB BCh DTM&H MSc (to 25 September 2015) Professor Sarah Rowland-Jones BA MA BMBCh MRCP (from 25 September 2015)</p> <p>Honorary Treasurer Mr Trevor Ellis ACMA MBA</p> <p>Trustees Mr Simon Bush BA MSc Dr Patrick Cross PhD Professor Umberto D'Alessandro MD MSc PhD (to 25 September 2015) Dr John Dusabe BSc MSc PhD Professor Alison Grant BA MBBS MSc PhD FRCP DTM&H Professor Kara Hanson BA MPhil PhD Dr Judy MacArthur Clark CBE DVMS DLAS DipECLAM ACLAM(h.m.) FRSB FRAgS MRCVS (from 25 September 2015) Dr Marta Tufet PhD (from 25 September 2015) Professor Nynke van den Broek MBBS FRCOG PhD</p>
Chief Executive	Ms Gerri McHugh MA MSc MBA
Bankers	National Westminster Bank plc 332 High Holborn London WC1V 7JZ
Investment Managers	<p>Eden Investment Management Beaufort House Brunswick Road Gloucester GL1 1JZ</p> <p>Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU</p>
Solicitors	Bates Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE
Auditors	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD

Report of the Trustees

For the year ended 31 March 2016

The Trustees present their report and the audited financial statements for the year ended 31 March 2016. Reference and administrative details on page 1 and page 2 form part of this report.

The financial statements have been prepared on the accounting policies set out in note 1 to the financial statements and comply with the Society's Memorandum and Articles of Association, applicable law and the requirements of the FRS102.

Structure, governance and management

The Royal Society of Tropical Medicine and Hygiene registered charity 1146162 is a professional body founded in 1907. Its objects are to promote and advance the study, control and prevention of disease in man and other animals in the tropics and in disadvantaged communities around the globe by facilitating discussion and the exchange of information among those who are interested in the diseases of such communities.

The charity is constituted under the Memorandum & Articles of the Society as revised and adopted at the EGM of 14 December 2011. It is a charitable company, incorporated in the United Kingdom.

The Board of Trustees, supported by its Committees (Finance & Audit, Grants & Awards, Meetings, Editorial Boards) sets the strategic direction of the charity which is further developed and implemented by the RSTMH staff team.

The Board is made up of twelve Trustees, of which no more than nine are elected from the membership base and no more than three are appointed from outside the membership base to bring additional expert skills. Each Trustee is entitled to serve two three-year terms.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

Trustees receive an induction and have access to a full calendar of external governance training.

Objectives and activities

The Trustees have referred to guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Trustees review the aims, objectives and activities of the charity each year. This report looks back at what the charity has achieved and the outcomes of its work within the last twelve months. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it exists to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

Achievements and performance

RSTMH adopted a new five-year strategic plan in September 2014 with an overarching objective to extend the reach and impact of the charity's work - geographically, politically, demographically and financially. Specific objectives include:

- Facilitating discussion, debate and learning through the provision of high-quality journals and meetings using the latest technology to extend the reach of RSTMH content across the globe;
- Resource learning and career development by investing at least £400,000 per annum in educational activity including meetings, grants and awards by 2019;
- Achieve a more balanced and representative fellowship demographically and geographically and by growing the fellowship base by at least 5% year on year from 1,334 to 1750 by 2019;
- Promote and positively influence the work of people working in tropical medicine and global health by developing an authoritative voice on a wide range of policy issues;

The strategies to be employed to achieve these objectives were defined by the Board of Trustees in December 2013 and are set out below:

Engaging more effectively with Fellows and potential Fellows

The redevelopment of rstmh.org, and the repositioning the Society as a community or network, is central to more effective engagement with Fellows and potential Fellows and the new site went live in April 2015. New features include a resources section with filmed sessions and slides from RSTMH meetings and a blog section as well as greatly improved functionality in subscription and delegate ticket transactions.

A fortnightly HTML newsletter was launched at the same time as the website, and is distributed to c.6,500 contacts on the database with updates on forthcoming RSTMH meetings and overviews of journal content, such as new issues and web collections, and meeting programmes.

Our progress towards engaging more effectively with Fellows and potential Fellows is further described in each of the sections below.

Developing meetings activity

Meetings this year included:

- The disease elimination agenda: the role of science, policy and advocacy (September 2015)
- Research in Progress and Manson Christmas Lecture (December 2015)
- Topics in Infection (January 2016)
- Implementing the End TB Strategy and the SDGs (March 2016)

Nearly all our meetings were streamed lived and/or filmed in their entirety for our Youtube channel as part of our efforts to extend our reach. We also supported a number of external meetings including MSF Scientific Days in May 2015 and the Association of Research Ethics conference in November 2015.

Plans for the next financial year include a Research in Progress meeting in December 2016 and a Topics in Infection meeting in January 2017 as well as our first Africa-based meeting in association with the African Academy of Sciences in Nairobi, Kenya in July 2016 and our Challenges in disease elimination meeting in Cambridge UK in September 2016.

Developing RSTMH journals

The focus this year was on extending the reach and impact of our journal content by further developing our commissioning effort which is now 30-35% across both journal titles. We now aim to maintain and improve that percentage going into next year. We also continued our work on strengthening both Editorial Boards, working towards 30 members on each. The Impact Factor for *Transactions* fell slightly to 1.839 and increased slightly to 1.299 for *International Health*; we hope to sustain or improve both of these in 2016.

Plans for next year include a newly-commissioned ethics series which will launch in May 2016 and four additional web collections, the first of which will focus on migrant health, currently scheduled for May 2016. We also have plans for at least two themed issues and one themed supplement.

Developing a distinct grant-making focus

We disbursed £58,672 in small grants and travel/training scholarships, with a particular focus on focussing early career development, innovation/creativity and under-funded areas including One Health.

In addition we awarded the following RSTMH Medals:

- Chalmers Medal; an annual award for researchers aged 46 and under, to Professor Simon Hay;
- Christophers Medal; a triennial award for work in tropical medicine and hygiene in its broadest sense and in particular for practical and field applications, to Professor Alan Fenwick;

Developing an authoritative voice on policy matters

We held our first policy-focussed meeting - on disease elimination - in September 2015 and will run these meetings in alternative years to the five-day science-focussed meeting.

Governance

Two new Trustees, Drs MacArthur Clark and Tufet joined the Board by election in September 2015. Dr Simon Cathcart took over as President from Professor Simon Hay and Professor Sarah Rowland-Jones took over as Vice-President from Dr Simon Cathcart. All Trustees undertake to complete ongoing governance training and a regular calendar of training events is made available. Five Trustees completed at least one training course this year.

Financial review

Total funds decreased by £385,456 to £3,285,382. This is partly due to the two-year cycle of income and expenditure that the Society experiences with the biennial meeting, and partly due to a fall in income from journals and membership. We are formally reviewing all areas of activity in the first quarter of the 2016-17 financial year, with a view to addressing the main drivers of underperformance.

Risk policy

The Trustees will continue to review the major risks to which the Society is exposed and identify measures to be put in place to mitigate those risks prospectively. Risk is formally reviewed quarterly at the Board of Trustees meetings. The Trustees view their position as one of trust in relationship to the Society's financial integrity and continued standing. This relates to all forms of financial probity and extends to their position on fraud. The Trustees recognise that they have, and have always had, a need to ensure that, in all ways, the financial dealings of the Society are transparent and above board. Thus major decisions in relation to the dealings of the Society are extensively discussed by the Trustees.

The Society perceives – and addresses – current areas of risk as follows:

Decline in membership

We have taken the following steps to mitigate risk in this area:

- Engaged a consultant to run a membership engagement project to run April-June 2016, elements to include canvassing of current, lapsed and potential members, industry comparative analysis, recommendations for implementation
- Trialled changes to event ticket pricing to make membership more compelling

Poor performance of publishing partner

We have taken the following steps to mitigate risk in this area:

- Strategic review meetings with OUP are now every six months rather than annually
- An income and expenditure forecast is received quarterly rather than every six months
- A sustained focus on Open Access opportunities at all levels
- Appointment of new Editorial Board members to cover specific diseases and disciplines
- Ongoing promotion of the RSTMH journals for high-quality paid for content such as supplements
- Bibliometric analysis of competitor journals 2014 papers planned for March/April 2016
- For 2018 onwards, consider online-only supply of issues to subscribers and members, thereby reducing costs

Loss of key staff leading to disruption in operations

Following the resignation of the CEO in February 2016 we have taken the following steps to mitigate risk in this area:

- President and CEO exploring options for a degree of continuity over summer 2016
- President and recruitment sub-group to appoint a suitable recruitment agency by April 2016

Fiscal risk

The Society has cash reserves available on deposit that represent more than one year's costs at current rates of expenditure. In addition the portfolio has been split between two investment management houses.

Remuneration policy

The Society bases remuneration on levels offered in charities of similar size, structure and scope. The remuneration of the Chief Executive is disclosed in Note 5.

The Society will review, update and formalise its remuneration policy in September 2016, taking into account the recommendations of the NCVO Inquiry of Executive Pay (April 2014).

Reserves policy

The restricted fund reserves of the Society comprise £162,361 (£183,034 in 2015) with total unrestricted funds amounting to £3,123,021 (£3,487,804 in 2015). Funds are held predominantly in a high interest account and fixed asset investments. The yield from these accounts plus income from subscriptions, meetings and journals profit share are available to meet our expenses.

Charity Commission requirements indicate that capital sums should be invested to achieve capital growth to defray the effects of inflation. Trustees specified this in the investment mandate with £3M invested in a range of assets which could be readily liquidated in the need were to arise. The cash reserves are considered adequate and available to meet expenses arising from continuing activities for a four to six-month period. As far as possible, we aim to cover the costs of the meetings programme from delegate fees and industry sponsorship where applicable and appropriate. The reserves policy is scheduled for review in March 2017.

Investment policy

The aim of the Society's investment policy is to secure growth in capital value equivalent to UK inflation while achieving a target income of £150,000 per annum. The Society has a policy of not investing in tobacco companies, armaments companies or in companies that make infant formula feeds that are marketed in the tropics and sub-tropics. To the best of the Trustees' knowledge, no investments have been held in institutions which fit these criteria. The investments policy is scheduled for review in December 2016.

We achieved our target this year, generating £171,753 in total.

Grant-making policy

The Society launched a new grants round in September 2015, informed by the outcomes and learnings from the 2012-14 interim grants round and the framework of the new five-year strategic plan. Grants are recommended by the Grants Committee and approved by the Trustees. A scoring system is used and applicants with the highest total scores are awarded grants within the available budget.

Statement of the Trustees' responsibilities

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Financial Reporting Standard (FRS102).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company, for that period. In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the FRS102;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and the FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are aware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2016 was 12. The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditors

Kingston Smith LLP were appointed as the charitable company's auditors in March 2016.

The report of the Trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on 21 June 2016 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Trevor Ellis', written over a horizontal line.

Mr Trevor Ellis ACMA MBA

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE

We have audited the financial statements of Royal Society of Tropical Medicine and Hygiene for the year ended 31 March 2016 which comprise the Statement of Financial Activities, incorporating the Summary Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement (set out on page 7) the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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 Trustees Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

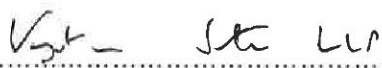
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' 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 exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.


.....
Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditor

Date: 23 / 4 / 2016

Devonshire House
60 Goswell Road
London
EC1M 7AD

Royal Society of Tropical Medicine and Hygiene

Statement of Financial Activities

For the year ended 31 March 2016

	Note	Unrestricted Funds £	Restricted Funds £	2016 Total £	Unrestricted Funds £	Restricted Funds £	2015 Total £
INCOME FROM:							
Donations and legacies	2	294	1,456	1,750	494	1,664	2,158
Charitable activities:							
- <i>Fellows' annual subscriptions</i>		49,612	-	49,612	55,127	-	55,127
- <i>Journals</i>	4	149,865	-	149,865	197,565	-	197,565
- <i>Meetings</i>		16,765	-	16,765	81,619	34,212	115,831
Other income		1,605	-	1,605	3,649	-	3,649
Investments	3	171,753	-	171,753	179,542	-	179,542
Total		389,894	1,456	391,350	517,996	35,876	553,872
EXPENDITURE ON:							
Raising funds		24,738	-	24,738	26,851	-	26,851
Charitable activities:							
- <i>Fellows' services</i>	6	148,091	-	148,091	157,794	-	157,794
- <i>Journals</i>		237,465	-	237,465	246,160	-	246,160
- <i>Meetings</i>		71,305	-	71,305	109,253	24,388	133,641
- <i>Grants and awards</i>		37,633	22,129	59,762	11,720	44,337	56,057
Total		519,232	22,129	541,361	551,778	68,725	620,503
Net gains/ (losses) on investments	15	(235,445)	-	(235,445)	269,025	-	269,025
Net income/ (expenditure)		(364,783)	(20,673)	(385,456)	235,243	(32,849)	202,394
Total funds brought forward		3,487,804	183,034	3,670,838	3,252,561	215,883	3,468,444
Total funds carried forward	15	3,123,021	162,361	3,285,382	3,487,804	183,034	3,670,838

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than stated above. Movements in funds are disclosed in Note 15 to the financial statements. There have been no related party transactions in the reporting period.

Royal Society of Tropical Medicine and Hygiene

Balance Sheet

Company No 07941827

As at 31 March 2016

	Note	2016	2015
		£	£
Fixed Assets:			
Intangible assets	9	21,860	19,248
Tangible assets	9	18,846	25,199
Investments	10	3,296,128	3,584,491
<i>Total fixed assets</i>		<u>3,336,834</u>	<u>3,628,938</u>
Current assets:			
Debtors	11	152,868	136,810
Cash at bank and in hand		28,989	117,161
<i>Total current assets</i>		<u>181,857</u>	<u>253,971</u>
Liabilities:			
Creditors: amounts falling due within one year	12	(220,161)	(201,773)
<i>Net current assets/(liabilities)</i>		<u>(38,304)</u>	<u>52,198</u>
<i>Total assets less current liabilities</i>		<u>3,298,530</u>	<u>3,681,136</u>
Creditors: amount falling due after more than one year	13	(13,148)	(10,298)
Total net assets		<u>3,285,382</u>	<u>3,670,838</u>
Charity Funds:			
Restricted funds	15	162,361	183,034
Unrestricted funds			
General purposes		3,112,916	3,252,225
Revaluation reserve		10,105	235,579
<i>Total unrestricted funds</i>		<u>3,123,021</u>	<u>3,487,804</u>
Total charity funds		<u>3,285,382</u>	<u>3,670,838</u>

These financial statement have been prepared in accordance with FRS102 for Charities.

Approved by the Directors on 21/06/16
Signed on their behalf by Trevor Ellis

Mr Trevor Ellis ACMA MBA

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit company for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

FRS 102 has been adopted for the first time when preparing these financial statements. The transition date to FRS 102 was 1 April 2014 and the last financial statements prepared under the previous financial reporting framework were prepared for the year ended 31 March 2015. No adjustments have been made to comparative data other than the reclassification of governance costs to support costs. This has had £nil effect on net funds per the Statement of Financial Activities nor the Balance Sheet.

b) Going concern

The trustees have assessed the charity's ability to continue as a going concern and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on fee income. After making enquiries, the trustees have concluded that there are reasonable expectations that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

c) Tangible fixed assets

Tangible fixed assets are capitalised at cost if over £ 1,000.

Depreciation is calculated by reference to the cost of fixed assets using rates considered appropriate having regard to the expected lives of the fixed assets. The annual rates in use are:

Office refurbishment	10% straight line
Furniture and equipment	20% straight line

d) Intangible fixed assets

Intangible fixed assets are capitalised at cost if over £ 1,000.

Amortisation is calculated by reference to the cost of fixed assets using rates considered appropriate having regard to the expected lives of the fixed assets. Current annual rates in use are:

Intangible assets	20% straight line
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e) Incoming resources

All incoming resources that become available to the Society are included in the statement of financial activities as soon as receivable. Royalties are accounted for when declared due by the relevant printers and publishers.

Royal Society of Tropical Medicine and Hygiene
Notes to the financial statements
For the year ended 31 March 2016

1. Accounting policies (continued)

Interest received on the investments is apportioned to the various funds in proportion to their balances at the year end date.

Fellows' annual subscriptions income is included on a receivable basis with amounts relating to future accounting years deferred as subscriptions in advance.

f) Resources expended

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

Due to adoption of FRS 102, the split of costs per the SOFA for 2015 was amended accordingly to be in line with the new format.

	2016
Fellows' services	40.6%
Journals	44.1%
Meetings	11.9%
Grants/awards	3.4%

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Society to the expenditure.

g) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the statement of financial activities.

h) Irrecoverable value added tax

VAT on purchases and expenses irrecoverable under the regulations dealing with partially exempt organisations has been charged against miscellaneous expenses.

i) Funds

The funds are segregated between:

Restricted funds – monies set aside for particular awards or purposes in accordance with the instructions of the donor or the terms of an appeal.

Unrestricted funds – undesignated monies retained that provide the working capital to enable the Trustees to carry out the charitable activities.

Unrealised gains and losses are taken to the revaluation reserve whereas realised gains and losses are taken to general fund.

1. Accounting policies (continued)

j) Pension contributions

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

k) Operating leases

The annual rentals on operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

l) Investments

Investments are included in the financial statements at the market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between the sales proceeds and the opening market value. Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value.

m) Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

n) Other financial instruments

- **Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

- **Debtors and Creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried at their at transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

o) Operating currency

The operating currency of the charity is Pound Sterling and the monetary amounts in the accounts are rounded to the nearest pound.

Royal Society of Tropical Medicine and Hygiene
Notes to the financial statements
For the year ended 31 March 2016

2. Voluntary income

	2016	2015
	£	£
President's Fund	1,456	1,664
General Fund	294	494
	<u>1,750</u>	<u>2,158</u>

3. Investment income

	2016	2015
	£	£
Dividend's – UK equities	171,750	179,500
Interest on cash deposits	3	42
	<u>171,753</u>	<u>179,542</u>

4. Journals

	2016	2015
	£	£
Income from publications	52,731	106,678
Editorial contribution	97,134	90,887
	<u>149,865</u>	<u>197,565</u>

5. Staff costs

Total employment costs for the year comprise:

	2016	2015
	£	£
Salaries and wages	204,278	198,434
Social security costs	11,742	15,025
Other pension costs	12,847	12,332
Temporary staff	17,321	6,900
	<u>246,188</u>	<u>232,691</u>

Key management personnel include the Trustees, Chief Executive (and senior staff reporting directly to the Chief Executive). The total employee benefits of the charity's key management personnel were £67,872 (2015: £67,200).

The average monthly number of employees (full-time equivalent) during the year was made up as follows:

	2016	2015
	No.	No.
Editorial	2.4	3.3
Finance	1.2	1.1
Administration	2.6	1.7
	<u>6.2</u>	<u>6.1</u>

Royal Society of Tropical Medicine and Hygiene

Notes to the financial statements

For the year ended 31 March 2016

6. Charitable expenditure

	Fellows services £	Journals £	Meetings £	Awards £	Support costs £	2016 £	2015 £
Staff costs (Note 5)	-	103,609	-	-	142,579	246,188	232,691
Staff training and recruitment	-	2,704	-	-	7,738	10,442	3,154
Publishing house fee	27,939	-	-	-	-	27,939	28,299
Auditors' fees	-	-	-	-	8,500	8,500	7,650
Trustee expense	-	-	-	-	492	492	1,274
Freelance copy writers	-	-	-	-	-	-	1,493
Legal and professional fees	-	-	-	-	3,481	3,481	3,360
Awards *	-	-	-	49,704	-	49,704	47,985
Promotional expense	49	-	-	-	-	49	75
Printing and stationery costs	-	-	-	-	1,447	1,447	3,377
Meetings and conferences	-	-	36,103	-	13,432	49,535	112,550
Postage	-	-	-	-	155	155	148
Telephone	-	-	-	-	3,118	3,118	2,670
Bank charges	-	-	-	-	2,647	2,647	4,464
IT costs	-	-	-	-	11,967	11,967	33,692
Other expenses	-	-	-	-	9,448	9,448	8,914
Miscellaneous	-	696	-	-	13,672	14,368	35,852
Insurance	-	-	-	-	1,792	1,792	2,764
Rent, rates, service, security	-	-	-	-	62,930	62,930	54,150
Depreciation	-	-	-	-	12,421	12,421	9,090
	27,988	107,009	36,103	49,704	295,819	516,623	593,652
Support costs	120,103	130,456	35,202	10,058	-	-	-
Total charitable expenditure	148,091	237,465	71,305	59,762	-	516,623	593,652

* All grants paid in the year were awarded to individuals.

Royal Society of Tropical Medicine and Hygiene

Notes to the financial statements

For the year ended 31 March 2015 (reinstated)

6. Charitable expenditure

	Fellows services	Journals	Meetings	Awards	Support costs	2015
	£	£	£	£	£	£
Staff costs	-	102,503	-	-	130,188	232,691
Staff training and recruitment	240	1,238	-	-	1,676	3,154
Publishing house fee	28,299	-	-	-	-	28,299
Auditors' fees	-	-	-	-	7,650	7,650
Trustee expense	-	-	-	-	1,274	1,274
Freelance copy writers	-	1,493	-	-	-	1,493
Legal and professional fees	-	-	-	-	3,360	3,360
Awards *	-	-	-	45,233	2,752	47,985
Promotional expense	-	-	-	-	75	75
Printing and stationery costs	-	-	-	-	3,377	3,377
Meetings and conferences	-	-	95,755	-	16,795	112,550
Postage	-	-	-	-	148	148
Telephone	-	-	-	-	2,670	2,670
Bank charges	-	-	-	-	4,464	4,464
IT costs	-	-	-	-	33,692	33,692
Other expenses	-	-	-	-	8,914	8,914
Miscellaneous	-	528	-	-	35,324	35,852
Insurance	-	-	-	-	2,764	2,764
Rent, rates, service, security	-	-	-	-	54,150	54,150
Depreciation	-	-	-	-	9,090	9,090
	28,539	105,762	95,755	45,233	318,363	593,652
Support costs	129,255	140,398	37,886	10,824	318,363	-
Total charitable expenditure	157,794	246,160	133,641	56,057	-	593,652

* All grants paid in the year were awarded to individuals.

Royal Society of Tropical Medicine and Hygiene
Notes to the financial statements
For the year ended 31 March 2016

7. Pension obligations

The charity makes contributions to employees' defined contribution pension scheme, and a stakeholder scheme. Contributions amounted to £ 12,847.08 (2015 - £ 12,331.70). At the year end, there were no contributions outstanding. The assets of the scheme are invested and managed independently of the finances of the Society.

8. Net incoming resources for the year

This is stated after charging:

	2016	2015
	£	£
Depreciation	12,421	9,090
Trustees' expenses	492	1,274
Auditors' remuneration: CY Audit	8,200	7,650
PY Under accrual	300	-
Operating lease rentals: Property	39,600	29,700

The trustees only receive reimbursement for expenses actually incurred in attending meetings. No remuneration is paid to Trustees. The gross amount that has been reimbursed in respect of attendance of board meetings in the year was £ 492 for two trustees (2015 - £ 1,274 for five trustees).

9. Fixed assets

	Intangible assets Website and database	Tangible assets Office refurbishment	Equipment and furniture	Total
	£	£	£	£
Cost				
At the start of the year	69,112	39,662	32,349	141,123
Additions	8,680			8,680
Disposal during the year	(34,270)		(6,219)	(40,489)
At the end of the year	43,522	39,662	26,130	109,314
Depreciation				
At the start of the year	49,864	19,830	26,982	96,676
Charge for the year	6,068	3,966	2,387	12,421
Written off during the year	(34,270)		(6,219)	(40,489)
At the end of the year	21,662	23,796	23,150	68,608
Net book value				
At the end of the year	21,860	15,866	2,980	40,706
At the start of the year	19,248	19,832	5,367	44,447

Royal Society of Tropical Medicine and Hygiene
Notes to the financial statements
For the year ended 31 March 2016

10. Investments

Movement in fixed asset investments

	2016	2015
	£	£
Market value at the start of the year	3,584,491	3,439,084
Additions at cost	147,079	3,348,869
Disposals at carrying value	(209,971)	(3,233,840)
Movement in cash	3	(205,201)
Revaluation gains/(losses)	(225,474)	235,579
Market value at the end of the year	3,296,128	3,584,491
Historic cost at the end of the year	3,298,531	3,348,869

Investments (at market value at the balance sheet date) comprise:

	2016	2015
	£	£
Fixed interest securities	928,002	780,582
Equities	2,103,962	2,425,148
Unit Trusts	61,750	43,140
Property and other liquid assets	202,369	335,579
Cash	45	42
Total	3,296,128	3,584,491

Investments at market value are geographically analysed between:

	2016	2015
	£	£
UK	1,706,808	1,782,061
Overseas	1,589,320	1,802,430
Total	3,296,128	3,584,491

Investments which constitute more than 5% of the total investment holding are:

	2016	2015
Amity balanced Fund for Charities	50.63%	50.15%
Alpha CIF for Endowments Fund	49.37%	49.85%
Total	100.00%	100.00%

11. Debtors

	2016	2015
	£	£
Other debtors	19,309	21,587
Prepayments	47,886	14,055
Accrued income	83,407	101,168
VAT receivable	2,266	-
	152,868	136,810

All debtors above, with the exception of prepayments are financial instruments and are measured at present value.

Royal Society of Tropical Medicine and Hygiene
Notes to the financial statements
For the year ended 31 March 2016

12. Creditors: amounts falling due within one year

	2016	2015
	£	£
Other creditors and accruals	106,605	82,462
Other taxation and social security	5,478	5,176
Membership subscriptions deferred	27,156	29,515
Editorial contribution deferred	80,922	70,160
VAT payable	-	14,460
	<u>220,161</u>	<u>201,773</u>

All creditors above, with the exception of accruals are financial instruments and are measured at present value. Part of the subscription income is deferred as members' annual subscription (paid in advance for 12 month) doesn't coincide with Charity's financial year. Editorial contribution is deferred as it is paid prior to a year it relates to.

	2016	2015
	£	£
Deferred income b/fwd	99,675	102,211
Released to income in the year	(99,675)	(102,211)
Deferred income in the year	108,878	99,675
Deferred income c/fwd	<u>108,878</u>	<u>99,675</u>

13. Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Membership subscriptions deferred	<u>13,148</u>	<u>10,298</u>

Part of the subscription income is deferred for over a year as members have an option to pay for 3 or 5 year subscriptions in advance at a discounted price per annum.

14. Analysis of net assets between funds

2016	Restricted funds	General funds	Revaluation Reserve	Total funds
	£	£	£	£
Intangible fixed assets	-	21,860	-	21,860
Tangible fixed assets	-	18,846	-	18,846
Fixed assets investments	-	3,286,023	10,105	3,296,128
Net current assets/liabilities	162,361	(200,665)	-	(38,304)
Long term liabilities	-	(13,148)	-	(13,148)
	<u>162,361</u>	<u>3,112,916</u>	<u>10,105</u>	<u>3,285,382</u>

Royal Society of Tropical Medicine and Hygiene
Notes to the financial statements
For the year ended 31 March 2016

2015	Restricted funds £	General funds £	Revaluation reserve £	Total funds £
Intangible fixed assets	-	19,248	-	19,248
Tangible fixed assets	-	25,199	-	25,199
Fixed assets investments	-	3,348,912	235,579	3,584,491
Net current assets/liabilities	183,034	(130,836)	-	52,198
Long term liabilities	-	(10,298)	-	(10,298)
	<u>183,034</u>	<u>3,252,225</u>	<u>235,579</u>	<u>3,670,838</u>

15. Movement in funds

	Balance at 01/04/2015 £	Incoming Resources £	Resources expended £	Investment gains and losses £	Balance at 31/03/2016 £
<i>Restricted funds</i>					
Chalmers Memorial Fund	2,314	-	-	-	2,314
Chadwick Lecture Fund	2,163	-	-	-	2,163
Sir Leonard Rogers Fund	4,493	-	-	-	4,493
The Robert Cochrane Fund for Leprosy	1,611	-	(1,000)	-	611
President's Fund	20,524	1,456	-	-	21,980
Denis Burkitt Fellowship Fund	109,542	-	(2,000)	-	107,542
Garnham Fund	40,306	-	(19,129)	-	21,177
Centenary Fellowship Appeal Fund	2,081	-	-	-	2,081
Biennial meeting	-	-	-	-	-
Total restricted funds	<u>183,034</u>	<u>1,456</u>	<u>(22,129)</u>	<u>-</u>	<u>162,361</u>
<i>Unrestricted funds</i>					
Revaluation reserve	235,579	-	-	(225,474)	10,105
General funds	<u>3,252,225</u>	<u>389,894</u>	<u>(519,232)</u>	<u>(9,971)</u>	<u>3,112,916</u>
Total unrestricted funds	<u>3,487,804</u>	<u>389,894</u>	<u>(519,232)</u>	<u>(235,445)</u>	<u>3,123,021</u>
Total Charity funds	<u>3,670,838</u>	<u>391,350</u>	<u>(541,361)</u>	<u>(235,445)</u>	<u>3,285,382</u>

Royal Society of Tropical Medicine and Hygiene
Notes to the financial statements
For the year ended 31 March 2016

	Balance at 01/04/2014	Incoming Resources	Resources expended	Investment gains and losses	Balance at 31/03/2015
	£	£	£	£	£
<i>Restricted funds</i>					
Chalmers Memorial Fund	2,314	-	-	-	2,314
Chadwick Lecture Fund	2,163	-	-	-	2,163
Sir Leonard Rogers Fund	9,093	-	(4,600)	-	4,493
The Robert Cochrane Fund for Leprosy	11,561	-	(9,950)	-	1,611
President's Fund	18,860	1,664	-	-	20,524
Denis Burkitt Fellowship Fund	119,505	-	(9,963)	-	109,542
Garnham Fund	50,306	-	(10,000)	-	40,306
Centenary Fellowship Appeal Fund	2,081	-	-	-	2,081
Biennial meeting	-	34,212	(34,212)	-	-
Total restricted funds	215,883	35,876	(68,725)	-	183,034
<i>Unrestricted funds</i>					
Revaluation reserve	288,624	-	-	(53,045)	235,579
General funds	2,963,937	517,996	(551,778)	322,070	3,252,225
Total unrestricted funds	3,252,561	517,996	(551,778)	269,025	3,487,804
Total Charity funds	3,468,444	553,872	(620,503)	269,025	3,670,838

Royal Society of Tropical Medicine and Hygiene
Notes to the financial statements
For the year ended 31 March 2016

15. Movement in funds (continued)

Purposes of restricted and designated funds

The Chalmers Memorial Fund was established to support the cost of annual award in recognition of research or outstanding contributions in tropical medicine or hygiene.

The Chadwick Lecture Fund was established to support the cost of a lectureship on some aspect of tropical medicine.

The Sir Leonard Rogers Fund was established to support the cost of overseas initiatives or expeditions to tropical countries by medical or science students.

The Robert Cochrane Fund for Leprosy was established to support three travel awards a year in order to obtain or provide practical training in fieldwork or in research into leprosy.

The President's Fund was established to support the subscription cost for deserving applicants from developing countries.

The Denis Burkitt Fellowship Fund was established to support the cost of two awards a year for practical training, travel or direct assistance in relation to specific fieldwork.

The Garnham Fund was established to support the cost of an annual fellowship for fieldwork in parasitology or entomology.

Centenary Fellowship Appeal Fund comprises monies raised to provide short-term support for promising researches from the tropics and sub-tropics early in their careers.

Biennial Meeting Fund represents funds that have been specifically received for the running of the Biennial meeting and providing travel scholarships to participants.

16. Financial commitments

At 31 March 2016, the charity was committed to making the following total future minimum lease payments under non-cancellable operating leases:

	2016 £	2015 £
Land and buildings operating leases:		
Within one year	85,200	54,320
Between two and five years	312,400	340,800
In over five years	-	56,800
Other operating leases:		
Within one year	2,986	2,826
Between two and five years	5,238	2,533
	<u>405,824</u>	<u>457,279</u>