

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

**ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE
(A Company Limited by Guarantee)**

Registered company number: 07941827
Charity number: 1146162

ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE
(A Company Limited by Guarantee)

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Reference and Administrative Details
For The Year Ended 31 March 2019

Charity number	1146162
Company number	07941827
Registered office	Northumberland House 303-306 High Holborn London WC1V 7JZ
and operational address	
Trustees	President Dr Simon Cathcart FFPH MB BCH DTM&H MSc (to 18 September 2018) Professor Sarah Rowland-Jones MA BM BCH FRCP FMedSci (from 18 September 2018) Vice-President Professor Sarah Rowland-Jones MA BM BCH FRCP FMedSci (to 18 September 2018) Dr Wendy Harrison BVet Med MPH PhD MRCS (from 18 September 2018) Honorary Treasurer Mr Trevor Ellis ACMA MBA Trustees Mr Simon Bush BA MSc Dr Simon Cathcart FFPH MB BCH DTM&H MSc (to 18 September 2018) Dr Sharon Cox BSc MSc PhD Dr Patrick Cross PhD (to 18 September 2018) Professor Kara Hanson BA MPhil ScD Dr Wendy Harrison BVet Med MPH PhD MRCS Dr Judy MacArthur Clark CBE DVMS DLAS DipECLAM ACLAM(h.m.) FRSB FRAGS FRCVS Dr Christopher Parry BA (Hons) MB BCHir PhD FRCP FRCPath Ms Sarah Rafferty BA MSc (from 18 September 2018) Dr Marta Tufet PhD Professor Malcolm Molyneux Professor Jimmy Whitworth (from 18 September 2018)
Chief Executive	Tamar Ghosh BSc MSc MBA
Bankers	National Westminster Bank plc 1 Cavendish Square London W1A 4NU
Investment Managers	Eden Investment Management Beaufort House Brunswick Road Gloucester GL1 1JZ Sarasin & Partners LLP Juxon House

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Solicitors	100 St Paul's Churchyard London EC4M 8BU
	Bates Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE
Auditors	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD

ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE
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Trustees Annual Report
For The Year Ended 31 March 2019

Report of the Trustees

For the year ended 31 March 2019

The Trustees present their report and the audited financial statements for the year ended 31 March 2019. Reference and administrative details on page 1 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 and governance

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 and amended 26 January 2018. It is a charitable company, incorporated in the United Kingdom.

The Board of Trustees, supported by its Committees (Finance and Audit, Grants and Awards, Meetings and Events, Education & Training, Policy and Advocacy, International Members, and the Editorial Boards for both of the journals that are managed by the Society) sets the strategic direction of the charity which is further developed and implemented by the RSTMH staff team.

The Board is made up of up to fourteen Trustees, of whom no more than nine are elected from the membership base and no more than five are appointed from outside the membership base, to bring additional expert skills. Each Trustee is entitled to serve two three-year terms, which can be extended by the Board of Trustees. Trustees receive an induction and have access to 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.

Strategy

This was the first full financial year under our new strategy, which saw us restructure the roles in the team to better meet the new objectives, providing more capacity for activities relating to membership, our events and meetings, and digital communications. During this year we have been recruiting to these new roles, the last of which we completed in January 2019. This has had an impact on the allocation of support costs again, as we vary the resource given to different areas of our work. The new strategy set a new vision and mission,

a set of 6 priority themes of work, and a revised set of goals and objectives. The strategy encourages us to listen more to our members, and align our work better to achieve greater impact within the global health community.

A revised vision and mission

Our ambition is to save lives and improve health around the world through increased access and greater equity in global healthcare.

Our mission is to be at the heart of the tropical medicine and global health community, providing the knowledge and networks, across all disciplines, that drive impact.

Priority thematic areas of focus

As a result of the strategy review, the Society identified six areas of tropical medicine and global health where it was felt more attention was needed, and where it was believed RSTMH has the potential to deliver value and impact. Though not exclusive, these are the priorities for the next five years:

- Neglected tropical diseases, with a particular focus on their overlap with non-communicable diseases and the sustainable development goals
- Malaria, with a particular focus on resistance
- One Health and wider planetary health. The consideration of human health alongside animal health, and the environment, in the context of social, economic and political factors
- Topical issues including, but not limited to, emerging diseases
- Drug resistant infections
- Areas where the unique and independent role as convenor would be useful

Strategic approach

The overarching approach for the next five years is to better understand and utilise the collective knowledge and expertise of our members and networks in order to build on our existing strengths and realise our potential. We will do this while striving to be accessible, expert, convening, inspiring, inclusive and professional.

Strategic priorities

The approach will be delivered through three main priorities, each met through a number of goals, delivered by key activities, which we have reported against below:

Strategic priority 1: Strengthen our existing relationships with members, networks, and partners

Goal 1: Engage with members and supporters, in tailored ways, to deliver increased value

- Improve our ongoing programmes of engagement with members
- Develop new ways to engage with our members, for example through digital channels, or delivering more activities outside of the UK
- Develop new activities that respond to members' needs, for example evaluate mentoring and career development for early career professionals

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- Establish programmes to better engage with our wider networks and supporters, including meeting attendees, authors and reviewers, small grants recipients, and medal awardees

Goal 2: Strengthen mutually beneficial partnerships across sectors and disciplines

- Evaluate and strengthen ongoing partnerships with organisations and institutions in the UK and beyond
- Establish collaborations with new potential partners that help achieve improved impact for our members, for RSTMH and for global health

Strategic priority 2: Deliver better impact for global health, RSTMH and our members

Goal 1: Establish clear impact goals and measures across all current and new activities

- Set impact objectives and measurement criteria across themes, activities and audiences
- Establish systems to measure outcomes and impact from individual activities
- Establish an integrated approach to planning and delivery across all work
- Review all activities to ensure alignment with strategic goals and priorities
- Initiate quarterly reviews across all activities, capturing impact and revising plans

Goal 2: Optimise our existing work to deliver impact from our outcomes

- Move biennial meeting to an annual meeting of 2-3 days from 2018
- Align our activities to provide the best opportunity to achieve impact
- Work with key stakeholders to position RSTMH as an authority and leading voice in the UK on tropical medicine and global health
- Proactively identify more opportunities to network and share information
- Establish infrastructure to enable our members to be spokespeople on key aspects of tropical medicine, and global health
- Utilise our website, digital platforms and content to showcase our collective expertise, better engage, and extend and amplify our voice

Strategic priority 3: Improve RSTMH's infrastructure

Goal 1: Implement improved, integrated, efficient internal systems

- Identify and implement a new database, and integrate it with our website, internal systems and platforms
- Review the management structure, ensuring a link from goals to plans
- Implement an automated platform to submit research and applications

Goal 2: Ensure our governance structure is representative of members, activities and priorities

- Refresh Terms of Reference of all Committees and recruit for any gaps
- Re-establish our Education and Training Committee
- Establish a new Policy and Advocacy Committee
- Establish routes to governance for early career, and international, members
- Encourage greater diversity on our Board and Committees

Goal 3: Ensure all activities meet financial targets and objectives

- Set budgets for all activities, with clear ownership and monthly monitoring, evaluation and learning mechanisms
- Establish a system for evaluating potential work against strategic objectives

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Impact measurement is an area where we continue to focus, and now the team is complete we are able to focus more determinedly on this in the next financial year.

The key achievements and activities, against our strategic goals, are noted below.

Strategic priority 1: Strengthen our existing relationships with members, networks, and partners

Goal 1: Engage with members and supporters, in tailored ways, to deliver increased value

We have seen a steady increase in the number of members over the financial year, due to more members renewing their membership and also new members joining the society, especially students and those who are retired, and those from low and middle income countries. Sadly, this year a few of our very long-standing members and Fellows passed away including Professor Wallace Peters, Professor Emeritus Dato CP Ramachandran, Sir David Weatherall, Dr R.B. Khambatta, and Professor Raja Varma.

We have initiated a number of activities to engage more with our members and Fellows. Examples of these include:

- Delivered more events outside of the UK, including in Sudan, Brazil, Ethiopia and Tanzania
- Reviewing and updating our information about membership on our website, to make information comprehensive and easy to understand
- Started work on a new membership leaflet, which should be easier for all to understand
- Organised dinners and meetings with our members in Brazil, India, Tanzania and the US
- Reviewed and improved the discounts and offers to students and other members
- Initiated a number of bespoke communications to new members
- Increased surveys to members to better understand what they want and their views
- Established new ways to engage with members at our meetings and events
- Helped support our UK members who need to revalidate their clinical qualification after working outside of the UK

Goal 2: Strengthen mutually beneficial partnerships across sectors and disciplines

We have strengthened existing partnerships throughout the year with schools and universities in our sector, in the UK, and beyond, though this continues to be an area of growth. We have also established new partnerships with organisations across a range of sectors, including NGOs such as MSF and networks such as the NGOs for NTDs Network (NNN), and across industry. Over the next year we will start to formalise these networks to consider how we can optimise collective impact.

Strategic priority 2: Deliver better impact for global health, RSTMH and our members

Goal 1: Establish clear impact goals and measures across all current and new activities

We started the process of setting impact measures and targets for all of our areas of work this year, developing theory of change models for how each area should help deliver our vision and mission. This area of work has been delayed due to the amount of operational work this year, but continues to be an important part of the strategy.

Goal 2: Optimise our existing work to deliver impact from our outcomes

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This continues to be a work in progress, as we have only just recruited the last member of the team structure, and will now systematically produce strategies for all areas of our work. The move to a new database will also help us to ensure we are able to analyse the outcomes of our work in a holistic way.

The areas of impact where we have seen progress this year include

- Identifying snakebite as a topic that needed further profile, and working with a small number of partners to develop and launch the first International Snakebite Awareness Day
- Progressing policy positions on the key areas of our work, starting with AMR, recruiting a Policy Adviser to support the team and Policy and Advocacy Committee

Strategic priority 3: Improve RSTMH's infrastructure

Goal 1: Implement improved, integrated, efficient internal systems

This year we have done much to improve team efficiency in a number of areas. We entered a tender process to select a new IT support provider and through this have audited our systems for IT and telephony and upgraded our phones and internet. We have established platforms for team working and for sharing information and have established a new conferencing facility to make it easier for those outside of the UK to work with us. We have developed new handbooks for our student ambassadors and other volunteers and for the team. We have started overhauling our internal filing systems, offline and online, including reviewing and establishing a new archive of data. During the year we entered into a tender process to select a new overarching database to record all of the activities of the society in one place. This will improve on the current situation where information about our different activities is kept in multiple locations, and so it is more difficult to identify our impact and how we can better support our members and networks.

Goal 2: Ensure our governance structure is representative of members, activities and priorities

The International Members Committee was established and has met a few times. This group aims to select Country and Regional Ambassadors to ensure that information about RSTMH is shared across the world and to inform of us of how best to serve members based outside of the UK. When recruited it is hoped that Regional Ambassadors will join the Committee, with a representative attending Board meetings, to ensure input to governance of the Society.

This year we established two new positions to ensure governance is influenced by underserved groups we identified during our strategy review—members based outside of the UK and those early in their careers. We established an early careers trustee position and recruited Sarah Rafferty to this role. We also established plans for the new role of Regional Ambassador, a handful of voluntary roles based around the world, one of whom would have a position on the Board and all of whom would be members of the new International Members Committee.

Goal 3: Ensure all activities meet financial targets and objectives

This year we have reviewed all areas of cost and income for all activities and have delivered cost savings in almost all areas and put in place strategies to increase income.

Performance of key activities

Please find below a summary of progress on activities not covered by the strategic goals above.

1. Developing meetings activity

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Meetings this year included the following combination of events we delivered ourselves, and those in partnership with others:

- Supported MSF Scientific Day (May 2018)
- International snakebite conference, Leiden (June 2018)
- East African Research in Progress, with LSHTM, Mosh (September 2018)
- Annual meeting – Neglected Tropical Diseases and their most challenging intersections , London (September 2018)
- Supported Careers Day events, LSHTM and LSTM (May 2018 and February 2019)
- Supported Students for Global Health annual meeting, London (February 2019)
- Student careers day event, London (September 2018)
- NNN annual meeting, Ethiopia (September 2018)
- ASTMH annual meeting (October 2018)
- Research in Progress, London (December 2018)
- Christmas Lecture, Oxford (December 2018)
- Supported Medtrop conference, Brazil (June 2018)
- Topics in Infection, London (January 2019)
- Mycetoma Conference, with Mycetoma Research Centre, Sudan (February 2019)
- AMR event, with SRM University, Delhi (March 2019)
- A private dinner for our past medal winners, officers and past vice-Presidents, to thank them for their support and seek their ideas (May, 2018)

During this year plans to deliver the European Congress on Tropical Medicine and International Health, which we are hosting on behalf of the Federation of European Societies for Tropical Medicine and International Health in September 2019, were established. With oversight from the RSTMH Board, and a secured Strategic Committee, branding, strategy and a theme for the meeting were established. A professional conference organiser was selected, as was a project manager to be based at RSTMH part-time from January 2019. This large event, for upwards of 1,000 people, occurs every two years. With a predicted cost of just over £1m, we initiated and secured underwriting commitments from a number of UK based tropical medicine and health institutions, as well as sponsorship. We have seen over 1,000 abstracts submitted from around the world and selected a scientific Committee to oversee the assessment process. A project plan, budgets and a risk management matrix have been developed to ensure the prestige, profile, and potential income outweigh the risks of delivering the Congress.

2. RSTMH Journals

This year we continued to deliver the changes identified in our journals review. Professor Brian Greenwood was selected as the Editor-in-Chief for *Transactions of the Royal Society of Tropical Medicine and Hygiene* and Professor David Molynieux for *International Health*. We also recruited to the new roles on our Editorial Boards, recruiting a number of Associate Editors and Editorial Advisers to streamline the peer review process and to reduce the internal cost of our journals. We also started the process to tender for a new publishing contract. By the end of this financial year we had arrived at a shortlist of 4 publishers and we are now finalising the contract for the next 5 years. In response to discussions about Plan 5 and informed by our own research we took the decision to make *International Health* fully open access from January 2020. This was a complex decision, whilst we support the principle of ensuring research is open to all, we're concerned that some of our members and networks who are publicly funded may not be able to afford the publishing costs associated with

open access. Growth audiences of NGOs and others whose research is not funded publicly will now have to meet publishing costs, which could affect the diversity of journal content. Finally, it could result in lower overall income for the society. With *International Health* the risks of losing income are minimised and we will monitor submissions and feedback from when the journal changes in 2020. The Impact Factor for *Transactions* decreased this year from 2.82 to 2.307, which reflects the period 2 years ago when we were undergoing the journals review and were experiencing reduced submissions and delays in publishing issues. *International Health* decreased from 1.797 to 1.664. For next financial year we expect to see these recover and improve reflecting the effects of the actions taken following the journals review.

3. Small grants programme

This year we disbursed £88,168 in small grants, travel scholarships, and prizes for early career researchers. This is less than last year at £17,689 which is mainly due to not being able to pay travel scholarships for overseas speakers and recipients whose visa applications were declined. We also started conversations with a number of potential partners for our small grants programme, which would see them providing additional funds to meet the growing global demand for these grants.

In addition, we awarded the following RSTMH medals, awards and prizes:

- Emerging Leaders Award, Dr Devaki Nambiar
- Donald Mackay Medal, jointly with American Society of Tropical Medicine and Health, Professor Ahmed Fahal
- Sir Rickard Christophers medal, Professor Bridget Willis
- Chalmers Medal, Professor Rashida Ferrand
- A total of £300 to prize winners at the Research in Progress meetings

4. Digital Communication

This year we have seen great improvements in our digital communication activity. Twitter now has 5,000 followers, an increase of over 1,000. Our newsletter now goes out to over 8,000 members, Fellows and supporters. Website traffic is also increased with page views of 8,000 per month, helped by improvements made through new FAQ and 'get involved' pages, a map showing where members and Fellows are based, and a new homepage to better highlight important information.

Fundraising and income diversification

This year we refreshed fundraising and launched legacy fundraising activities, to try and diversify our income. We have also been scoping potential new fundraising opportunities, including merchandising, new models for event delivery and income from project management related to securing additional funds for our small grants programme to address its growing demand.

Impact measurement

This year we started to develop impact and outcome measures for the society and for all of our activities. This is work in progress as we have been waiting to have the team at full capacity. We have clarified the 3 ways in which we hope our activities will help us to achieve impact and movement towards our ambition vision and mission. The three ways are

- Support members and Fellows in their careers, so they can maximise their impact
- Bring together the collective expertise and knowledge of our members, to achieve impact

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- Utilise our unique experience and networks to call for change

Future plans

At a strategic level the focus of the next financial year is to continue to move towards a position where the cost of operational activities is met by the operational income raised, so we are not needing to draw on our capital to cover costs. We will focus on income diversification, trialling a number of new activities and partnerships. We will also finalise the work on measuring and delivering impact as an organisation, so we can better report this. In terms of governance we will recruit the new Country Ambassadors, and start the recruitment for Regional Ambassadors. At operational level we will deliver the European Congress on Tropical Medicine and International Health, and establish policy positions on a number of our thematic priorities. We will be some way into the implementation of a new database for all of our work, to ensure we can access the data needed to help align and streamline our activities. This also requires us to upgrade our website, which will provide an opportunity to bring this up to date to support our new strategy. The new 5-year publishing contract will have been signed and we will complete the move for *International Health* to be fully open access.

Governance

One new Trustee was elected in September 2018 - Professor Jimmy Whitworth. Sarah Rafferty was appointed as the first early career trustee. Professor Dr Simon Cathcart completed his term of office in September when Professor Sarah Rowland-Jones started her one-year term as President. Dr Wendy Harrison started her two-year term as Vice-President in September 2018, when Professor Sarah Rowland-Jones moved from this role to be President.

All Trustees undertake and complete ongoing governance training and a regular calendar of training events is made available. One Trustee completed a training course this year, all were offered. Following the review of our Articles of Association last year, which reduced the term of President to one year, we introduced the roles of President-Elect and Past President, and simplified the process of electing and appointing Officers, and we are currently working towards a second round of minor changes to ensure the Articles of Association are up to date with current practices and laws.

Financial review

Total funds decreased by £351,727 to £2,402,444. Total income this year was £342,301, down £47,892 on last year. Excluding investment income, the income for this year was £264,348 compared with £248,003, showing an increase in income generation for activities under our control.

Investment income this year was £77,953 compared with £142,190 last year due to removal of just over £1million from our high interest, mixed portfolio fund in September 2018 as part of our investment policy. This moved to our current account and £600,000 of this will be moved to a combination of current accounts next financial year. Income from journals, meetings and events and donations all increased this year. Expenditure this year was £738,567 down by £57,381 on last year. However £43,466 of this expenditure related to the delivery of the European Congress on Tropical Medicine and International Health in September 2019, so the effective reduction in expenditure on main activities was £100,847. This is partly due to a more robust forecasting and monitoring of our costs, and also delays in recruiting the last 2 members of the team.

The expenditure on membership increased this year, partly as a result of increased stewardship and partly due to investing in the selection of the new database for membership and other RSTMH activities. Expenditure on journals decreased by over £100,000 due to the establishment of the new journals structure,

and there was an expenditure reduction of £7,000 for meetings and events. A significant element of our total funds each year is the net gain or loss on our investments. This year a favourable return of £44,539 compared with a net loss of £61,024 last year, has delivered us a more positive net position. Our return varies year on year depending on the overall movements in financial markets (this year favourable) and the level of funds withdrawn to support our operating activities.

Risk policy

The Trustees will continue to review the major risks to which the Society is exposed and identify measures required to mitigate those risks prospectively. This year the main risks have included operational income not covering operational costs, the final steps to address IT systems and support with our new supplier, and finance processes following the outsourcing of our day-to-day finance management.

The risk register is monitored by the Finance and Audit Committee, and 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.

Remuneration policy

The Society bases remuneration on levels offered in charities of similar size, structure and scope. The remuneration of Key Management Personnel is disclosed in Note 10.

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

Reserves policy

The reserves policy was reviewed in line with the investment review. The policy for the Society is to hold free reserves to cover 6 months operating activity, around £400,000. The current level of free reserves is around £1m, the amount now held in our current account. The excess here is needed due to the uncertainty in the 5 year strategy.

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 approximately £1M available to meet expenses arising from continuing activities for the next 2 financial years. As far as possible, we aim to cover the costs of the meetings from delegate fees and industry sponsorship where applicable and appropriate.

The restricted fund reserves of the Society comprise £112,138 (£127,681 in 2018) with total unrestricted funds amounting to £2,290,306 (£2,626,490 in 2018), which includes fixed asset investments. Funds are held between a current account and mixed portfolio investments. The yield from these accounts plus income from subscriptions, meetings and journals is available, and more than needed, to meet our expenses.

Investment policy

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This investment policy guides the investment decisions of RSTMH. It updates the investment policy written prior to 2016, which is now out of date due to a change in strategy.

(i) General Background and Financial Objective

The overall amount of funds that RSTMH had under investment was around £2.3m as of 31 March 2019. The investment funds have played an important role in RSTMH, as they have subsidised core spending to meet objectives. A new 5-year strategy, started in 2017, aims for reliance on this demand for cash to be reduced to zero by the end of financial year 2021/22.

(ii) Investment Powers

There are few restrictions on the use of RSTMH financial assets except for a commitment to restricted funds in a number of areas. These are mostly funds established many years ago to recognise or commemorate fellows of RSTMH who have died. Their families donated an amount of money to RSTMH to be used in specific ways, as agreed by the Council of the time. Now, many years on, some of these funds remain, and are listed in our accounts. RSTMH is trying to contact the families of the named funds, so that the criteria and conditions of use can be brought up to date.

There are no other restrictions on the use of RSTMH assets. The Articles of Association of RSTMH stipulate that the management and oversight of investments of RSTMH funds be lead by the Finance and Audit Committee, whose decisions must be ratified by the main RSTMH Board.

(iii) Governance

Day to day decisions about the investments, namely

- the timing of withdrawals
- the choice of funds for withdrawals
- any impact of monthly or quarterly performance

are discussed at the Finance and Audit Committee, and matters of strategy are escalated to the Board.

Investment Objectives

RSTMH has split its investment funds between short and long-term needs. Following an investment review, it has been decided to divide the investment funds into two parts, with different objectives. Up to financial year 21/22 around £740k of the fund is needed to invest in new charitable activities to achieve higher and more sustainable income. By 21/22 it is hoped operational activities will be breaking even. To safeguard this portion of the fund it will be withdrawn and put into a cash account, where the value is guaranteed.

The balance of the investment fund will not be needed for cashflow and can be invested at a higher risk level, to maximise growth, whilst hoping to maintain the investment level (therefore a medium risk) on a total return basis. A review was carried out and it was decided to bring this fund under one fund manager with Eden Tree investments. At some point in the future it is hoped that this fund will have grown to a position where it may be invested in an asset or assets to bring more long-term stability and sustainability to RSTMH. This would be possible only once the operational income is at least covering operational costs, or making a surplus.

Risk

The risk profile of RSTMH investments is mixed. The funds needed to help finance operational activities over the next 3 financial years, including investing time in new income streams need to be managed under a low risk approach.

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The remainder of the funds, hopefully to be invested in a longer-term asset in future years, could be invested under a medium risk approach.

(i) Assets

The policy includes ensuring there is a medium risk for the longer-term funds, and so a balanced asset class of property, cash alongside equity and bonds. This is to provide diversity of assets.

(iii) Currency

The base currency of the investment portfolio is pounds sterling (£). The vast majority of transactions for RSTMH take place in pounds sterling (£).

(iiii) Credit/Counterparty

RSTMH has not established a minimum credit rating of a bond issue, as it does not plan to invest funds solely in bonds.

As the RSTMH is a small organisation with limited capacity it is hoped that the investments chosen will be straightforward to administer. For this reason, it has elected to rely on managed funds. Prior to this year it invested in two portfolio funds, to spread risk. This year as £1m has been removed from this investment type, and placed into our current account to assist liquidity and investment in the new strategy, we are using just one fund, with a fund manager.

Liquidity Requirements

The current projected need for cash flow from the investments funds is as below:

- Financial year 18/19 - £408,000 (already withdrawn)
- Financial year 19/20 - £319,000
- Financial year 20/21 - £245,000
- Financial year 21/22 - £177,000

This is understood to be substantially greater than the level of income that could be generated, from the current portfolio funds.

The projected cashflow required for the 4 financial years from 2018/2019 was estimated in 17/18, however this will be reviewed every quarter as part of quarterly performance reviews.

Time Horizon

RSTMH has different time horizons for its investment, as detailed above. It does not have any expectations or plans to close at any time, and so the investment of funds could be thought of as in perpetuity.

Ethical Investment

RSTMH has an ethical policy, to reflect its articles of association and its new strategy. The past private sector engagement policy prevented investments in tobacco, armaments and companies that make infant formula that is marketed in the tropics and sub-tropics. The private sector engagement policy has been reviewed and provides for greater flexibility. Armaments and tobacco excluded industries and all other companies are reviewed on a case by case basis. This policy relates to direct investments. It is expected that RSTMH will review the companies in pooled funds annually, and that the investment managers are informed of the Society's ethical policy.

RSTMH believes strongly that it should not accept donations or sponsorship or invest funds in companies that harm the communities which it supports through its work. This includes communities who are affected by tropical diseases.

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Reference and Administrative Details
For The Year Ended 31 March 2019**

Management, Reporting and Monitoring

(i) Management

RSTMH will use investment managers to manage its fund, due to limited capacity in the team. Under the current investment policy two signatories are needed to authorise any withdrawal of investment funds.

(ii) Reporting

RSTMH likes its investments to be reported on monthly, to be incorporated into management accounts.

(iii) Monitoring

The Finance and Audit Committee, which oversees the investment strategy and delivery, meets on a quarterly basis. Currently no external guests are required to attend. Returns on investment will be reviewed at these quarterly meetings, with a review of performance of investment funds to be carried out every year.

Approval and Review

This investment policy was approved by the trustees on the 28th June 2018. It will next be reviewed in September 2019.

Grant-making policy

The Society launched a new grants round in February 2019, informed by the outcomes and learnings from the 2012-18 grants rounds. Grants continue to be assessed by a group of voluntary Global Assessors, recommended by the Grants and Awards Committee and approved by the Trustees. A new online submission system was implemented to improve accountability.

Statement of the Trustees' responsibilities

Reference and administrative information set out on page three 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.

ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE
(A Company Limited by Guarantee)
Reference and Administrative Details
For The Year Ended 31 March 2019

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.

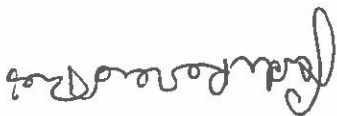
Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditors

Moore 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 and signed on their behalf by


19.9.19

Professor Sarah Rowland-Jones, President

ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE
(A Company Limited by Guarantee)
AUDITORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

Opinion

We have audited the financial statements of The Royal Society of Tropical Medicine and Hygiene ('the company') for the year ended 31 March 2019 which comprises of the Statement of Financial Activities, the Summary Income and Expenditure Account, the 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 FRS 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 2019 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 Charities Act 2011.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE
(A Company Limited by Guarantee)
AUDITORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

Options 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

- 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Vint-Jones

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

Devonshire House
60 Goswell Road
London
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

26/9/2019

ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE

(A Company Limited by Guarantee)

Statement of Financial Activities (incorporating the income and expenditure

account)

For the year ended 31 March 2019

	Unrestricted funds 2019	Restricted funds 2019	Total funds 2019	Total funds 2018
	£	£	£	£
Income from:				
Donations	1,692	-	1,692	1,291
Charitable activities	262,467	-	262,467	246,564
Investments	77,953	-	77,953	142,190
Other income	189	-	189	148
Total	342,301	-	342,301	390,193
Expenditure on:				
Raising funds:				
Investment management	7,520	-	7,520	19,173
Charitable activities	715,115	15,932	731,047	776,775
Total	722,635	15,932	738,567	795,948
Net gains/(losses) on investments	44,539	-	44,539	(61,024)
Transfers between funds	(389)	389	-	-
Net movement in funds	(336,184)	(15,543)	(351,727)	(466,779)
Reconciliation of funds				
Total funds brought forward	2,626,490	127,681	2,754,171	3,220,950
Total funds carried forward	2,290,306	112,138	2,402,444	2,754,171

The notes on pages 20 to 35 form part of these financial statements.

ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE

(A Company Limited by Guarantee)

Balance Sheet

As at 31 March 2019

	2019	2018
Notes	£	£
Fixed assets		
Intangible assets	4,280	10,813
Tangible assets	6,439	10,985
Investments	1,292,044	2,730,417
	<u>1,302,763</u>	<u>2,752,215</u>
Current assets		
Debtors	333,178	100,857
Cash at bank and in hand	1,000,906	123,082
	<u>1,334,084</u>	<u>223,939</u>
Creditors: amounts falling due within one year	<u>(227,036)</u>	<u>(212,448)</u>
Net current assets	<u>1,107,048</u>	<u>11,491</u>
Total assets less current liabilities	2,409,811	2,763,706
Creditors: amounts falling due after more than one year	(7,367)	(9,535)
Net assets	<u>2,402,444</u>	<u>2,754,171</u>
Charity funds		
Restricted funds	112,138	127,681
Unrestricted funds:		
Unrestricted funds	2,298,476	2,489,808
Revaluation reserve	(8,170)	136,682
Total unrestricted funds	<u>2,290,306</u>	<u>2,626,490</u>
Total funds	<u>2,402,444</u>	<u>2,754,171</u>

The Charitable Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on its behalf and signed on their behalf.

Sarah Rowland-Jones

Sarah Rowland-Jones

Date: 15-5-19

The notes on pages 20 to 35 form part of these financial statements.

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Royal Society of Tropical Medicine and Hygiene meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

There were no significant estimates or judgements made by management in preparing these financial statements.

1.2 Company status

The Charitable Company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charitable Company.

1.3 Going concern

The trustees have assessed the Charitable Company'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 Charitable Company 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 Charitable Company's forecasts and predictions and have taken account of pressures on general fee income. After making enquiries, the trustees have concluded that there are reasonable expectations that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. The Charitable Company therefore continues to adopt the going concern basis in preparing its financial statements.

1.4 Income

All income is recognised once the Charitable Company has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Dividends are recognised once the dividend has been declared and notification received of the dividend due. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

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

Royalty income is recognised in the period to which it relates. Any signing bonus is recognised on commencement of the contract.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support costs are 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.

	2019	2018
Fellows' services	37%	24%
Journals	33%	48%
Meetings & ECTM/H Conference	22%	18%
Grants/awards	8%	10%

All expenditure is inclusive of irrecoverable VAT.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.6 Intangible fixed assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Current amortisation rates are as follows:

Intangible assets 20% straight line

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment and furniture 20% straight line
Office refurbishment 10% straight line

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

1.9 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.

1.10 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.

1.11 Creditors

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in a settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

The Charitable Company only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.13 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of Financial Activities.

1.14 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

1.15 Pensions

The Charitable Company operates a defined benefit pension scheme and the pension charge represents the amounts payable by the Charitable Company to the fund in respect of the year.

1.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charitable Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.17 Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no critical accounting estimates and 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.

ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE

(A Company Limited by Guarantee)

Notes to the financial statements

For the year ended 31 March 2019

2. Income from donations

	Unrestricted funds	Restricted funds	Total
Donations	1,692	1,692	1,291
Total 2018	50	1,241	1,291
Total 2019	1,692	1,692	1,291

3. Income from charitable activities

	Unrestricted funds	Restricted funds	Total
Fellow's Annual Subscriptions	44,355	-	44,355
Journals and Publications	189,155	-	189,155
Meetings and Events	28,957	-	28,957
Total 2018	246,564	-	246,564
Total 2019	262,467	-	262,467

4. Investment income

	Unrestricted funds	Restricted funds	Total
Investment income	77,953	-	77,953
Total 2018	142,190	-	142,190
Total 2019	77,953	-	77,953

5. Investment management costs

	Unrestricted funds	Restricted funds	Total
Investment management fees	7,520	-	7,520
Total 2018	19,173	-	19,173
Total 2019	7,520	-	7,520

ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE

(A Company Limited by Guarantee)

Notes to the financial statements

For the year ended 31 March 2019

6. Analysis of charitable expenditure by activities

	Direct	Grant	Support &		
	costs (note 7)	funding of activities	costs (note 8)	2019	2018
	£	£	£	£	£
Membership	14,340	-	179,727	194,067	137,376
Journals	35,633	-	160,297	195,930	302,973
Meetings	85,394	-	85,162	170,556	177,909
ECTMIH Conference	21,763	-	21,703	43,466	-
Awards	-	88,168	38,860	127,028	158,517
Total	157,130	88,168	485,749	731,047	776,775

In 2019, £15,932 (2018: £16,417) of expenditure was attributable to restricted funds.

During the year, 16 grants (2018: 17) were paid to individuals with the total charge to the Statement of Financial Activities being £88,168 (2018: £105,857). Grants paid to individuals represent support for travel, training or direct costs and a fellowship in relation to specific fields.

7. Direct costs

	2019	2018
£	£	£
Membership	14,340	10,993
Journals	35,633	50,205
Meetings	107,157	83,121
Support costs	157,130	144,319

The Support and Governance costs shown below can be apportioned between direct activity

	2019	2018
£	£	£
Apportionment		
Membership	37%	
Journals	33%	
Meetings	22%	
Awards	8%	
Support costs	485,749	458,140

ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE

(A Company Limited by Guarantee)
Notes to the financial statements

For the year ended 31 March 2019

8. Support costs (continued)

	2019	2018
£		
Staff training and recruitment	5,929	12,472
Audit and accountancy fees	33,198	18,325
Trustee travel and expenses	174	1,011
Travel and subsistence	3,708	10,362
Legal and professional fees	4,669	8,122
Marketing costs	13,540	13,083
Printing and stationery costs	3,163	2,448
Irrecoverable VAT	22,618	40,994
Postage	478	252
Telephone costs	1,714	4,398
Bank charges and interest	4,620	2,313
IT costs	16,908	27,022
Other expenses	2,438	2,920
Insurance	1,784	2,427
Rent, rates, servicing and maintenance	92,964	96,961
External HR services	1,125	10,420
Governance costs	7,571	4,690
CRM Project	19,690	-
Wages and salaries	207,881	228,053
National insurance	19,377	18,336
Pension cost	11,121	10,071
Depreciation and amortisation	11,079	11,919
485,749		526,599

9. Net expenditure

This is stated after charging:

	2019	2018
£		
Depreciation of tangible fixed assets	4,546	5,386
Amortisation of intangible fixed assets	6,533	6,534
Auditors' remuneration - audit (net of VAT)	8,750	5,975
Auditors' remuneration - other services (net of VAT)	1,250	-
Operating lease rentals	70,046	71,000

10. Staff costs

Staff costs were as follows:

	2019	2018
Wages and salaries	£207,881	£228,053
Social security costs	19,377	18,336
Pension costs	11,121	10,071
	<u>238,379</u>	<u>256,460</u>

No non-contractual severance payments were made in 2019 (2018: £16,246) to any individuals (2018: two individuals).

The average number of persons employed by the Charitable Company during the year was as follows:

	2019	2018
No.	6	8

Average headcount expressed as a full time equivalent:

	2019	2018
No.	8	5

Employees whose emoluments exceeded £60,000 per annum:

	2019	2018
No.	-	1
	£60,000 - £69,999	
	£70,000 - £79,999	
	-	-

Key management personnel include the Trustees and the Chief Executive. The total employee benefits of the Charitable Company's key management personnel were £85,468 (2018: £79,345). One (2018: one) employee was considered key management personnel in the period. The trustees were not remunerated during the year.

During the year expenses of £1,207 (2018: £2,831) were reimbursed to three (2018: six) trustees.

For the year ended 31 March 2019

11. Intangible fixed assets

[illegible]

12. Tangible fixed assets

	Cost or valuation At 1 April 2018	Additions	At 31 March 2019	Depreciation At 1 April 2018	Charge for the year	At 31 March 2019	Net book value At 31 March 2019	At 31 March 2018
Equipment and furniture £	29,008	39,662	-	25,957	781	26,738	2,270	3,051
Office refurbishment £	39,662	-	-	31,728	3,765	35,493	4,169	7,934
Total £	68,670	-	-	57,685	4,546	62,231	6,439	10,985

13. Fixed asset investments

Market value	At 1 April 2018	Additions	Disposals (at opening market value)	Unrealised losses	Movements in cash	At 31 March 2019	Historical cost
Listed securities	2,730,376	73,634	(1,485,533)	(26,433)	-	1,292,044	1,300,213
Cash held at broker	41	-	-	-	(41)	-	-
Total 2019	2,730,417	73,634	(1,485,533)	(26,433)	(41)	1,292,044	1,300,213

Investments at market value comprise:

2019	UK	Overseas	2019	2019	2018
£	£	£	£	£	£
842,413	449,631	1,292,044	2,730,376	41	2,730,417
Cash held at broker	-	-	-	-	-
Total market value	842,413	449,631	1,292,044	2,730,417	2,730,417

Valuation

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts, and open ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (i.e. their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustees' annual report. The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the market and so their ability to buy and sell quoted equities and stock is anticipated to continue. The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives or similar complex financial instruments as it takes the view that instruments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

ROYAL SOCIETY OF TROPICAL MEDICINE AND HYGIENE

(A Company Limited by Guarantee)

Notes to the financial statements

For the year ended 31 March 2019

14. Debtors

	2019	2018
Trade debtors	170,099	2,935
Other debtors	38,639	11,825
Prepayments and accrued income	124,440	86,097
	<u>333,178</u>	<u>100,857</u>

15. Creditors: amounts falling due within one year

Trade creditors	6,077	22,960
Other taxation and social security	40,257	35,800
Accruals and deferred income	180,702	153,688
	<u>227,036</u>	<u>212,448</u>

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

Accruals and deferred income	7,367	9,535
	<u>7,367</u>	<u>9,535</u>

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

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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

	Balance at 01-Apr-18 £	Incoming resources £	Resources expended £	Transfers £	Investment gains £	Balance at 31-Mar-19 £
Designated funds						
Emerging Leaders Award Fund	40,000	-	(5,000)	-	-	35,000
General funds						
General funds	2,449,808	342,301	(717,635)	144,463	44,539	2,263,476
Revaluation Reserve	136,682	-	-	(144,852)	-	(8,170)
Total unrestricted funds	<u>2,626,490</u>	<u>342,301</u>	<u>(722,635)</u>	<u>(389)</u>	<u>44,539</u>	<u>2,290,306</u>
Restricted funds						
Chalmers Memorial Fund	2,314	-	-	-	-	2,314
Chadwick Lecture Fund	2,163	-	-	-	-	2,163
Sir Leonard Rogers Fund	3,493	-	-	-	-	3,493
The Robert Cochrane Fund for Leprosy	611	-	(1,000)	389	-	-
President's Fund	24,568	-	-	-	-	24,568
Denis Burkitt Fellowship Fund	87,612	-	(9,932)	-	-	77,680
Garham Fund	6,839	-	(5,000)	-	-	1,839
Centenary Fellowship Appeal Fund	81	-	-	-	-	81
Total restricted funds	<u>127,661</u>	<u>-</u>	<u>(15,932)</u>	<u>389</u>	<u>-</u>	<u>112,138</u>
Total funds	<u>2,754,171</u>	<u>342,301</u>	<u>(738,567)</u>	<u>-</u>	<u>44,539</u>	<u>2,402,444</u>

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17. Statement of funds (continued)

	Balance at 01-Apr-17 £	Incoming resources £	Resources expended £	Transfers £	Gains £	Balance at 31-Mar-18 £
Comparative statement of funds						
Designated funds						
Emerging Leaders Award	45,000	-	(5,000)	-	-	40,000
General funds						
General funds	2,767,669	388,952	(774,531)	47,462	20,256	2,449,808
Revaluation Reserve	265,424	-	-	(47,462)	(81,280)	136,682
Total unrestricted funds	3,078,093	388,952	(779,531)	-	(61,024)	2,626,490
Restricted funds						
Chalmers Memorial Fund	2,314	-	-	-	-	2,314
Chadwick Lecture Fund	2,163	-	-	-	-	2,163
Sir Leonard Rogers Fund	4,493	-	(1,000)	-	-	3,493
The Robert Cochrane Fund for Leprosy	611	-	-	-	-	611
President's Fund	23,327	1,241	-	-	-	24,568
Denis Burkitt Fellowship Fund	97,612	-	(10,000)	-	-	87,612
Garnham Fund	11,256	-	(4,417)	-	-	6,839
Centenary Fellowship Appeal Fund	1,081	-	(1,000)	-	-	81
Total restricted funds	142,857	1,241	(16,417)	-	-	127,681
Total funds	3,220,950	390,193	(795,948)	-	(61,024)	2,754,171

17. Statement of funds (continued)

Restricted funds

The Chalmers Memorial Fund was established to support the cost of an 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.

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

Designated funds

The Emerging Leaders Award Fund represents funds that have been designated to recognise significant contributions in leadership and service, including mentoring and other forms of capacity-building, to the fields of tropical medicine and global health. A £5,000 cash prize is awarded annually.

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18. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
2019	2,290,306	112,138	2,402,444
Intangible fixed assets	4,280	-	4,280
Tangible fixed assets	6,439	-	6,439
Fixed asset investments	1,292,044	-	1,292,044
Current assets	994,910	112,138	1,107,048
Creditors due in more than one year	(7,367)	-	(7,367)

Comparative note

	Unrestricted funds	Restricted funds	Total
2018	2,626,490	127,681	2,754,171
Intangible fixed assets	10,813	-	10,813
Tangible fixed assets	10,985	-	10,985
Fixed asset investments	2,730,417	-	2,730,417
Current assets	(116,190)	127,681	11,491
Creditors due in more than one year	(9,535)	-	(9,535)

19. Operating lease commitments

At 31 March 2019 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2019	2018
Land and buildings		
Within 1 year	85,200	85,200
Between 2 and 5 years	57,772	142,000
Total	142,972	227,200
Other		
Within 1 year	4,515	4,515
Between 2 and 5 years	2,849	7,360
Total	7,364	11,875

20. Related party disclosures

There have been no related party transactions in the reporting period that require disclosure.

