

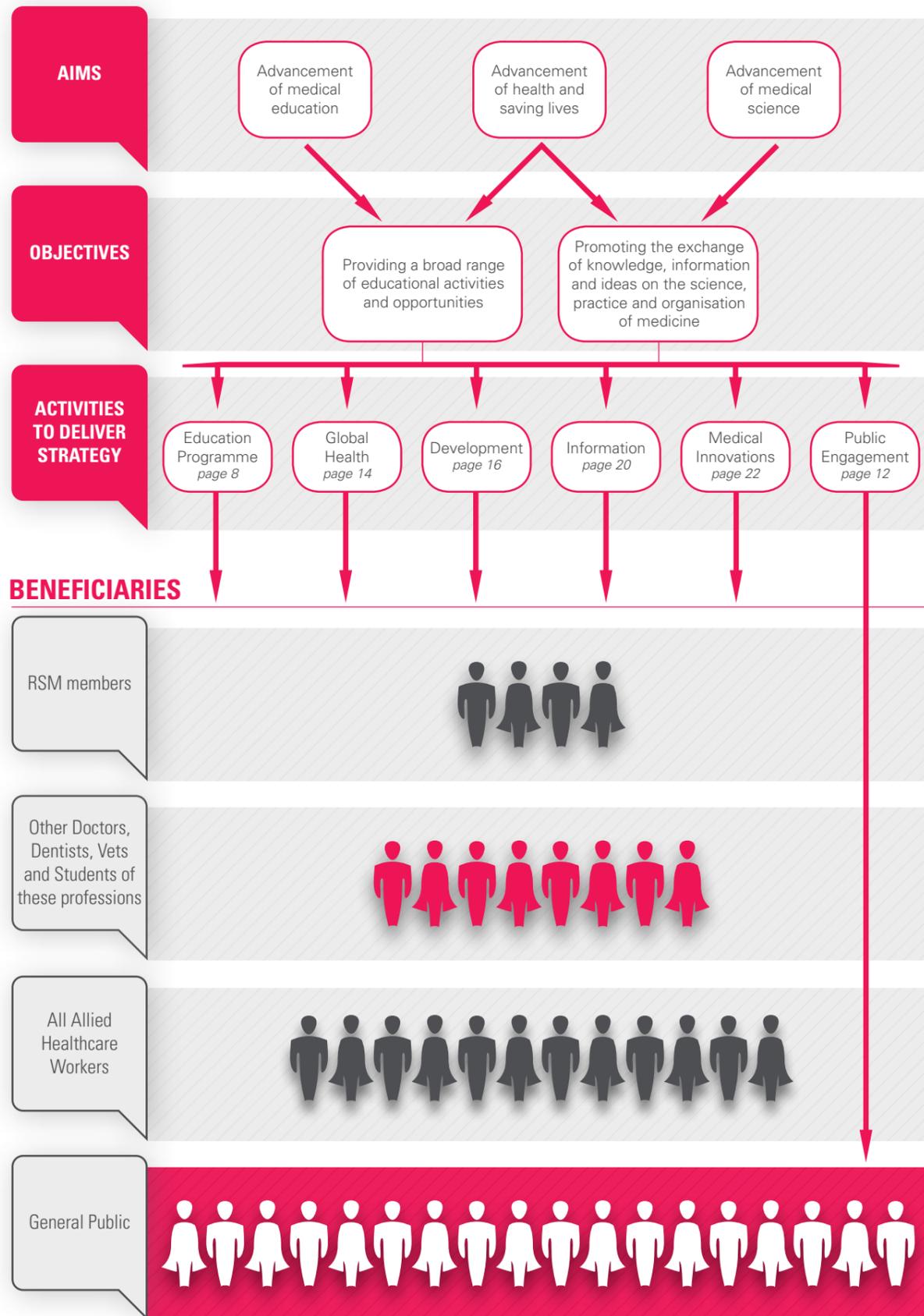


The ROYAL
SOCIETY of
MEDICINE

ANNUAL
REPORT
2012/13

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Aims and Objectives



President's Report



It doesn't seem possible that I am now entering the last few months as President of the RSM. They say time passes quickly when you are having fun and my period of office has certainly been enjoyable. The quality of the meetings that I have had the pleasure of attending has been exceptional, and I continue to be impressed by the time and effort put in by many hundreds of individuals to make the life of the RSM so productive.

As well as the core educational programme, our public engagement programme seems to be going from strength to strength and the calibre of speakers remains very high. We have welcomed three Nobel Laureates as speakers here in the past three months!

This year has seen significant changes on the RSM Council. John Scadding, after many years of loyal and effective service to the RSM, demitted office from Council in September 2013. John, as most members will know, has served the Society in numerous and various ways over the years and I have absolutely no doubt we will miss his wise counsel. I am sure, however, that John will continue to be closely associated with the RSM in the future.

John Skuse demitted office at the end of September also after many years of service to the RSM. John had a knack of ensuring everyone's feet stayed firmly on the ground; a quality needed in his two most recent posts of Honorary Treasurer and Vice-President.

Dr Bill Cattell also stood down as Honorary Librarian in September after fulfilling the role with enthusiasm for four years. Dr Gillian Leng, who joined Council in October 2013, is our new Honorary Librarian.

Professor Ivan Roitt, Lady Wolfson and Professor Patricia Woo also left Council in September, as did Nigel Perks who chaired the Academic Board. I would like to thank all of them for their individual contributions to the work of Council and the RSM as a whole.

Adrian Beckingsale takes over as Chairman of the Academic Board and I wish him well in that position. New Council members are Professor James Malpas, Dr Rashmi Patel and Mr Peter Richardson, each of whom will, I am sure, contribute significantly to our work over the next few years.

Babulal Sethia has been elected to succeed me as President in July 2014. He is currently Honorary Treasurer, and will demit this office in July 2014 and hand over to Miss Rachel Hargest.

The RSM has ambitious plans to grow and develop. It is well placed to do so. We have to engage with the wider health community to ensure we remain relevant and useful. We will develop the RSM's role overseas and continue to deliver services in such a way that expands our audience. All of this needs to be achieved without diluting the value of our educational programme.

May I take this opportunity to thank all those who contribute to the life of the RSM, now and in its future.

Professor Sir Michael Rawlins, President
21 January 2014

2014
key
diary
dates

Tuesday 18 February

Wellcome Lecture
Professor Peter Barnes

Wednesday 2 April

Anne Silk Lecture
Professor Giovanna Mallucci

Monday 19 May

Stevens Lecture
Professor Anders Hamsted

Tuesday 15 July

**Honorary Fellowships Ceremony
and Inauguration of new President**

Chief Executive's Report



The core objectives of the RSM continue to flourish. The educational programme, mainly delivered by the Society's specialist Sections, continues to be at the heart of our activities.

The twelve months covered by this report saw 418 meetings take place with over 32,700 delegates attending, and the average attendance increasing by 6% over the previous year.

A new Section of Gastroenterology and Hepatology was created, while two new Networks, one for Quality in Healthcare and one for Inter-Professional Education, were also established.

The educational programme was also enhanced by the growing number of RSM Videos that are available on the web, which attracted 63,000 visits in the year 2012/13. The next challenge in this area will be to develop 'virtual communities' of clinicians, who will use an RSM-based web community for educational purposes.

We need, as a Society, to stay relevant to those we seek to attract. Last year's *Specialty Careers Fair* brought over 800 medical students into the building and certainly created a good impression with those who attended.

We are continually exploring ways we can undertake partnerships with other healthcare bodies to improve the education offering available to members of the wider healthcare team.

You will see later in this report the large number of prizes awarded by the Society to Students and Trainees. This allows the RSM to support and encourage excellence and showcase exceptional talent.

The year 2012/13 also saw an impressive public engagement programme with over 4,200 people attending one or more of the 17 meetings. This programme, as well as containing the *Medicine & Me* series, also includes a range of meetings designed primarily for the young. As well as a very thought-provoking talk by Michael Buerk, *The people problem: the danger of human success*, the year saw the first *Anne Silk Lecture* given by Professor Colin Blakemore.

The Society's global health agenda continues to grow and this will now be supported by Dr Maysoon Dahab, who has taken up the appointment of Head of Global Health. As well as our ongoing programme of meetings and briefings, we hope to see some developments in the area of medical electives.

The work of the Development Office continues to be crucial for the financial wellbeing of the Society. Equally important is the Medical Innovations programme that has been developed and run by the Development Office. There have now been over 100 briefings in this series. The two flagship summits for this coming year will be in April and July 2014 and each will showcase at least 11 innovations.

The *Wall of Honour* continues to be a popular way of both celebrating someone's career and achievement as well as raising money for the Society.

The success of the RSM can also be measured by growth or otherwise in its membership. 2,314 new members joined the Society during the year, which was an increase of 7.5% over the previous year. Equally importantly the retention rates of members remain impressive with 90% of Fellows, 89% of students and 75% of trainees renewing their subscription. A range of strategies is being developed to ensure we can offer attractive membership packages to a number of professions within the healthcare team.

One of the major membership benefits we offer is access to our unique Library resources, both physical and online. Over 30,000 people visited the Library last year with 1,500 accessing the historic collection. In addition, the number of downloads per week for the Library's e-collection has grown to 6,000.

The RSM's Conferencing and Hospitality business continues to play a major role in the success of the Society, both by providing the range of member services that make the RSM a pleasant venue to visit, but also by continuing to attract commercial clients to 1 Wimpole Street and Chandos House generating £226k in support of the charity's objectives. The main highlights of the year included the opening of the new 80-seat lecture theatre and the RSM's Audio Visual Team winning the *In-House AV Team of the Year* at the AV Awards 2013. The twelve months covered by this year's report were made very difficult for all at the RSM, especially in this area, by the major and disruptive building works carried out by our neighbours.

The continued success and growth of the RSM will depend on a clear sense of direction and the continued support of the many members who support our Sections. I would like to thank all the staff of the Society and all who work on our behalf to foster and develop its aims.

Ian Balmer, Chief Executive
21 January 2014

RSM Council

President

Professor Sir Michael Rawlins
MD, FRCP (Lond), FRCP (Ed), FFPM, FMedSci

Vice-Presidents

Mr John Skuse
BDS, FDS (demitted office 30 September 2013)
Surgeon Commodore Grant McMillan
MD, MSc, FRCP, FRCP (Glasg), FFOM, CFIOSH, JP

Honorary Treasurer

Mr Babulal Sethia
FRCS (also appointed President Elect July 2013)

Honorary Secretary

Professor Nadey Hakim
KCJSJ, MD, PhD, FRCS, FRCSI, FACS,
FICS (Hon), FASBMS

Honorary Librarian

Dr William Cattell
MD, FRCP, FRCPE (demitted office 30 September 2013)
Dr Gillian Leng
CBE (appointed 1 October 2013)

Chairmen of the Academic Board

Mr Nigel Perks
MBBS, FRCOG (demitted office 30 September 2013)
Mr Adrian Beckingsale
MA, FRCS, FRCOphth (appointed 1 October 2013)

Other Trustees

Mr Martin Bailey
BSc, FRCS, FRCSEd
Sir David Clementi
Miss Rachel Hargest
MD, FRCS (also appointed Honorary Treasurer Elect July 2013)
Dr Stephen Hempling
MBChB, LLM, DMJ, DRCOG
Dr Susan Horsewood-Lee
MBBS, MRCP
Professor Emeritus James Malpas
MB, BSc, DPhil, FRCP, FRCR, FFPM, FRCPC (appointed 1 October 2013)
Dr Rashmi Patel
MA, BM, BCh, PGDip, MRCPsych (appointed 1 October 2013)
Mr Peter Richardson
(appointed 1 October 2013)
Professor Ivan Roitt
DPhil, FRS, FRCP (demitted office 30 September 2013)
Dr John Scadding
BSc, MD, FRCP (demitted office 30 September 2013)
Lady Wolfson
(demitted office 30 September 2013)
Professor Patricia Woo
CBE, BSc, PhD, FRCP (demitted office 30 September 2013)

The principal employed officers of the Society during the year

Chief Executive
Mr Ian Balmer

Finance Director
Mr Mark Johnstone

Development Director
Mr Paul Summerfield

Communications and Marketing Director
Mrs Janice Liverseidge

Director of Education
Mrs Caroline Langley

Director of Library Services
Mr Wayne Sime

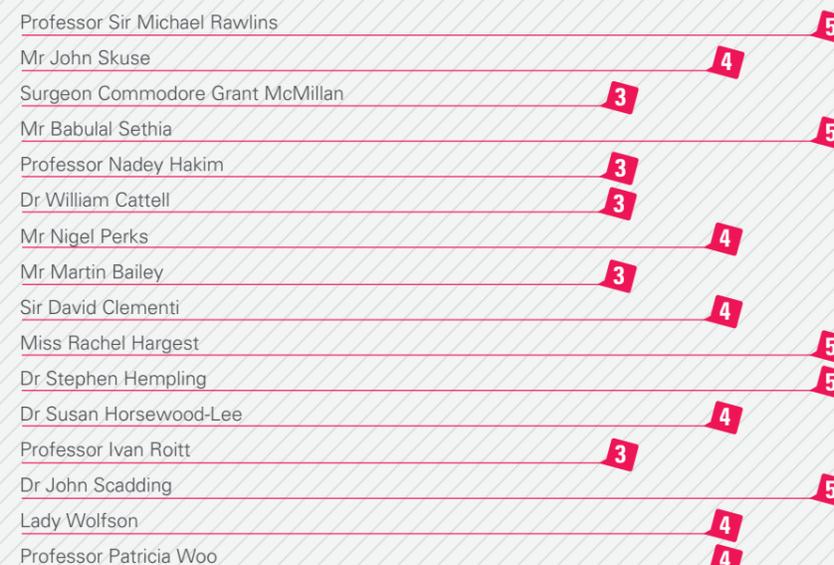
Director of Information Technology
Mrs Tansy Allen

Managing Director of RSM Support Services
Mr Nigel Collett

Director of Strategic Development
Mr Jeremy Theobald

Dean
Professor John Betteridge
BSc MBBS PhD MD FRCP FAHA

Number of meetings attended



Professional Advisors

Bankers
Bank of Scotland plc
Lloyds Bank plc
25 Gresham Street
London EC2V 7HN

Solicitors
Stone King
16 St John's Lane
London EC1M 4BS

Payne Hicks Beach
10 New Square
Lincoln's Inn
London WC2A 3QG

Auditors
Grant Thornton UK LLP
Grant Thornton House
Melton Street
London NW1 2EP

Investment managers
Schroder Investment Management Limited
100 Wood Street
London EC2V 7ER

Education

Strategies

The RSM's educational programme is driven by the Society's specialist Sections who play a key role in maintaining the RSM's position as the single largest provider of CPD accredited meetings for doctors in the UK.

The breadth of meetings embraces all recognised specialties and the Society is continuously seeking to develop an educational programme that meets the needs of other healthcare professionals.

In 2012/13 the Society ran 418 meetings and awarded 1557 hours of CPD. Many meetings are now published online with CPD to increase access to education for medical professionals outside London.

There is also a focus on growing the programme of regional meetings in collaboration with external organisations.

Performance in the year 2012/13

- 320 CPD approved conferences and meetings were organised that addressed specific learning needs for defined groups of doctors, dentists, students and other healthcare professionals and vets.
- Over 32,700 delegates attended Section meetings organised by the Society during the year with an average of 88 delegates for each Section meeting. This is an increase of 6% on 2011/12.
- 80 prizes were awarded to Students and Trainees during the year as well as the highly prestigious Ellison-Cliffe Travelling Fellowships and the Wesleyan RSM Young Trainee of the Year Award.
- 22 meetings were run regionally, including a number of Section meetings as well as 4 overseas meetings.
- Grants were requested from the Academic Fund totalling £8,500 for 9 meetings during the year. The Academic Fund also expanded its remit to offer funding for all Sections for international speakers at meetings, providing £17,000 for 13 speakers.
- Income from sponsorship brought in to support academic meetings totalled over £500k.
- Nearly 63,000 visits were made to RSM Videos with over 30,000 videos played. 100 new videos were uploaded.

Significant activities

1. The formation of a new Section of Gastroenterology & Hepatology was approved and the Section will hold its inaugural meeting in February 2014.
2. Networks, an alternative model to Sections, were developed. These are designed for non-specialty based interests that span many different specialties and areas of medicine. A new Network of Quality in Healthcare was launched and a new Network of Inter-Professional Education was started in October 2013.
3. The Black & Ethnic Minority Health Section has now closed. The plan is for its work to continue via many of the RSM's specialist Sections whose educational provision has increasingly focused on addressing the health needs of black and minority ethnic populations.
4. Attendance at the *Specialty Careers Fair* exceeded 800 in November 2012 and filled the RSM with medical students seeking and receiving information and advice about specialisation.
5. In October the Section of Psychiatry, in collaboration with the Daedalus Trust, presented *The intoxication of power, from neurosciences to hubris in healthcare and public life* with over 200 delegates attending and much media interest.
6. Sections continued to respond not only to new areas of medicine but also to topical issues in the news. The Section of Patient Safety reacted speedily to the Francis Inquiry with Sir Robert Francis speaking at a meeting in June on the challenges in the delivery of care. At short notice the Catastrophes and Conflict Forum, in collaboration with Syria Relief, ran a highly successful debate in January 2013 on humanitarian concerns in Syria.
7. Controversy and debate continued to be addressed by Sections and was increasingly cited by delegates as a distinguishing factor for many RSM meetings. The Orthopaedics Section assigned a day of the annual Trauma Symposium to examine controversies and debate in orthopaedic trauma.
8. Section meetings were featured several times in national media, including significant coverage of the Section of Sexuality & Sexual Health meeting in June on *Abortion, motherhood and the medical profession* with coverage achieved in the Guardian, Daily Telegraph and other media.

Future plans

- The Society will be trialling live webinars of some evening Section meetings to expand access to members who live and work outside London.
- A number of Sections will work to create enhanced specialty focused e-resources in 2013/14 that will feature more video lectures with CPD credits.
- The RSM will develop its role and profile within some specialties so that the Society can be seen as the "home" of particular specialties.
- The RSM will work in partnership with selected universities to explore mutual acknowledgement of some meetings towards recognised postgraduate qualifications.
- Work will be carried out in collaboration with the General Practice with Primary Health Care Section and Odontology Section to strengthen the educational provision for GPs and dentists, with a specific focus on online resources.
- The provision and span of meetings of interest to Associate Members will continue to increase and partnerships developed that will enable the Society to expand these areas of activity in coming years.



To access over 250 videos of key RSM lectures visit www.rsmvideos.com

The meeting was well organised, well-paced and very enjoyable

Clinical update: Diabetes - management of chronic complications, London, January 2013

Very engaging for what could be very dry topics. Thank you - some of the muddy water has been cleared.

Research methods and critical appraisal course, London, July 2013

All excellent speakers, a very interesting meeting. I'm not a sufferer of osteoporosis but thoroughly enjoyed the day.

Regional meeting - Medicine & Me: Osteoporosis, Aberdeen, May 2013

Prize winners 2012/13



Dr Jonathan Fishman with his Young Trainee prize

Major RSM Prizes

Wesleyan RSM Young Trainee of the Year

Dr Jonathan Fishman, Section of Laryngology & Rhinology

Ellison-Cliffe Travelling Fellowship

Miss Judith Hunter - £15,000 - Travel to a number of hospitals, including Royal Melbourne and St Vincent's hospitals, Australia

Ellison-Cliffe Travelling Fellowship

Mr Siong-Seng Liao - £7,500 - Travel to Toronto General Hospital, Canada

Ellison-Cliffe Travelling Fellowship

Mr Kumar Abhinav - £7,500 - Travel to University of Pittsburgh Medical Centre, USA

Section prizes

Name	Section	Prize
Mr Vaibhav Gupta and Mr Mitesh Patel	Anaesthesia	Student Essay Prizes
Dr Sayan Sen	Cardiology	President's Medal
Dr Rizwan Attia and Mr Jeremy Smelt	Cardiothoracic	Case Presentations (best oral presentations)
Dr Suresh Giritharan and Dr Jamie Anne Gilmour	Cardiothoracic	Case Presentations (best poster presentations)
Ms Catrin Huws Jones	Catastrophes & Conflict	Medical Student Essay Prize
Miss Frances Dixon	Clinical Forensic & Legal Medicine	Postgraduate Oral Presentation
Mr Karim Noordally and Ms Wendy Teo	Clinical Forensic & Legal Medicine	Undergraduate Poster Competition
Mr Michael Devine	Clinical Neurosciences	President's Prize
Miss Rina George and Mr Simon Buczacki	Coloproctology	Overseas Travelling Fellow
Miss Adela Brigic	Coloproctology	John of Arderne Medal
Dr Louise Newell, Dr Rhonda Meys, Dr Tanya Basu, Dr Natalia Spierings, Dr Janakan Natkunarah, Dr Louise Newell, Dr Justine Kluk, Dr Janet Dua, Dr Mary Sommerlad	Dermatology	Monthly Registrar Awards
Mr Timothy Parker	Emergency Medicine	Students Prize
Dr Peter Kilgour	Emergency Medicine	Essay Prize
Mr Ramesh Yap Kannan	Epidemiology & Public Health	Young Epidemiologist Prize
Mr George Cooper	Epidemiology & Public Health	Brooke Bursary Award
Dr Shreya Bali	General Practice with Primary Health Care	John Fry Prize
Dr Fiona E Martin	Geriatrics & Gerontology	AC Comfort Prize and Audit, Quality Improvement Projects and Research Prize
Dr Rosie Belcher and Dr Thiru Rajeevan	Geriatrics & Gerontology	Trainees Prize
Mr Ahmed Wakas Khan	Global Health	Young Leaders Award
Ms Angeline Brasier, Miss Murooj Abdi, Miss Laura Jade Sehinson and Miss Natasha Dean	History of Medicine	Norah Schuster Essay Prize
Mr Tim Biggs	Laryngology & Rhinology	Equipment Grant
Mr Neil Tan	Laryngology & Rhinology	Ian Mackay Essay Prize
Mr Stephen Ball	Laryngology & Rhinology	Short Paper Prize
Miss Aoife Waters	Laryngology & Rhinology	Travel Grant
Miss Paramita Baruah	Laryngology & Rhinology	Research Prize
Dr Neil Hill	Military Medicine	Colt Foundation Research Prize

Name	Section	Prize
Dr Shalabh Srivastava	Nephrology	Rosemarie Baillod Clinical Award
Dr Joe Wang and Dr Stephen McAadoo	Nephrology	Stewart Cameron Science Award
Miss Salma Mohamed	Obstetrics & Gynaecology	Dame Josephine Barnes Essay Prize
Mr Matthew Vithayathil	Obstetrics & Gynaecology	Herbert Reiss Trainees Prize
Mr Kristian Davies and Mr James Darcey	Odontology	President's Prize
Dr Matthew Blackledge and Dr Carles Escriu	Oncology	Sylvia Lawler Prize
Dr Palvi Bhardwaj and Dr Jennifer Kim	Ophthalmology	Photographic Competition
Ms Lucia Pelosini, Mr Omar Mahroo and Mr Gregory Fincham	Ophthalmology	Students and Trainees Prize
Mr Andrew Bastawrous and Dr Sophia Pathai	Ophthalmology	Travelling Fellowships
Mr Ryan Chin Taw Cheong, Mr Christopher Blore and Mr Gordon McKenzie	Oral & Maxillofacial Surgery	Short Paper Prizes
Mr Amarjit Anand	Orthopaedics	President's Prize
Mr S Musheer Hussain	Otology	Norman Gamble Prize
Mr Jonathan Der Kureghian	Otology	ENTEX Short Paper Prize
Mr Christopher Skilbeck	Otology	Training Scholarship
Dr Fionnghuala Fuller	Paediatrics & Child Health	Alex Russell Prize
Dr Kenneth Macleod	Paediatrics & Child Health	Tim David Prize
Dr Simon Drysdale and Dr Michael Quail	Paediatrics & Child Health	Sam Tucker Fellowship
Ms Rebecca Jennings	Palliative Care	MSc/MA Research Prize
Dr Emma Parish	Patient Safety	Poster Prize
Dr Afsoon Sepahzad	Patient Safety	Dragons' Den Prize
Dr Valeria Mondelli and Dr Paul Stokes	Psychiatry	Mental Health Foundation Research Prize
Miss Claire Blackmore and Miss Amisha Patel	Psychiatry	Student and Trainee Awards
Mr Neel Patel	Radiology	Finzi Prize
Dr Katie Bechman	Rheumatology & Rehabilitation	Barbara Ansell Prize
Dr Mary Gayed	Rheumatology & Rehabilitation	Eric Bywaters Prize
Dr Oliver Fox	Sport & Exercise Medicine	Helal and Harries Prize
Mr Pankaj Chandak	Surgery	Adrian Tanner Prize
Ms Shamala Rajalingam	Surgery	John Dawson Medical Student Prize
Dr Alex Gordon-Weeks	Surgery	MIA Prize
Dr Keith Roberts and Mr Daniel Saleh	Surgery	Norman Tanner Prize and Glaxo Travelling Fellowship
Dr Abisola Adeleye, Dr Harpreet Gill and Dr Zoja Milovanovic	Trainees' Committee	Medical Authors Prize
Dr Sarah Howie and Dr Edward Maclean	Trainees' Committee	The John Glynn Trainees Prize
Miss Charlotte Wood	Urology	Professor John Blandy Essay Prize for Medical Students
Mr Hamid Abboudi	Urology	Professor Geoffrey D Chisholm CBE Communication Prize
Miss Ashley Ridout and Mr Anuj Goyal	Urology	Winter Short Papers
Dr Peter Kyle	Vascular Medicine	The Harvey Prize
Dr Oliver Lyons	Venous	Oral Presentation Prize
Dr Daniel Taylor	Venous	Poster Presentation Prize
Dr Sandip Nandhra	Venous	Pump Priming Grant

For the full list and closing dates for 2014 RSM prizes please visit www.rsm.ac.uk

Public Engagement

Strategies

The RSM seeks to engage directly with the public as well as provide postgraduate medical education.

An increasingly dynamic programme also allows the Society to expand its reach to students considering medicine as a career. Specific meetings are targeted at school children and schools careers advisers, as well as graduates wanting to enter medicine.

The Society's programme of annual named lectures grows in popularity and in 2012/13 over 4,200 people were welcomed to these meetings.

Significant activities

1. *The Jephcott Lecture: The people problem; the danger of human success* was delivered by Mr Michael Buerk to a full house and by a live webinar to a regional and overseas audience.
2. Seven *Medicine and Me* events were organised in collaboration with charities The Migraine Trust, the Cleft Lip and Palate Association, the Psoriasis Association, the Progressive Supranuclear Palsy Association and the National Osteoporosis Society (meetings held in London, Birmingham and Aberdeen).
3. The *RSM Christmas lecture* was delivered by Dr Max Pemberton with the title *How cigarettes and Maltesers got me into medical school (and other stories)* and had over 300 registrations from both school students and RSM members.
4. *Medical Careers Day: So you want to be a doctor?* meetings were held at three locations including the RSM, Oakham School and Eton College.
5. The *Easter lecture for young people: Pathways of discovery; the golden age of modern medicine*, given by Dr James Le Fanu, was attended by an audience of 240 and received sponsorship from TSU Professionals.
6. The first *Anne Silk Lecture* was given by Professor Colin Blakemore as part of the series entitled *Understanding neuroscience*. The title of the lecture *Is Connectomics the key to understanding the brain?* attracted a registered audience of nearly 400 delegates.

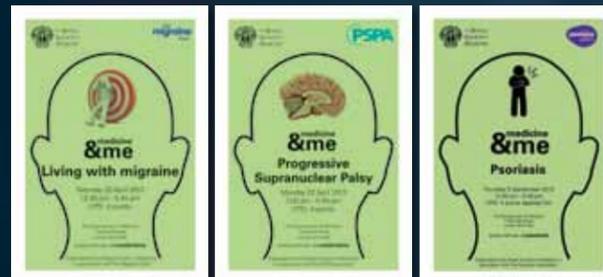
Performance in the year 2012/13

- *Medicine & Me* meetings continue to be an extremely popular series with attendance averaging over 100 delegates at each meeting.
- The RSM continued to run its successful *Medical Careers Day* for school students considering a career in medicine. All meetings were well attended, with a combined audience of over 500 delegates.
- The Society ran 17 public engagement meetings during 2012/13.

Future plans

- *Medicine and Me* meetings will be held in partnership with Diabetes UK, ICUsteps and the London Clinic, The British Lung Foundation and The Stroke Association. In addition a day meeting on neurodegenerative diseases will be held.
- A new event will be held inviting school Career Advisors and Heads of Science to attend a day meeting to understand the process of applying for medical school. The aim is to hold this as an annual event.
- The careers day for graduates, *Doing medicine as a graduate: Examining all the options*, will be expanded. Medical schools will be invited to exhibit at the event and the aim is to achieve the same high level of attendance as this year when 250 graduates came to the event.
- An exciting partnership between the RSM and the Royal College of Anaesthetists, funded by a grant from the Wellcome Trust, will take place in September 2014 entitled *The Awake Collaboration - a unique project about consciousness involving poetry and a new musical work*.

MEDICINE & ME – OUR CHARITY PARTNERS



Global Health

Performance in the year 2012/13

- Over 2,275 people attended Global Health events during 2012/13, an increase of 51% on 2011/12 when there had also been a big growth in attendance.
- 6 *Global Health Alert* meetings and 5 film screenings took place during the year.
- New audiences were brought into the RSM. 72% of *Global Health Alert* delegates were not members of the RSM. Each month half of all Global Health website page views were from new visitors.
- There was a 71% increase in visits to the Global Health website pages compared with 2011/12.
- The e-newsletter sent out every two months to those interested in Global Health issues continues to be very popular with recipients. The emails regularly enjoy open rates of over 40%.

Strategies

The primary aims of the Society's Global Health programme are to promote educational innovation, stimulate the medical profession to engage in global health issues and to develop partnerships with key institutions.

In achieving these aims the overall objective is to develop a range of resources for global health Non Governmental Organisations (NGOs) and for the RSM to become a hub for best practice in the field.

Significant activities

1. Regular communication and interaction with many major NGOs took place which enabled key messages to be extended to new audiences.
2. The development of the well-received *Global Health Alerts* programme continued, with highly respected speakers addressing controversial issues and current challenges.
3. The initiation of the *RSM Breakfast Briefings* presented opportunities for delegates to listen to and question international experts in the field of global health as well as other areas of topical interest.
4. A major international Society Conference, *The world in denial: Global mental health matters*, was arranged in partnership with the Royal College of Psychiatrists.
5. The *Global Health Young Leaders Award* for 2013 was launched, with entrants invited to write an essay on the theme *Improving the health of individuals and nations*. A first prize of £500 towards a medical elective or overseas project was awarded to medical student Mr Ahmed Wakas Khan.
6. An application for funding was submitted to the Bill and Melinda Gates Foundation towards the development of the RSM's *Global Health Film Initiative* over the next three years.
7. Dr Maysoon Dahab was appointed as Head of Global Health at the RSM. Dr Dahab has extensive international experience and will be developing the Global Health programme over the next year.

Future plans

- The Society will be collaborating with a number of UK medical schools to promote ethical medical elective practices.
- The March 2014 Global Health Conference, *Generating knowledge for health: the post 2015 challenge*, is already promoting enthusiastic attention and will feature many speakers of international repute.
- Significant funding has now been secured from the Bill and Melinda Gates Foundation for the development of the RSM's *Global Health Film Initiative*. Work is underway to ensure that the programme of film and discussion can be expanded to include an annual film festival and a film production workshop.
- Dr Maysoon Dahab will be finalising the strategic plan for Global Health at the RSM which will encompass the four key areas of ethical electives, NGOs, research and education.

Delegate feedback

Absolutely fantastic – one of the most insightful and enlightening conferences I've ever attended

Debate and international speakers were great – very mind opening

An excellent idea to have this meeting to debate issues and raise awareness of the bigger global picture



To find out more about RSM Global Health visit www.rsm.ac.uk/globalhealth

Development

Strategies

The work of the Development Office is focused on philanthropic fundraising to support the Society's provision of medical education across the 60 areas of interest. The funds raised play a vital role in protecting the future of the Society, which receives no state funding.

The economic situation in the UK continued to have an impact on philanthropic giving during the last year and consequently the Society maintained a cautious development strategy based on realistic fundraising goals and tightly controlled costs.

The key strategy continued to be to approach wealthy individuals, companies and charitable trusts. This highly targeted policy helped keep administrative costs as low as possible.

In addition, time and resources were set aside to secure lower level gifts and promote legacy fundraising. The Development Office also worked to keep existing donors up to date with developments at the Society and to host a series of events designed to attract new philanthropic donations.

The Society's flourishing *Medical Innovations* programme, spearheaded by the Development Office, has stimulated much interest among the Society's donors.

Significant activities

1. The RSM President, Professor Sir Michael Rawlins, hosted a series of private breakfasts and dinners for philanthropic donors and potential donors. Guest speakers included the Permanent Secretary at the Department of Health, the incoming Chairman of the Medicines and Healthcare Products Regulatory Agency, the Editor of *The Lancet*, the Editor-in-Chief of the *New England Journal of Medicine* and the Chairman of the National Institute for Health and Care Excellence.
2. Individual philanthropists and influential figures in the field of medicine were hosted at the RSM where tours of the facilities and meetings over coffee or lunch were arranged. The focus of many of these meetings was *Project 2012*, the capital campaign to raise over £1 million for the Society's newest lecture theatre.
3. *Target 80*, a campaign integral to *Project 2012*, continued. This project aims to secure corporate donations based on companies naming seats in the new lecture theatre.
4. The *Wall of Honour* initiative attracted further donations as a result of approaches to specific members and also through direct marketing campaigns. Over 700 names are now inscribed on the glass walls of the atrium thanks to the generosity of RSM members and friends of the Society. Over 300 guests attended the Fourth Wall of Honour Ceremony in Autumn 2012. There was also further development of the 'virtual wall of honour' on the RSM's website www.rsm.ac.uk/wallofhonour

Performance in the year 2012/13

- Gross income raised by The Development Office for 2012/13 was £517k. This figure does not include pledges.
- The Development Office has confirmed that a substantial donation has been secured to name the new lecture theatre.
- The *Target 80* chair-naming campaign for the new lecture theatre has raised £120k to date. The majority of companies approached have declined the opportunity citing the impact of the economic climate or a scaling back in their sponsorship budgets or corporate philanthropy.
- The most significant fundraising programme has been the *Wall of Honour* which has now raised £1.1m. In the last financial year, over 75 individuals donated at least £2,000 each, raising over £180k in the financial year. Staffing costs were kept as low as possible - the Development Office continues to employ just one person and outsources its administrative requirements. The department made savings of approximately £26,000.

Future plans

- The Development Office will plan, co-ordinate and implement a series of fundraising initiatives for the RSM President. A number of private dinners are already in the diary which will prove an effective vehicle to nurture relations with current supporters and to initiate new relationships with potential donors.
- The Development Office will continue to focus on the campaign to persuade companies to name chairs in the Society's newest lecture theatre.
- The *Wall of Honour* project will either come to a natural conclusion when the agreed space on the atrium glass walls is filled or the project will be re-launched, assuming new space is identified.
- The events schedule will remain limited in order to keep costs low.
- The department will continue to lead and develop the popular *Medical Innovations* programme.

Membership

Strategies

The RSM is committed to providing members of the Society with relevant educational programmes designed to help doctors and healthcare professionals deliver the best care possible to patients.

The RSM plans to increase membership by 25% in the next five years, which will be achieved by refining our membership proposition to reflect the needs of medical students and working doctors.

A focus on retaining existing members of the Society continues through a robust renewals programme which is revised annually.

Performance in the year 2012/13

- 2,314 new members joined the Society during the year (an increase of 7.5% on the previous year) and total subscription income of £4,781m was received. The overall figure was lower than anticipated but income from new members exceeded budget by £30,000.
- 54% of all new members became Fellows of the Society and 32% were student members.
- 25% of all new member applications were generated from the RSM website and 16% of all new member applications are generated via recommendations from existing members.
- Membership retention remains strong with over 90% of Fellows, 89% of students and 75% of trainees renewing their subscriptions. The Society had 22,323 members at September 2013.

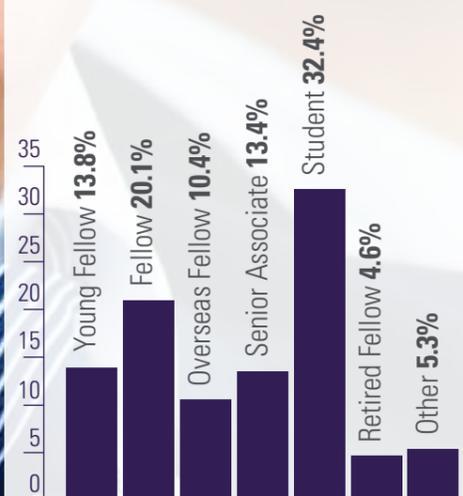
Significant activities

1. Free access to videos from key RSM lectures is now restricted to RSM members. Non-members now pay to view RSM Videos. Members also have access to online CPD with a 50% discount on fees. This is an important new benefit to Society members.
2. "Member only" access to Club and Library areas was launched in early 2013 using chip enabled membership cards. This enables the Society to understand who is using the RSM's facilities and provide more relevant communications to improve renewals in the first two years of membership.
3. The Membership Office continued to develop links with other related healthcare organisations including the Royal Medical Benevolent Fund, the Medical Journalists Association, the Faculty of General Dental Practice (UK) and the Royal College of Obstetrics and Gynaecology. Dual membership between the RSM and these bodies can aid professional development.
4. The membership fee structure for trainees was revised so that the subscription rate charged is based on either job or years worked. This provides more flexibility to ensure that anyone who has taken time out for children, travelling or sabbaticals will not be financially penalised.
5. The RSM membership team continued to attend relevant conferences and exhibitions especially those for trainees including the *Association of Surgeons in Training* and the *BMJ Careers Fair* offering membership opportunities to delegates.
6. A new policy was introduced to encourage non doctors who are senior healthcare professionals to become Fellows of the RSM and new criteria for qualifying for this type of membership were agreed.

Future plans

- To support the plans to grow membership in the next few years both desk research and qualitative research are to be undertaken to understand the gaps in the market in order to develop new benefits and alternative membership packages.
- A specialist market entry service provider has been appointed to research the opportunities for the RSM to grow membership in India.
- In the short term work is to be undertaken to provide a special combined F1 and F2 membership package for newly qualified doctors.
- A Retired Associate grade will be introduced at the same price as Retired Fellows for Senior Associates now moving into retirement.
- The range of consumer discounts provided to members will be further enhanced with the launch of a new scheme in 2014.
- The proportion and number of membership applications via the RSM website will be increased following the introduction of the new Society website in early 2014.
- New renewal strategies are being developed for students when they qualify and for doctors while in training to improve retention rates.

New Members by grade 2012/13



Information

Strategies

In November 2012 the RSM Council approved the new five-year RSM Library Strategy. The strategic objectives fall into three areas; to support learning, teaching and RSM member experience through improved e-resources; to support research and innovation; and finally to support public engagement and global health.

The Library Strategy, now being implemented, can be viewed at www.rsm.ac.uk/librar/strategy/

Significant activities

1. The Library's collection still stands at over 600,000 volumes despite significantly increasing the availability of electronic content by migrating systematically from print to electronic journals and high demand texts. In addition to over 3,000 e-journals and 1,000 e-books, RSM members can now access more than 13,000 medical and surgical videos for clinical training, a database of clinical guidelines (including NICE guidelines), more than 3,000 drug monographs and the current and complete MEDLINE database.
2. The number of downloads per week from the Library's collections of e-journals, books and databases has grown from 4,000 to 6,000 as members continue to be at the heart of the RSM's Library provision.
3. The Library hosted several successful exhibitions, free to the public, during 2012/13, exploiting its rich collection of rare and historical material, as well as working with other learned bodies on cooperative projects. Exhibitions included: *A miscellany of unusual and rare items from the RSM Library*, *Restoration for Research: Conservation at the RSM Library*, *Cholera, Chloroform and Disease Maps: an exhibition to mark the bicentenary of John Snow*, and *Sir Astley Cooper, King of the Resurrection Men*.
4. The Library's Information Skills Programme introduced new sessions during 2012/13, 'Introduction to Literature Searching' and 'Advanced Literature Searching' (free to Members). These sessions are especially relevant to those keen to engage with the increasing e-provision of library services.

 **30,000**
visitors in the year

 **6,000**
downloads from e-journals,
e-books and databases per week

 **1,500**
RSM members used the
historical collection

Performance in the year 2012/13

The number of members making use of Library services continued to increase:

- Over 30,000 people visited the Library in the last year.
- The Library dealt with over 15,000 telephone, fax and email enquiries from members asking for assistance with information needs (these figures include document supply and searching requests).
- Over 1,500 members used the historical collection and Library staff shelved over 10,000 items from the Library during the last year.
- Due to the generosity of the Friends of the Library Scheme 90 items from the collection were professionally conserved.
- The RSM's conservation volunteers repaired 543 items from the 19th and 20th century stock. This collection is available for all members to access.

Future plans

- With the focus on the continued digitisation of the Library, the number of paper journals will reduce to 150 by January 2014 (700 January 2013).
- The increased e-provision has presented the opportunity to develop the Library as a space for individual or community study with the creation of an enhanced learning environment.
- A collaboration with schools and sixth form colleges in London will bring sixth form students into the Society for open sessions where they will be able to use the Library facilities for individual study and, through tailored training sessions, learn how to use the library resources.
- The Virtual Library Users Group continues to develop suggestions and recommendations from members and is open to all. Email library@rsm.ac.uk for further information.



Access ebooks, ejournals
and databases via
www.rsm.ac.uk

Medical Innovations

Strategies

The strategy is to inform and enthuse RSM members and their guests about innovation within the international medical community through a series of events and briefings. The programme is central to the Society's objective of developing a centre for healthcare innovation and implementation.

The longevity of the initiative is assured through the provision of professionally edited videos of each briefing. Available online, free of charge, this library of educational videos is growing steadily and offers significant learning opportunities for those interested in the field of medical innovation.

The programme has been structured to incur relatively low costs and requires only limited resources. The Development Office leads strategy and planning for the programme.

This inspirational programme, which has been running since 2008, has done much to enhance the reputation of the Society, both internally and externally. Popular with members, the programme has also been enthusiastically received by the Society's donors.

Significant activities

The programme focused on two major initiatives:

1. *Medical Innovations Summits* took place in February 2013 and June 2013. These were held on a Saturday, attracting large audiences and international speakers. Presentations covered a huge variety of subjects and were filmed, edited and posted on the RSM Videos website. Many of the videos are now CPD accredited.
2. To complement the Summits, the programme also included weekday briefings. Typically each event included presentations on three innovations, a question and answer session followed by a reception. These presentations were also filmed, edited and posted on the RSM Videos web pages. A private dinner for donors, potential donors and the speakers was often arranged.

Performance in the year 2012/13

- During the year 29 briefings were given by some of the most exciting and influential names in medical innovations. Highlights included 17-year old Jack Andraka who invented a test for pancreatic cancer and Lord Saatchi speaking about the Medical Innovation Bill he has sponsored in the House of Lords. The speakers are all listed on www.rsm.ac.uk/innovations. Speakers were not paid and the vast majority covered their own travel and related expenses.
- The programme continued to be tremendously popular with RSM members and their guests, with many travelling considerable distances to attend meetings. Audiences comprised people from all generations, including medical professionals across 60 areas of interest and a diverse group of associate members including venture capitalists, scientists, engineers, journalists and lawyers. The meetings are particularly popular with medical students and trainees.
- The 100th *Medical Innovations* briefing was delivered by Mr Roger Killen of The Learning Clinic, who spoke about the VitalPAC system used by nurses in hospitals.

Future plans

- Two flagship Summits will be held in April 2014 and July 2014. Each will feature at least 11 innovations and international speakers.
- The weekday briefings will continue and will feature 2-3 innovations at each event.
- The Development Office is looking to establish partnerships with other organisations. Exploratory talks have taken place and will continue. It is hoped that in time this will attract additional income to the programme as well as other benefits.



To find out more about RSM Medical Innovations visit www.rsm.ac.uk/innovations

Conferencing and Hospitality

Strategies

The Society's conferencing and hospitality activities are carried out within its wholly owned subsidiary Royal Society of Medicine Support Services Limited. The company has its own Board of Directors who review the current operating platform and financial performance and consider new initiatives to increase returns from the asset base.

2012/13 was the second year of the current five year business plan focusing on increasing the net income levels of the three main commercial trading areas:

- Member Services
- One Wimpole Street conference venue
- Chandos House

Key objectives for 2012/13 were:

- to retain current external clients of the two venues and continue to acquire new clients in a difficult economic climate
- maximise use of member facilities
- subject to funding, increase and enhance the physical facilities available to each area of the business.

Significant activities

1. In February 2013 the new 80-seat Wimpole Lecture Theatre was completed. This has been well received by all users.
2. The Bar and Buttery was refurbished with full decoration, re-upholstering and new carpet.
3. January 2013 saw the start of a major investment programme to upgrade and replace parts of the audio-visual equipment in the Guy-Whittle Auditorium.
4. Major construction work at the premises of the Society's neighbours at 1A Wimpole Street began in March 2012. Although originally programmed to complete in January 2013, work did not finish until March 2013. Considerable disruption was caused to the Society during the construction work which had a major negative impact on Support Services finances and life at the RSM.
5. The RSM's Audio Visual team triumphed in the AV Awards 2013, winning the category of *In-House AV Team of the Year*. This was a significant achievement against very stiff competition including the Royal College of Surgeons.
6. The RSM's external conference business was re-branded as 1 Wimpole Street, with new website and associated marketing material introduced.

Performance in the year 2012/13

- Member Services performed well with continued high occupancy rates in Domus Medica despite the building work next door. All facilities remain well used and, earlier in 2013, weekend opening for the Bar and Buttery was re-introduced between 9.30am and 5pm.
- Hiring the 1 Wimpole Street conference facilities to external organisations was extremely difficult due to the building work at 1A Wimpole Street. As a result there has been a significant negative impact on the financial results for Support Services.
- Chandos House also experienced a difficult year but still contributed significant levels of net income to the Society.
- RSM Support Services contributed a net combined profit for the year of £226k (2012 £663k).

Future plans

- RSM Support Services continues to reinvest in the audio visual infrastructure in order to provide the best possible facilities to support the programme of academic meetings.
- In early 2014 an online booking facility for Domus Medica and Chandos House accommodation will be launched.

Charter and objects

The Royal Society of Medicine was established in 1805 and granted a Royal Charter by His Majesty King William IV in 1834. A Supplementary Charter was granted in 1907 by His Majesty King Edward VII. The Society is a registered charity and its charity number is 206219. The affairs of the Society are regulated by its Charters and its By-Laws, which were substantially revised on 30 September 1997. A further Supplemental Charter was granted on 10 February 1999. The By-Laws have since been updated and revised, most recently in 2009.

The objects of the Society laid down by the 1834 Charter are the cultivation and promotion of Physic and Surgery and of the Branches of Science connected with them. The Supplementary Charter of 1907 empowered the Society to create Sections for the cultivation and promotion of any branch of medicine or any science connected with, or allied to, medicine. The Supplemental Charter of 1999 provides for a postal ballot of Fellows where necessary and for simplified procedures for future Charter changes. It also provides for specific powers of investment through a separate Schedule of Investment Powers. The Schedule provides that Council shall arrange for the investments to be kept under review by one or more investment experts and may appoint an investment manager who is a proper and competent person to whom the power to buy and sell investments for the Society on behalf of Council in accordance with the investment policy laid down may be delegated.

Public benefit

The Trustees have throughout the year had due regard to the Charity Commission's public benefit guidance and, as such, have complied with the duty in section 4 of the Charities Act 2011. The aims and objectives of the Society and how it delivers thereon are shown on page 4 of this Annual Report. Members' annual subscriptions form a significant part of the Society's income which is used to fund the activities for public benefit. Members themselves receive benefits through the dissemination of knowledge and best practice. However, without its members the Society could not continue to pursue its objectives. The financial barriers to membership of the Society are relatively small, as well as which students and trainees benefit from heavily discounted membership rates.

Council

The Council is the governing body of the Society and the Members of Council are the Society's Trustees. A full list of the Members of Council is set out on page 7. The Trustees, on appointment, are given an induction course to ensure their duties and responsibilities are clearly understood. Further training is provided as and when necessary.

Management and organisation

Council is responsible for the overall direction of the Society. The Members of Council comprise the President and 15 other members, of whom six are elected members and four are co-opted members, one of whom is the Chairman of the Academic Board. Five members of Council are Honorary Officers. Nominations for elected members of Council are sought from the whole membership excluding all student members and the election of these members of Council, except the President, is by the whole membership excluding student and student associate members, by postal or electronic ballot. The President is elected by the Trustees. The Chief Executive is responsible for the overall management of the Society and delegates management of specific functions to the directors (see page 7 for more details), each of whom is a head of a department of the Society, supporting the Council and working, as appropriate, in collaboration with their respective Honorary Officer. Council met five times this year (see page 7 for more details).

Committees

Under the By-Laws there are two Standing Committees, charged with specific functions, as follows:

- 1 The Audit Committee, chaired by Mr R Limburg FCA, reports directly to Council and is responsible for audit and risk management. Four meetings were held in the year.
- 2 The Academic Board, chaired by Mr A Beckingsale, is responsible for the academic function of the Society. It consists of the Presidents of all Sections or their representatives together with appropriate ex officio members including the Dean. The Academic Board's remit is to provide academic initiatives and to consider changes and improvements to the organisation of meeting programmes for the Sections and the Society. The Board met three times this year.

The Dean (Professor J Betteridge 2011/14) is responsible for Continuing Professional Development, and the accreditation of Section meetings and e-learning programmes.

Trustees' responsibilities statement

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

The Charities Act 2011 requires the Trustees to prepare financial statements for each financial year. The Trustees have to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the group 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 Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's and group's transactions and disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Corporate governance

The overall environment for governance includes: detailed terms of reference for all committees, formal agendas for meetings, an established organisational and governance structure and reporting lines, delegation of day-to-day management authority and segregation of duties, and formal written policies.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. Internal controls over all forms of commitment and expenditure continue to be refined to improve effectiveness and these include hierarchical authorisation and approval levels. Processes are in place to ensure that financial performance is monitored and that appropriate management information is prepared and reviewed regularly by both the executive management and Council. This includes an annual budget for each department, approved by Council; regular consideration by Council of financial results including variances from budgets; as well as non-financial performance indicators and identification and management of risks.

Risk management

The Trustees are responsible for the management of the risks faced by the Society. Detailed consideration of risk is delegated to the Audit Committee, which is assisted by and receives reports from senior Society staff and professional advisers. Risks are identified, assessed and mitigation established. A formal review of the Society's risk management profile, through a risk register, is undertaken twice yearly. The risks in relation to catastrophic loss as a result of an exceptional event are covered by the Society's insurance policies, including loss of income and increased cost of working for a period of up to three years. The Society has started the process of updating its disaster recovery plans in 2013.

The Society regards its principal risk to be the management of its reputation. It protects this through controlling the use of the Society's brand and logo, using formal trademark agreements where appropriate, and ensuring the rigorous maintenance of standards in the Society's academic programme and in the awarding of CPD accreditation.

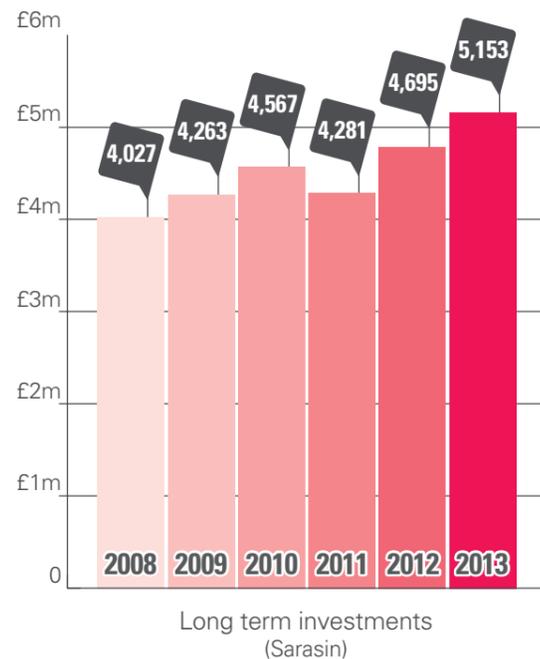
Through the risk management processes established for the Society, the Trustees are satisfied that the major risks identified have been adequately managed. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Financial Review

The results for the year are summarised as follows:

	Unrestricted funds		Total funds	
	2013 £000	2012 £000	2013 £000	2012 £000
Incoming resources	15,233	16,888	15,441	17,058
Expenditure	(13,625)	(14,807)	(13,844)	(15,070)
Operating surplus before exceptionals	1,608	2,081	1,597	1,988
Depreciation, interest and exceptionals	2,152	(1,513)	2,152	(1,513)
Net income	3,760	568	3,749	475

Investment powers, policy and performance



The Consolidated Statement of Financial Activities (SOFA) and Balance Sheet together with the notes to the Accounts set out on pages 31 to 41, show the overall financial performance of the Society and its subsidiaries, and provide an analysis of the resources arising and used in the performance of the Society's objectives and those of its subsidiaries. In addition, information is provided on the movements in the Society's endowed and restricted funds which, it should be noted, cannot be used for general Society purposes.

On 16 November 2012, the Society's subsidiary company, The Royal Society of Medicine Press Limited (RSM Press) sold its journals publishing business to Sage Publications Limited for £4.4m. After costs and writing off the balance sheet value of assets sold, this resulted in an exceptional profit on sale of £3,686k being recognised in the SOFA in this financial year. The Society applied the net proceeds of sale in prepaying £2.3m of the Society's loan facilities originally taken out predominantly to fund the development of the Society's facilities for medical education. RSM Press has wound down its remaining sponsored books business such that it expects to trade only at a low level from the first half of 2014.

The Trustees' investment powers are governed by the Charters. In 2010 the Trustees carried out a review of the Society's investment strategy. The strategy adopted was to split the portfolio into a Permanent Endowment Fund (invested to maximise income generation and growth whilst maintaining long term capital values in real terms) and an Expendable Endowment Fund (designed to generate a reasonable level of income - greater than cash - with a limited level of capital volatility). With regard to ethical investment the Trustees have adopted an investment approach that does not conflict with the aims of the Society. The performance is measured regularly against appropriate benchmarks and for this year the Permanent Endowed portfolio return was 12.3%, compared with a benchmark return of 11.9% based on a composite index. The Expendable Endowed portfolio return was 8.4% against a benchmark of 7.4%.

During the past year, the Society has put its investment management arrangements out to tender in accordance with the regular cycle recommended by the Audit Committee. As a result the Society appointed Schroder Investment Management Limited as its new investment managers with effect from 1 October 2013.

At the date of this report, the Society holds some 100,000 shares in AIM - quoted company GW Pharmaceuticals plc arising from donations from two of the Society's principal benefactors. The Society has realised approximately three quarters of its holding in this company since the year end and expects to hold the remaining shareholding for the medium term dependent on market conditions.

Funds and reserves policy

Movement on funds: The increase in net resources for the year, plus investment gains, amounted to £4,272k (2012: £700k). The total funds carried forward at 30 September 2013 amounted to £35,394k (2012: £31,122k). The Trustees are pleased to report that the level of free reserves at the year end (reported as Other Unrestricted Funds on the Group Balance Sheet) has increased to a surplus of £1,269k (2012: £552k). The most significant part of unrestricted funds is invested in the Society's buildings and other fixed and heritage assets used within the Society, which are partly financed by a secured bank loan of £2.1m (2012: £4.8m). The Trustees intend to build free reserves to the point they represent 6 months' expenditure in order to provide adequate reserves to protect against unexpected downturns.

Financial management policies

Borrowings: The Society's borrowing facilities at 30 September 2013 comprised a 10 year term loan of £2.1m secured by a mortgage charge over the Society's premises at 1 Wimpole Street. The Trustees are confident that these facilities give the Society sufficient headroom, with a good margin for contingency, to meet the Society's commitments.

Financial reporting: Through the preparation and approval of comprehensive budgets and regular reporting of management accounts against budget, the Trustees are able to monitor the financial performance of the Society, as well as to consider the Society's exposure to major risks in terms of their likely impact on its income sources and planned expenditure, as well as assessing the best way to mitigate such risks.

Employees

The Society aims to be an organisation where employees enjoy a sense of fulfilment and where they feel supported and developed. Employees are kept informed about the Society's strategy and objectives, as well as day-to-day news and events. Regular information about the organisation is available through all-staff meetings and departmental briefings. The Society supports equal opportunities and is committed to a formal performance appraisal process. During 2013, the Society developed a more formal training plan for compliance and management skills, and ran courses during the year on Equality Issues. The Society expects to roll out further training in accordance with the plan during 2014.

The Society operates a defined contribution pension scheme which is administered by AEGON. This scheme is open to all employees after one year's service. The Society makes a minimum contribution of 7% of basic salary and employees have the option of adding a further contribution. The Society has prepared for pensions auto enrolment, advised by its new pensions advisers Aspira Corporate Solutions

Limited, starting on its staging date of 1 February 2014, although the Society will take advantage of the permitted deferral by 3 months such that the new arrangements will operate in practice from 1 May 2014.

Future plans

The Society has a sound financial basis upon which to build for the future. This has been enhanced by the sale of RSM Press's journals business as described above, as well as the opening in early 2013 of significant new conferencing facilities in the form of an 80 seat lecture theatre, completed to a high specification.

The Society has started to implement the conclusions of the strategic review carried out in 2012, including several growth initiatives, as well as initiatives to broaden the scope and scale of services to members and other beneficiaries. In anticipation of a number of new international opportunities, the Society has opened a new subsidiary company Royal Society of Medicine International Limited, incorporated on 19 November 2013.

Investment in new and enhanced services will clearly be balanced with the objective of ensuring that the Society's borrowings can comfortably be repaid in accordance with their terms.

Signed on behalf of the Members of Council on
21 January 2014

Professor Sir Michael Rawlins MD, FRCP(Lond),
FRCP(Ed), FFPM, FMedSci
President

Mr B Sethia FRCS
Honorary Treasurer

Auditor's Report

Independent auditor's report to the Trustees of The Royal Society of Medicine

We have audited the financial statements of The Royal Society of Medicine for the year ended 30 September 2013 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Section 154 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 anyone other than the charity and its Trustees 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 27, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and charity's affairs as at 30 September 2013 and of its incoming resources and application of resources, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

21 January 2014
Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

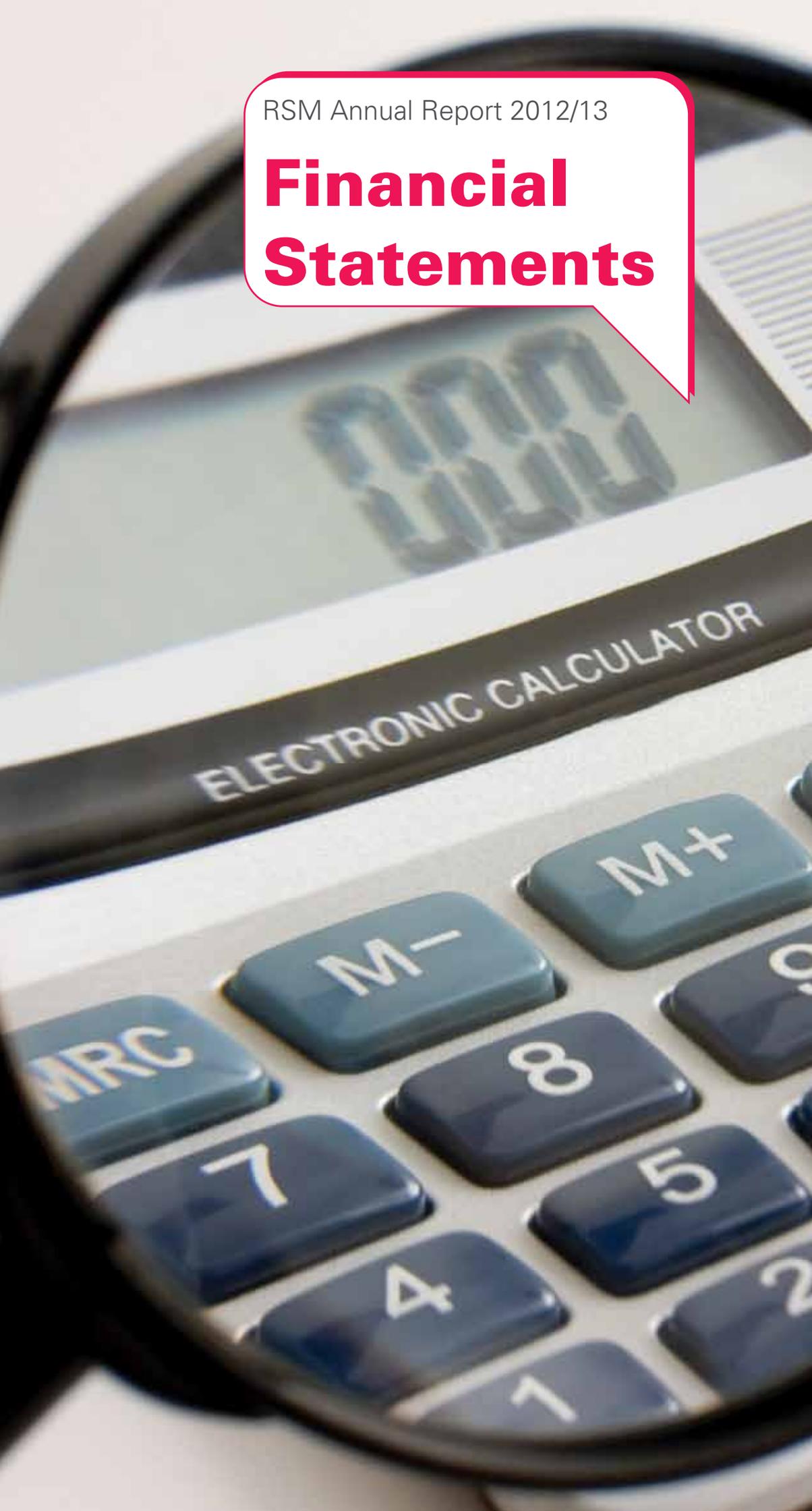
Consolidated statement of financial activities

notes	UNRESTRICTED FUNDS			RESTRICTED FUNDS	ENDOWED FUNDS	TOTAL 2013			TOTAL 2012
	Continuing operations	Discontinued operations	Total	Continuing operations	Continuing operations	Continuing operations	Discontinued operations	Total	
	£000	£000	£000	£000	£000	£000	£000	£000	£000
INCOMING RESOURCES									
Legacies and donations	517	-	517	55	-	572	-	572	437
Incoming resources from generated funds									
Conferencing and hospitality	6,773	-	6,773	-	-	6,773	-	6,773	6,732
Rental income	110	-	110	-	-	110	-	110	97
	6,883	-	6,883	-	-	6,883	-	6,883	6,829
Investment income	2	39	-	39	146	-	-	185	200
Incoming resources from charitable activities									
Education	2,201	-	2,201	7	-	2,208	-	2,208	2,111
Information resources	173	-	173	-	-	173	-	173	188
Publishing	280	337	617	-	-	280	337	617	2,589
Exceptional gain	-	3,686	3,686	-	-	-	3,686	3,686	-
Membership subscriptions	3	4,803	-	4,803	-	4,803	-	4,803	4,704
	7,457	4,023	11,480	7	-	7,464	4,023	11,487	9,592
Total incoming resources	14,896	4,023	18,919	208	-	15,104	4,023	19,127	17,058
RESOURCES EXPENDED									
Cost of generating funds	4								
Fundraising costs	206	-	206	-	-	206	-	206	252
Conferencing and hospitality	6,549	-	6,549	-	-	6,549	-	6,549	6,078
Rental income costs	83	-	83	-	-	83	-	83	121
Interest	169	-	169	-	-	169	-	169	270
	7,007	-	7,007	-	-	7,007	-	7,007	6,721
Charitable activities	4								
Education	3,816	-	3,816	197	-	4,013	-	4,013	3,791
Information resources	2,623	-	2,623	22	-	2,645	-	2,645	2,422
Publishing	384	318	702	-	-	384	318	702	2,806
Membership subscriptions	802	-	802	-	-	802	-	802	680
	7,625	318	7,943	219	-	7,844	318	8,162	9,699
Governance	4	152	-	152	-	152	-	152	163
Other resources expended	20	-	57	57	-	-	57	57	-
Total resources expended	14,784	375	15,159	219	-	15,003	375	15,378	16,583
NET INCOMING RESOURCES BEFORE TRANSFERS									
		112	3,648	3,760	(11)	101	3,648	3,749	475
Transfers between funds	14/15	(225)	-	(225)	207	18	-	-	-
NET INCOMING RESOURCES BEFORE INVESTMENT GAINS									
		(113)	3,648	3,535	196	18	101	3,648	3,749
Net investment gains	8	130	-	130	133	260	-	523	225
NET MOVEMENT IN FUNDS IN YEAR									
		17	3,648	3,665	329	278	624	3,648	4,272
RECONCILIATION OF FUNDS									
Funds brought forward		26,565	80	26,645	2,237	2,240	31,042	80	31,122
Fund balances carried forward	14, 15	26,582	3,728	30,310	2,566	2,518	31,666	3,728	35,394

The notes on pages 34 to 41 form part of these financial statements.

RSM Annual Report 2012/13

Financial Statements



Balance sheets

Notes	GROUP		CHARITY		
	2013 £000	2012 £000	2013 £000	2012 £000	
FIXED ASSETS					
Tangible and Intangible assets	7	26,999	26,673	26,999	26,505
Investments	8	5,153	4,695	5,153	4,695
Heritage Assets	9	3,283	3,283	3,283	3,283
Shares in subsidiary companies	5	-	-	1	201
TOTAL FIXED ASSETS		35,435	34,651	35,436	34,684
CURRENT ASSETS					
Stocks	10	99	99	7	9
Debtors	11	2,328	2,825	5,369	2,157
Short term investments	8	386	321	386	321
Bank deposits		2,878	3,755	2,878	3,755
Bank and cash balances		926	316	853	291
		6,617	7,316	9,493	6,533
CREDITORS:					
Amounts falling due within one year	12	(4,858)	(6,645)	(8,020)	(6,116)
NET CURRENT ASSETS		1,759	671	1,473	417
CREDITORS:					
Amounts falling due after more than one year	13	(1,800)	(4,200)	(1,800)	(4,200)
NET ASSETS	16	35,394	31,122	35,109	30,901
FUNDS					
Unrestricted Funds:					
Tangible fixed assets fund		28,182	25,156	28,182	25,156
Other designated funds		859	937	859	937
Other unrestricted funds		1,269	552	984	331
	14	30,310	26,645	30,025	26,424
Permanent endowment funds	16	2,518	2,240	2,518	2,240
Restricted funds	16	2,566	2,237	2,566	2,237
TOTAL FUNDS		35,394	31,122	35,109	30,901

Approved and authorised for issue on 21 January 2014 by Members of Council and signed on their behalf by:

Professor Sir Michael Rawlins FMedSci

Mr Babulal Sethia FRCS

The notes on pages 34 to 41 form part of these financial statements.

Consolidated cashflow statement

	2013 £000	2012 £000
Net incoming resources	120	475
Depreciation	1,308	1,243
Interest/ Dividends	(16)	70
Decrease/ (Increase) in debtors	497	(787)
(Increase) in stock	-	(19)
(Decrease)/ Increase in creditors	(1,544)	1,059
Net cash inflow from operating activities	365	2,041

CASH FLOW STATEMENT

Net cash inflow from operating activities 365 2,041

Returns on investments and servicing of finance

Dividends	174	164
Bank interest	11	36
Interest paid and refinancing cost	(169)	(270)
	16	(70)

Capital expenditure and financial investment

Purchase of tangible and intangible fixed assets	(1,797)	(1,642)
Sale of leasehold premises	-	1,580
Proceeds on sale of RSMP Ltd journals business	4,400	-
Transaction costs on sale of journals business	(551)	-
Sale of short term investments	-	394
Increase in cash held for investment	2,052	332

Financing

Loan finance:		
Quarterly instalments paid	(300)	(600)
Loan prepayment	(2,400)	-
	(2,700)	(600)

(DECREASE)/ INCREASE IN CASH IN THE YEAR (267) 1,703

Reconciliation of net cash flow to movement in net debt

(Decrease)/ Increase in cash in the year	(267)	1,703
Cash inflow from movement in debt and lease financing	2,700	600
Net debt at 1 October 2012	(729)	(3,032)
Net debt at 30 September 2013	1,704	(729)

	1 October 2012 £000	Cash flows £000	30 September 2013 £000
ANALYSIS OF CHANGES IN NET DEBT			
Cash in hand, at bank	316	610	926
Bank deposits	3,755	(877)	2,878
Debt due within 1 year	(600)	300	(300)
Debt due after 1 year	(4,200)	2,400	(1,800)
	(729)	2,433	1,704

SALE OF RSMP LTD JOURNALS BUSINESS

Net assets disposed of:

Fixed assets	163
Profit on sale	3,686
Satisfied by net cash proceeds, as above, of	3,849

Notes to the Financial Statements

1. ACCOUNTING POLICIES

The following are the accounting policies adopted for material items:

(a) Basis of Accounting

The accounts are prepared under the historical cost convention, modified to include certain assets at valuation and comply in all material respects to the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005), the Charities Act 1993 and applicable accounting standards. The accounts include the transactions, assets and liabilities of Special Trusts which are administered by the Society. A summary of these transactions is shown in note 15.

The accounts include transactions, assets and liabilities of The Royal Society of Medicine Press Limited and Royal Society of Medicine Support Services Limited which are wholly owned subsidiaries and are run as an integral part of the Society. The subsidiaries' accounts are produced separately as required by the Companies Act 2006 and are summarised in note 5.

The SORP requires that income and costs are allocated where appropriate to charitable activities and to activities for generating funds. No separate SOFA has been presented for the Society alone as permitted by paragraph 397 of the SORP.

Total incoming resources for the Society are £11,862k (2012: £8,315k) and total resources expended are £8,256k (2012: £7,949k). The net movement in funds after investment movements is £4,208k surplus (2012: £310k surplus).

Incoming Resources

Donations and legacy income are accounted for when there is reasonable certainty of the donation or legacy's value and receipt. Membership subscriptions are accounted for on an accruals basis. The unexpired portion of annual subscriptions is deferred and reported under creditors in the balance sheet. Life membership income is reported over a 10 year period commencing in the month of receipt, with the unexpired balance deferred and reported under creditors. Journal subscriptions in The Royal Society of Medicine Press Limited relate to a calendar year; income for the final quarter to December is deferred and reported under creditors in the balance sheet. Investment income, excluding interest from bank deposit accounts, is recognised on a cash basis when received by the Society's investment managers. All other income is accounted for on an accruals basis. Any income restricted to future accounting periods is deferred and recognised in those accounting periods.

Resources Expended

Expenditure is accounted for on an accruals basis. Overheads and other costs not directly attributable to particular activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, by reference to staff time, floor space occupied, computer equipment held, as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

The cost of generating funds is comprised of those costs attributable to the provision of catering and accommodation services, managing the investment portfolio and fundraising costs which are those incurred in seeking voluntary contributions for the Society.

(b) Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Society. Designated funds represent amounts set aside at the discretion of the Trustees for specific purposes. The permanent endowment funds represent capital, and the income arising forms part of either restricted or unrestricted funds. Restricted funds are subject to specific restrictions imposed by donors.

All income and expenditure and changes in investment values are shown on the Statement of Financial Activities on page 31.

(c) Tangible and Intangible Fixed Assets

Financial Reporting Standard 15 was adopted in the year ended 30 September 2000 and accordingly, book values for leasehold premises were retained and depreciated over their estimated useful lives. Book value is based on the 1980 insurance valuation plus subsequent additions at cost. All other fixed assets are included at cost.

Certain long-held assets, which are an integral part of the Society but for which no reliable historical cost information is available due to the length of time over which the assets have been acquired, have been excluded from fixed assets in the Balance Sheet in accordance with FRS 15. This applies to portraits and antiques.

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life which is reviewed annually. Assets under construction are not depreciated until they are brought into use. The estimated useful lives are as follows:

Leasehold Premises Non Fabric

50 years

Leasehold Premises Fabric

100 years

Plant and Office Equipment

5 to 20 years

Major Computer Systems

4 years

Furnishings and Fittings

10 years

Intangible Assets

10 years

Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

The Trustees have carried out an impairment review of the assets and are satisfied that they are not impaired. The Trustees will undertake future reviews in accordance with FRS 11.

(d) Heritage Assets

Heritage assets, being the contents of the Library, have been included in Fixed Assets under FRS 30 which has been applied for the first time in the year ended 30 September 2011. The heritage assets are included at their insurance valuation in 2007. The Trustees consider that the value of the Library collection does not depreciate in value and, as such, no depreciation is charged.

(e) Investments

Units in the charity-approved multi-asset portfolio Common Investment Fund are valued at the year-end market value. Quoted investments, all of which are quoted on a stock exchange, are also stated at the year-end market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

(f) Turnover of Trading Subsidiaries

The turnover of the trading subsidiaries relates in the case of Royal Society of Medicine Support Services Limited to the provision of catering, conference and accommodation services and in the case of The Royal Society of Medicine Press Limited to the publishing of books, journals and online services.

(g) Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost comprises the purchase price plus labour, appropriate overhead expenses and materials used in bringing the stocks to their present location and condition.

(h) Pension Costs

The Society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Society through a Group Stakeholder Pension Scheme. The pension costs, shown in Note 4, represent contributions payable by the Society to the scheme.

(i) Leasing Contracts

Rentals paid under operating leases are charged in to the SOFA on a straight-line basis over the lease term. In the prior year the Society released 19.5% of its leasehold interest in Chandos House in return for the sum of £1.58m which is accounted for in disposals of leasehold property. The increased rent arising of £149k/annum is accounted for as above.

(j) Translation of Foreign Currencies

Income and expenditure items are converted at the date of the transactions. Assets and liabilities are converted at the rate ruling at the year-end.

(k) Exceptional items

Transactions which are unusual in their size or incidence are treated as exceptional items in the SOFA.

Notes to the Financial Statements

2 INVESTMENT INCOME

	2013 £000	2012 £000
Dividends	174	164
Bank interest	11	36
	185	200

3 MEMBERSHIP SUBSCRIPTIONS

Membership subscription fees received	4,994	4,349
Deferred to next year	(1,930)	(1,739)
Deferred from last year	1,739	2,094
Net adjustment	(191)	355
Net membership subscriptions	4,803	4,704

4 ANALYSIS OF RESOURCES EXPENDED

	Facilities management £000	IT £000	Management & admin £000	Total 2013 £000	Total 2012 £000
(a) SUPPORT COSTS					
Cost of generating funds					
Fundraising costs	13	6	17	36	46
Conferencing and hospitality	613	161	288	1,062	960
Rental income costs	38	-	9	47	92
	664	167	314	1,145	1,098
Charitable Expenditure					
Education	297	177	443	917	910
Information resources	430	114	86	630	591
Publishing	-	5	122	127	328
Membership subscriptions	10	29	190	229	233
	737	325	841	1,903	2,062
Governance	-	-	140	140	157
Total Support Costs	1,401	492	1,295	3,188	3,317

	Staff costs £000	Support costs £000	Other £000	Depreciation £000	Total 2013 £000	Total 2012 £000
(b) RESOURCES EXPENDED						
Cost of generating funds						
Fundraising costs	102	36	55	13	206	252
Conferencing and hospitality	3,052	1,062	1,885	550	6,549	6,078
Rental income costs	-	47	-	36	83	121
Interest and Refinancing costs	-	-	169	-	169	270
	3,154	1,145	2,109	599	7,007	6,721
Charitable expenditure						
Education	1,004	917	1,810	282	4,013	3,791
Information resources	632	630	975	408	2,645	2,422
Publishing	197	127	373	5	702	2,806
Membership subscriptions	288	229	276	9	802	680
	2,121	1,903	3,434	704	8,162	9,699
Governance	-	140	12	-	152	163
Total resources expended	5,275	3,188	5,555	1,303	15,321	16,583

	2013 £000	2012 £000
Included in resources expended:		
Depreciation and amortisation	1,308	1,243
Auditors' remuneration	34	30

Staff costs amounted to:		
Wages and salaries	5,557	5,931
Social security costs	535	499
Pension contributions / life assurance	427	422
Other employment costs	435	271
	6,954	7,123

Staff costs of £1,679,000 are included within Support Costs above. All staff are employed by Royal Society of Medicine Support Services Limited and their costs are recharged to the Society and to The Royal Society of Medicine Press Limited. The above analysis includes the recharged amounts and represents the group costs.

4 ANALYSIS OF RESOURCES EXPENDED (continued)

	2013 No.	2012 No.
The number of employees in the following payroll bands was as follows:		
£60,001 to £70,000	4	2
£70,001 to £80,000	2	2
£80,001 to £90,000	2	2
£90,001 to £100,000	-	1
£100,001 to £110,000	1	-
£140,001 to £150,000	1	1
	£000	£000
Pension contributions paid into a defined contribution scheme in respect of the above identified employees	137	116

The average number of full time equivalent staff employed during the year was 227 (2012: 230).

Members of Council do not receive remuneration. The total sum relating to reimbursement of expenses and benefits for accommodation amounted to £2,537 for 7 members (2012: £3,225 for 5 members).

5 SUBSIDIARIES

The Society has two wholly-owned trading subsidiaries. It holds 200,000 (fully provided for following sale of journals business) ordinary shares of £1 each in The Royal Society of Medicine Press Limited (RSMP Ltd), which publishes medical journals, books and on-line services, and 1,000 ordinary shares of £1 each in Royal Society of Medicine Support Services Limited (RSMSS Ltd), which operates the catering, accommodation and conference activities on behalf of the Society. Both companies gift aid their taxable profits to the Society where they have distributable profits to do so.

On 1 November 2011, the Society made a £200,000 interest-free loan to RSMP Ltd, repayable in equal annual instalments over 10 years and secured by a floating charge over the assets of RSMP Ltd, recognising the contribution the activities of RSMP Ltd make towards the RSM's charitable objectives. This has since been repaid in this financial year on the sale of the journal business in RSMP Ltd.

A summary of their results and summary balance sheets are provided as follows:

	RSMP Ltd		RSMSS Ltd	
	2013 £000	2012 £000	2013 £000	2012 £000
PROFIT AND LOSS ACCOUNTS				
Turnover	406	2,290	6,773	6,731
Cost of sales	(182)	(1,211)	(3,823)	(3,520)
Gross profit	224	1,079	2,950	3,211
Total administrative expenses	(336)	(1,355)	(2,724)	(2,548)
Gift aid payable to the Charity	(3,392)	-	(209)	(278)
Exceptional item	3,686	-	-	-
Profit (loss) for the year before taxation	182	(276)	17	385
Taxation - Group relief prior year	90	-	(90)	-
- Corporation tax	(57)	-	-	-
Retained profit/ (loss)	215	(276)	(73)	385
	2013 £000	2012 £000	2013 £000	2012 £000
BALANCE SHEETS				
Tangible fixed assets	-	168	-	-
Stocks	14	20	78	70
Debtors	3,558	797	927	1,051
Bank balances	73	25	-	-
Creditors	(3,640)	(1,220)	(727)	(770)
Net assets/ (liabilities) and share capital and reserves	5	(210)	278	351

6 EXCEPTIONAL ITEMS

	2013 £000	2012 £000
Sale of publishing journals business	3,686	-

On 16 November 2012, RSMP Ltd sold its journals business to Sage Publications Limited for £4.4m. The exceptional gain on disposal of this business is reported after deducting associated costs arising from this transaction, including writing off the book value of the net assets disposed of.

Notes to the Financial Statements

7 TANGIBLE AND INTANGIBLE FIXED ASSETS

	Leasehold premises £000	Furnishings and fittings £000	Plant, vehicles & office equipment £000	Intangible assets £000	Assets in course of construction £000	Charity Total £000	RSM Press Limited £000	GROUP TOTAL £000
Cost or valuation								
At 1 October 2012	25,863	583	8,565	28	770	35,809	270	36,079
Additions	693	-	1,063	-	41	1,797	-	1,797
Transfers	518	-	252	-	(770)	-	-	-
Disposals	-	-	-	-	-	-	(270)	(270)
At 30 September 2013	27,074	583	9,880	28	41	37,606	-	37,606
Depreciation								
At 1 October 2012	3,921	482	4,895	6	-	9,304	102	9,406
Charge for year	383	26	891	3	-	1,303	5	1,308
Disposal	-	-	-	-	-	-	(107)	(107)
At 30 September 2013	4,304	508	5,786	9	-	10,607	-	10,607
Net book value at 30 September 2013	22,770	75	4,094	19	41	26,999	-	26,999
Net book value at 30 September 2012	21,942	101	3,670	22	770	26,505	168	26,673

The insured value of the assets included in Leasehold Premises as at 30 September 2013, including Domus refurbishment, is £52.9m (2012: £49.5m).

8 INVESTMENTS

	GROUP AND CHARITY	
	2013 £000	2012 £000
Long term Investments:		
Market value 1 October 2012	4,695	4,281
Unrealised gains	458	414
Market value 30 September 2013	5,153	4,695
Cost at 30 September 2013	3,431	3,431
Unrealised gain	1,722	1,264
Movement on unrealised gains	458	414
Short term Investments:		
Market value 1 October 2012	321	904
Disposal at Market Value	-	(394)
Movement on unrealised gain	65	(189)
Market value 30 September 2013	386	321
The total market value at 30 September comprises:		
Units in charity-approved multi-asset portfolio Common Investment Fund	5,153	4,695
Investments quoted on recognised stock exchange	386	321
Total Investments	5,539	5,016

9 HERITAGE ASSETS

The Society's Heritage Assets comprise its collection of books and manuscripts held in the Society's Library. They are included in the balance sheet at their valuation carried out in November 2007 by Bonhams for insurance purposes, at their estimated auction value.

	Group and charity	
	2013 £000	2012 £000
Books and manuscripts	3,283	3,283

10 STOCKS

	GROUP		CHARITY	
	2013 £000	2012 £000	2013 £000	2012 £000
Work in progress	14	22	-	-
Goods for resale	85	77	7	9
	99	99	7	9

11 DEBTORS

Trade debtors	731	1,115	174	242
Other debtors	208	248	207	119
Prepayments and accrued income	1,389	1,407	1,387	1,263
Tax and social security	-	55	-	55
Amounts due from subsidiary undertakings	-	-	-	200
Gift Aid from subsidiaries	-	-	3,601	278
	2,328	2,825	5,369	2,157

12 CREDITORS: Amounts due within one year

Bank loan	300	600	300	600
Trade creditors	940	2,162	806	1,779
Accrued expenses/ deferred income	1,361	1,470	1,022	946
Membership subscription income deferred	1,930	1,739	1,930	1,739
Journal subscription income deferred	-	329	-	-
Tax and social security	225	167	84	-
Corporation tax payable	57	-	-	-
Amounts due to subsidiary undertakings	-	-	3,833	979
Other creditors	45	178	45	73
	4,858	6,645	8,020	6,116

13 CREDITORS: Amounts due after more than one year

Bank loan	1,800	4,200	1,800	4,200
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On 15 September 2010, the Society entered into a £6m 10 year term loan with Lloyds TSB Bank plc. The loan from Lloyds TSB is secured by a fixed and floating charge over the Society's leasehold premises at 1/1A Wimpole Street and interest is payable at 2.5% over LIBOR. On sale of the journals business of RSM Ltd referred to in note 6, the Society used the proceeds to prepay £2.4m from the loan.

	£000	£000	£000	£000
Between one and two years	300	600	300	600
Between two and five years	900	1,800	900	1,800
More than five years	600	1,800	600	1,800
	1,800	4,200	1,800	4,200

14 UNRESTRICTED FUNDS - GROUP

	Balance 2012 £000	Transfers £000	Net incoming resources £000	Net gains on investments £000	Balance 2013 £000
General	552	(391)	989	119	1,269
Designated Funds:					
Fixed assets	25,156	262	2,764	-	28,182
Educational Funds	412	(254)	7	11	176
Sections' Funds (note 19)	418	166	-	-	584
Academic Fund (note 19)	107	(8)	-	-	99
	26,645	(225)	3,760	130	30,310

The Tangible Fixed Assets Fund represents the net book value of fixed and Heritage Assets at 30 September 2013 after deducting related loan balances. The designated educational funds represent monies set aside predominantly to support Sections.

Notes to the Financial Statements

15 PERMANENT ENDOWMENT AND RESTRICTED FUNDS - GROUP AND CHARITY

	Permanent endowment funds				Restricted funds				
	Balance 2012 £000	New money/ gains on invt £000	Transfers £000	Balance 2013 £000	Balance 2012 £000	Income on invt £000	Expenditure £000	Transfers £000	Balance 2013 £000
ALARM fund	-	-	-	-	50	2	(2)	-	50
Coloproctology funds	31	3	-	34	42	3	(8)	-	37
Cowley Fund	76	9	-	85	25	3	-	-	28
Dobson Bequest	-	-	-	-	52	4	-	-	56
Dowling Endowment	46	5	-	51	18	2	(4)	-	16
Ellison-Cliffe Lecture	124	14	-	138	16	5	(5)	-	16
M Feiwel	-	-	-	-	34	1	-	-	35
Finzi Bequest	-	-	-	-	267	25	-	-	292
Louis Forman Fund	-	-	-	-	147	16	-	-	163
International Relations	-	-	-	-	270	32	(48)	-	254
W Gibson Research Scholarship	27	3	-	30	9	1	-	-	10
John Glynn Young Fellows Prize	30	3	-	33	2	1	(1)	-	2
Jephcott Lecture Fund	773	90	-	863	45	29	(23)	255	306
Richard Kovacs Fund	117	14	-	131	54	4	(3)	-	55
G Levene Memorial Fund	-	-	-	-	67	7	(1)	-	73
Library Permanent Endowment	564	66	-	630	-	22	(22)	-	-
Ophthalmology Fund	36	4	-	40	15	1	(2)	-	14
Rank Fund	-	-	-	-	275	37	(24)	-	288
Smith Kline French	103	12	-	115	57	4	(10)	-	51
Stevens Fund	-	-	-	-	316	34	(10)	-	340
Various Funds of less than £30,000	313	37	18	368	476	108	(56)	(48)	480
Totals	2,240	260	18	2,518	2,237	341	(219)	207	2,566

Resources expended

Details of the major funds (over £100,000) are as follows:

- Ellison-Cliffe Lecture - To fund an annual lecture on fundamental sciences in advancement of medicine
- Finzi Bequest - To fund purposes for the benefit of the Section of Radiology, including an annual lecture
- Louis Forman Fund - To fund dermatology research with a view to publication and a prize awarded by the Dermatology Section
- International Relations - To fund the advancement of medicine by promoting a closer association between members of the medical profession and allied branches throughout the world, including in the area of Global Health
- Jephcott Lecture - To fund a series of lectures on a scientific and/ or medical subject. Surplus income is available to be applied for other educational purposes, with priority to science and medicine
- Library Endowment - To fund resources for the Library
- Richard Kovacs Fund - To fund a triennial lecture/ visiting professorship organised by the Section of Rheumatology and Rehabilitation
- Rank Foundation - The annual capital and income to be used to fund audio-visual content, in particular e-learning including that spent by RSM Press
- Smith Kline French Fund - The income to be used for speakers' travel/ accommodation expenses, and foreign business travel expenses of RSM representatives
- Stevens Fund - To fund the advancement of medical knowledge by the general public and to promote a closer understanding between the general public and the medical profession

16 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted funds £000	Designated funds £000	Endowment funds £000	Restricted funds £000	Total funds £000
Fixed assets and Heritage Assets	-	30,282	-	-	30,282
Fixed asset investments	759	144	2,518	1,732	5,153
Current assets	5,068	715	-	834	6,617
Current liabilities	(4,558)	(300)	-	-	(4,858)
Liabilities due after more than one year	-	(1,800)	-	-	(1,800)
Group Net Assets	1,269	29,041	2,518	2,566	35,394

17 FINANCIAL COMMITMENTS

(i) Operating leases

At 30 September 2013 the Society had annual commitments of £38k under non-cancellable operating leases (2012: £16k). These are plant and machinery leases; £14k will be payable next year.

(ii) Capital commitments

Capital expenditure contracted for, but not provided in the financial statements, was £21k (2012: £681k).

18 POST BALANCE SHEET EVENTS

(i) On 10 October 2013, the Society sold 350,000 out of its 451,000 shares in GW Pharmaceuticals plc. for £454k. The shares in GW Pharmaceuticals plc. represent the Society's Short-term Investments as shown in note 8.

(ii) The Society formed a new wholly owned subsidiary company, Royal Society of Medicine International Limited, on 19 November 2013 as an entity for carrying out certain RSM international business activities.

19 SECTION FUND BALANCES AND ACADEMIC FUND

Under the Section Finance Guidelines adopted by the Society's Council in 2009, the financial results of Sections' meeting programmes are shared with the Academic Fund (designed to fund academically strong but financially weak Sections and international speakers) with the balance available to the Section to spend in accordance with the Society's educational charitable objectives. All such balances are held as designated funds, as scheduled below.

Section	Year end balance £	Section	Year end balance £
Anaesthesia	9,966	Obstetrics & Gynaecology	(3,501)
Black & Ethnic Minority Health	268	Occupational Medicine	1,525
Clinical Immunology & Allergy	7,355	Open	1,783
Catastrophes and Conflict	951	Ophthalmology	34,416
Cardiology	29,098	Orthopaedics	12,542
Clinical Forensic & Legal Medicine	7,623	Otology	15,436
Comparative Medicine	(1,817)	Patient Safety	2,927
Clinical Neurosciences	5,209	Paediatrics & Child Health	50,664
Coloproctology	552	Palliative Care	13,219
Critical Care Medicine	9,971	Pharmaceutical Medicine & Research	(709)
Cardiothoracic	9,029	Pain Medicine	4,262
Dermatology	12,486	Plastic Surgery	5,508
Endocrinology & Diabetes	15,452	Pathology	9,297
Emergency Medicine	12,957	Psychiatry	24,213
Epidemiology & Public Health	3,140	Quality in Healthcare	(659)
Food & Health	3,328	Radiology	30,015
Geriatrics & Gerontology	7,713	Respiratory Medicine	21,427
General Practice with Primary Healthcare	31,859	Rheumatology & Rehabilitation	4,989
Histopathology	2,973	Retired Fellows Society	19,337
History of Medicine	2,520	Sexuality & Sexual Health	2,341
Hypnosis & Psychosomatic Medicine	1,614	Sleep Medicine	13,055
Intellectual Disability	5,970	Sport & Exercise Medicine	8,003
Laryngology & Rhinology	15,439	Surgery	10,110
Lipids, Metabolism & Vascular Risk	20,488	Technology in Medicine	(5,335)
Maternity and the Newborn	15,057	Telemedicine & eHealth	21,237
Medical Genetics	(1,602)	Urology	17,221
Military Medicine	12,297	Vascular Medicine	3,882
Oral & Maxillofacial Surgery	4,200	Venous	8,759
Nephrology	12,543	Music Society	-
Oncology	7,217	Total Section Funds	584,179
Odontology	(5,641)	Academic Fund	99,432

20 CORPORATION TAX

Corporation tax payable by RSMP Ltd

2013 £000	2012 £000
57	-

Contacting the RSM

Chief Executive's Office	+44 (0)20 7290 2900
Membership Queries	+44 (0)20 7290 2991
Library Enquiries	+44 (0)20 7290 2940
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The Royal Society of Medicine

1 Wimpole Street London W1G 0AE • **T:** +44 (0)20 7290 2900 • **F:** + 44 (0)20 7290 2989 • **W:** www.rsm.ac.uk
Charity No: 206219 VAT reg no 524 4136 71