



The ROYAL
SOCIETY of
MEDICINE

2015/16

ANNUAL REPORT

MISSION

To advance health, through education and innovation.

VISION

To be the leading provider of high-quality continuing postgraduate education and learning to the medical profession. To actively encourage and support all those entering medicine and to be a significant provider of education to the wider healthcare team.

VALUES

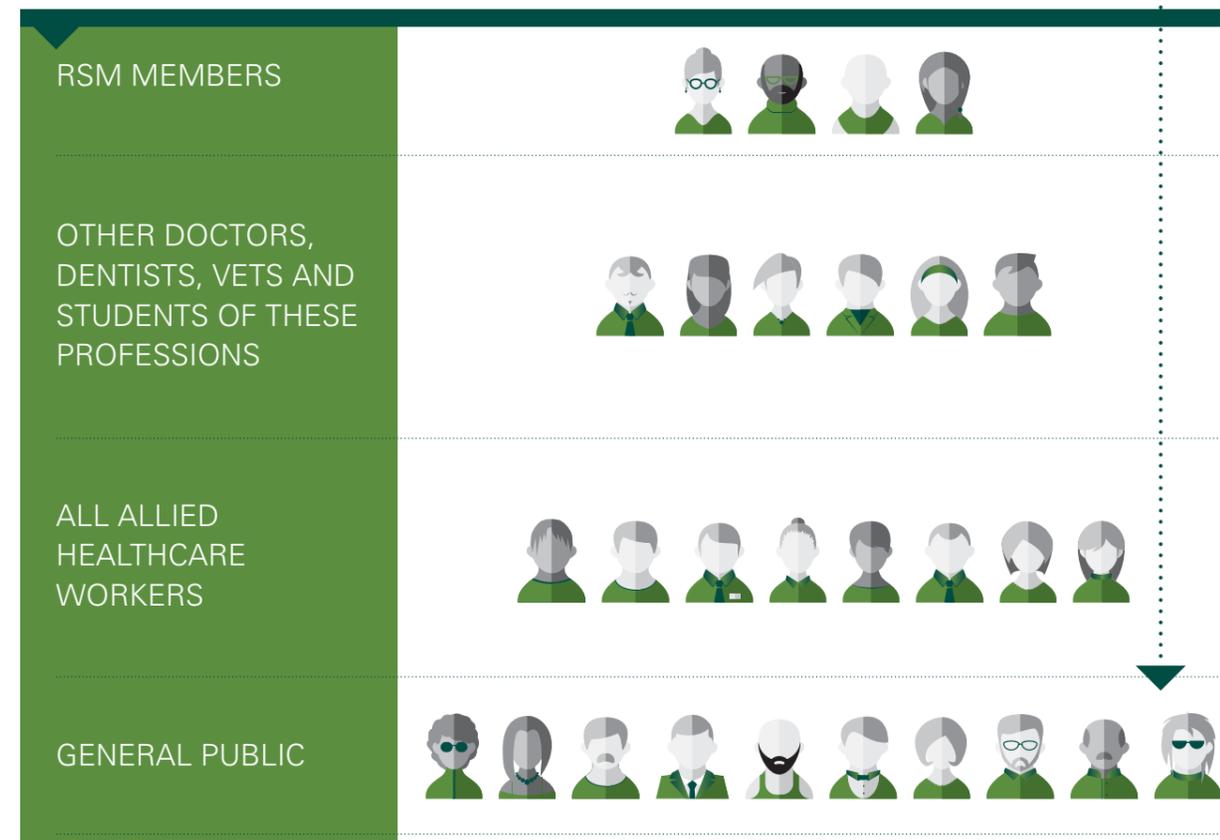
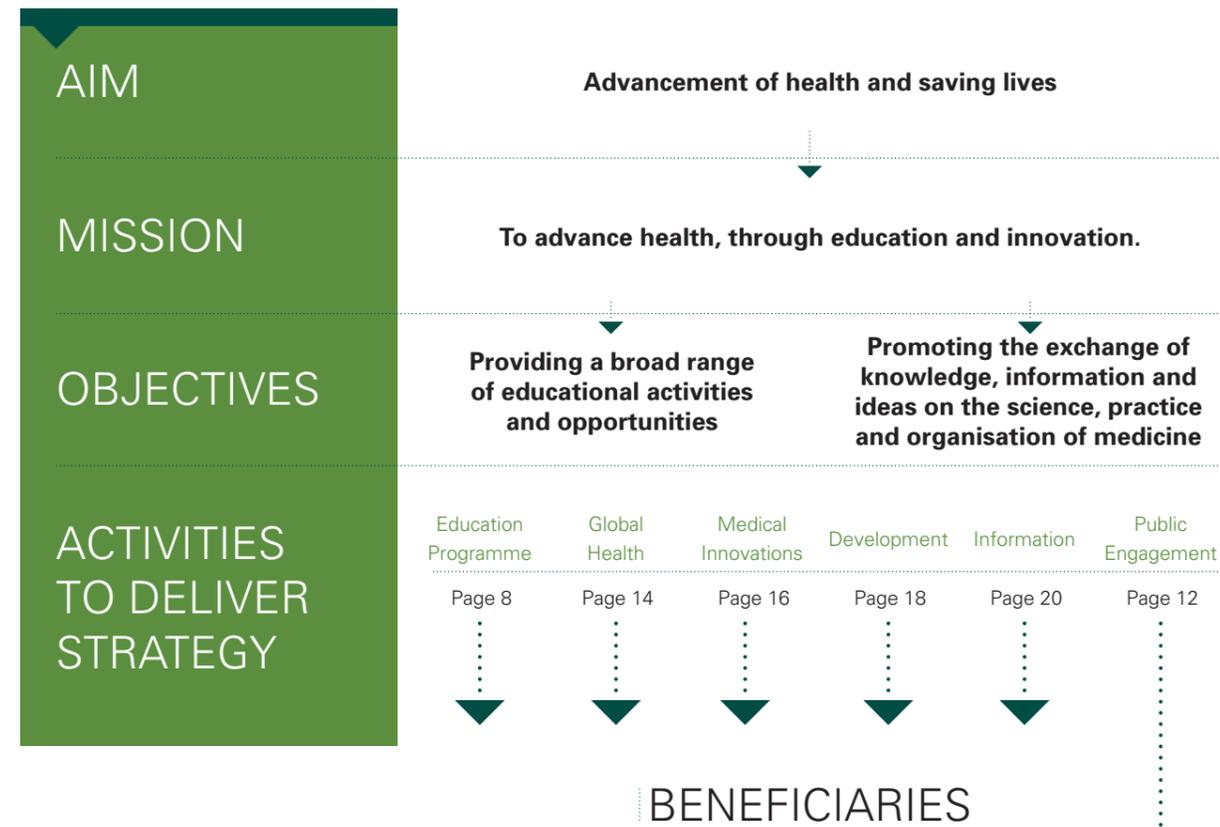
- We treat people with respect and dignity and expect others to do the same.
- We invest in people to help them develop and grow.
- We strive to continuously improve what we do by setting stretching objectives and measuring outcomes.
- We listen to colleagues, customers and collaborate to achieve more through new ideas.
- We carry out our intentions.

ANNUAL REPORT 2015/16

INDEX

Aims and Objectives	Page 4
President's Report	Page 5
Trustees' Annual Report:	
Council, Principal Employed Officers and Professional Advisers	Page 6
Education:	
Academic meetings	Page 8
Public Engagement	Page 12
Global Health	Page 14
Medical Innovations	Page 16
Development	Page 18
Information	Page 20
Membership	Page 22
Conferencing and Hospitality	Page 24
Governance	Page 26
Financial Review	Page 29
Auditor's Report	Page 31
Financial Statements	Page 32

AIMS AND OBJECTIVES



PRESIDENT'S REPORT

2017 KEY DIARY DATES

- Tuesday 14 February*
London Clinic Lecture
Mr Samer Nashef

- Monday 6 March*
Annual Meeting of Fellows

- Saturday 22 April*
14th Medical Innovations Summit

- Monday 15 May*
Stevens Lecture
Professor Christopher Rowland-Payne

- Tuesday 18 July*
Honorary Fellowships Ceremony and Inauguration of new President

- Thursday 23 November*
Wesleyan RSM Trainee of the Year Final

It is with great pleasure that I introduce this annual report, which describes another year of outstanding achievement at the Royal Society of Medicine (the RSM). Our thriving academic programme has been enhanced by an increased focus on the elements that position the RSM at the forefront of educational developments in postgraduate healthcare. I start, therefore, by thanking all those who have contributed to the ongoing success of our Society.

The work of RSM Council continues to ensure that the Society is able to pursue agreed strategies within a tight fiscal framework. I would like to acknowledge the special contributions made in this respect by our two retiring Council members, Professor Nadey Hakim and Sir David Clementi. At the same time, I welcome new Council members Professor Roger Kirby and Mr Richard Murley.

I would like to congratulate Mr Martin Bailey, who was elected RSM Vice-President, and Professor Alan Roberts who, on 1 October 2016, succeeded Mr Adrian Beckingsale as Chair of the Academic Board. I wish to thank Adrian for his major contributions to the Society during his time as a member of Council.

This is my last report as President. It is also the last report encompassing the tenure of our Chief Executive Ian Balmer who stepped down at the end of December 2016. It has been a privilege to work with Ian who has been instrumental in promoting the necessary changes which have provided our Society with both financial stability and the ability to develop new initiatives. We owe Ian an immense vote of thanks.

His successor Helen Gordon has been the Chief Executive of the Royal Pharmaceutical Society of Great Britain for the past six years and was previously the CEO of the Royal College of Obstetricians and Gynaecologists. She has also had extensive experience of the NHS having held the position of CEO at two NHS Trusts. Helen is engaging, energetic and, I believe, an ideal successor to Ian. She will assume her new post on 1 March 2017.

I conclude by wishing my successor Professor Sir Simon Wessely my very best wishes for the future. I believe that the RSM can look forward to the next few years with justified confidence. Our programmes are vibrant and innovative and enable us to continue to work to advance health, through education and innovation.

Mr Babulal Sethia, President
17 January 2017

RSM COUNCIL

2015/16 COUNCIL MEETINGS ATTENDED

PRESIDENT Mr Babulal Sethia <i>FRCS</i>		5
PRESIDENT-ELECT Professor Sir Simon Wessely <i>MD, FRCP, FRCPsych, FMedSci</i> <i>(elected 17 November 2016)</i>		N/A
VICE-PRESIDENT Professor Nadey Hakim <i>MD, FRCS</i> <i>(demitted office 30 September 2016)</i>		4
VICE-PRESIDENT Mr Martin Bailey <i>FRCS</i> <i>(demitted role of Honorary Secretary 7 December 2016)</i>		5
HONORARY TREASURER Miss Rachel Hargest <i>MD, FRCS</i>		5
HONORARY SECRETARY Dr Natasha Robinson <i>MBBS, FRCA</i> <i>(elected 7 December 2016)</i>		5
HONORARY LIBRARIAN Professor Gillian Leng <i>CBE, MD</i>		3
CHAIRMAN OF THE ACADEMIC BOARD Mr Adrian Beckingsale <i>FRCS, FRCOphth</i> <i>(demitted office 30 September 2016)</i>		4
Professor Alan Roberts <i>OBE, TD, EL, DSc</i> <i>(appointed 1 October 2016)</i>		N/A
OTHER TRUSTEES		
Professor John Axford <i>DSc, MD, FRCP</i>		4
Sir David Clementi <i>(demitted office 30 September 2016)</i>		2
Professor Sir Andrew Haines <i>MD, FRCGP</i>		2
Professor Roger Kirby <i>MD, FRCS</i> <i>(appointed 1 October 2016)</i>		N/A
Reverend Hilary De Lyon <i>BA, MPhil, FRCGP (Hon)</i>		4
Professor Emeritus James Malpas <i>DPhil, FRCP</i>		4
Professor Roger Motson <i>MS, FRCS</i>		4
Mr Richard Murley <i>(appointed 1 November 2016)</i>		N/A
Dr Rashmi Patel <i>MRCPsych</i>		4
Mr Peter Richardson <i>MA, FRSA</i>		4

THE PRINCIPAL EMPLOYED OFFICERS OF THE SOCIETY

CHIEF EXECUTIVE

Mr Ian Balmer
(resigned 31 December 2016)

FINANCE DIRECTOR

Mr Mark Johnstone
FCA
(acting Chief Executive until 28 February 2017)

DEVELOPMENT DIRECTOR

Mr Paul Summerfield

COMMUNICATIONS AND MARKETING DIRECTOR

Mrs Janice Liverseidge

ACADEMIC DIRECTOR

Mrs Caroline Langley

DIRECTOR OF LIBRARY SERVICES

Mr Wayne Sime

MANAGING DIRECTOR OF RSM SUPPORT SERVICES

Mr Nigel Collett

DEANS

Dr Fiona Moss, Dean
CBE, MD, FRCP

Professor John Betteridge, Dean Emeritus
PhD, MD, FRCP
(demitted office 30 September 2016)

Miss Kaji Sriharan, Associate Dean
FRCS
(appointed 26 October 2016)

NOTE

Helen Gordon will be joining the RSM as Chief Executive on 1 March 2017

PROFESSIONAL ADVISORS

BANKERS

Bank of Scotland plc
Lloyds Bank plc
39 Threadneedle Street
London EC2R 8AU

SOLICITORS

Stone King LLP
Boundary House
91 Charterhouse Street
London EC1M 6HR

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

Cazenove Capital Management
12 Moorgate
London EC2R 6DA

EDUCATION

Academic meetings

2,500 HOURS OF LEARNING

118,597 CPD CREDITS AWARDED

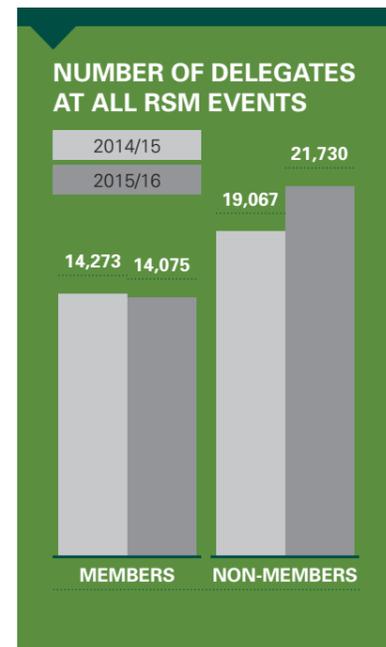
STRATEGIES

The RSM provides high quality CPD accredited multi-specialty postgraduate medical education. As the leading provider in its field, the Society is working to position the RSM as the voice of postgraduate medical education in the UK by providing a platform for authoritative debate on this issue and the future of medical CPD.

The Dean accredits the content of all meetings and online education organised by the Society and reviews all meeting evaluations.

The Society's 56 Sections and internal societies (www.rsm.ac.uk/sections), led by the Section Presidents, have continued to excel in the planning and delivery of cutting edge medical education. Alongside the important medico-technical meetings organised by the specialty Sections, there was an increase in cross-specialty and multi-disciplinary meetings which reflect the way healthcare is delivered in the NHS today.

The RSM is committed to developing a programme of blended learning which will include videos, elearning and online library resources.



SIGNIFICANT ACTIVITIES

1 399 meetings took place during 2015/16 and the academic programme continues to benefit from joint meetings run in collaboration with a diversity of external organisations. These range from the medical royal colleges to the Institution of Engineering and Technology, the Association of British Pharmaceutical Industry and the British Society of Head & Neck Imaging. Prominent events included a meeting with the European Venous Forum that saw over 500 delegates attend the RSM for a three-day meeting, together with meetings held in collaboration with the oncology channel *ecancer* and the British Association of Urological Surgeons.

2 The theme of doctors of the future ran throughout the year. The Students Section hosted *Equipping tomorrow's clinical leaders* in association with the United Kingdom Medical Students Association which included keynotes from Sir Bruce Keogh and Professor Parveen Kumar. The Trainees Section ran a meeting exploring the merits and challenges of NHS 7 day services and the Cardiothoracic Section looked at the survival of the cardiothoracic surgeon. The future of medicine and the role of doctors in 2025 was explored during a meeting held by the Telemedicine Section in collaboration with the Institute of Engineering and Technology with keynotes from Sir John Savill and Mr George Freeman, MP.

3 The number of inter-disciplinary and multi-disciplinary meetings increased across all areas. Highlights included the Ophthalmology Section meeting *Transforming the ophthalmology team* and the Surgery Section meeting *Making surgery safer through teams, training and technology*. Meetings for paediatric trainees included team working, clinical leadership, managing successful teams and patient-centred care as core topics.

4 Quality and safety are overarching themes in the delivery of modern high quality healthcare. They were explored extensively during RSM meetings throughout the year, notably by the Obstetrics & Gynaecology and Surgery Sections and through the Patient Safety Section programme. Quality improvement was the focus of a live-streamed plenary session from the ICRE conference in Canada *Linking residency training with quality care: Evidence in action*.

5 Examining technological advances across medicine was another strong theme running throughout the academic programme. Notable meetings looking at the role of big data and apps were held by the Psychiatry and Telemedicine Sections.

6 The 2016 Rio Olympic Games were the focus of a meeting hosted by the Food and Health Section, which examined the latest research in sports nutrition. Former Olympian Sarah Winckless MBE was invited by the Clinical Neurosciences Section to their *Sports and the brain* meeting and the Sports Medicine Section also ran a number of Olympic-related meetings.

7 The annual Specialty Careers Fair attracted over 1,100 students in November 2015, allowing the RSM to demonstrate its strength in showcasing the range of medical specialties and sub-specialties.

8 The number of RSM lectures videoed each week increased substantially from around two per week to an average of nearly five. RSM Videos has been re-configured to allow optimum viewing performance on mobile phones and tablet devices as well as desktop computers.

85 JOINT MEETINGS TOOK PLACE IN 2015/16. OUR PARTNERS INCLUDED:



PERFORMANCE IN THE YEAR 2015/16

- 80% of all academic meetings were organised by the specialty Sections, with the majority offering CPD accreditation.
- 35,800 delegates attended meetings at the RSM, of which 25,100 delegates attended Section meetings, with an average of 110 delegates attending events at the RSM.
- 231 videos were added to the RSM website and there are now over 892 available to view from desktop PCs, mobiles and tablet devices. 321 of these are free for any doctor or member of the public to view. Nearly 500 videos of recent lectures are available with the provision to earn CPD. The average number of video plays of RSM lectures each month is over 4,100.
- 141 prizes were awarded to students and trainees during the year including the sought-after Ellison-Cliffe Travelling Fellowships and the coveted Wesleyan RSM Trainee of the Year Award.
- The academic programme included seven UK meetings run outside London during the year, and four overseas meetings.
- A number of prestigious international visiting lecturers were invited by Sections to contribute to meetings, including 20 overseas speakers from Australia, India, Brazil, Zambia, Canada, the USA and Europe.
- The Society ran 85 joint meetings with external organisations across the year.
- Delegate satisfaction with the education programme remains very high with delegates reporting that their educational aims had been met by meetings.

FUTURE PLANS

- The Society will continue to expand its role as leader of CPD-accredited medical education in the UK.
- Implementation of the e-learning strategy will continue and is premised on developing collaborative partnerships to enhance our existing material through the development of blended learning and discussion forums.
- An RSM Videos app will be launched which will enable users to download videos to watch online and when on the move.
- Education for trainees will continue to be a strong theme for both Sections and RSM Professionals, the RSM's bespoke event management team. This will provide new generic skills training courses including interview preparation and research methods.

EDUCATION

Section prize winners

Name	Section	Prize
Mr Ka Ting Ng	Anaesthesia	Student Essay Prize
Dr Mariam Asarbaksh, Dr Orsolya Friedrich, Mr Thomas Tsitsias, Mr Tang Chu Yik, and Mr Michael Ghosh-Dastidar	Cardiothoracic	Case Presentation
Mr Joht Singh Chandan	Clinical Forensic & Legal Medicine	Undergraduate Poster Competition
Dr Scott Henderson, Dr Dylan James Mac Lochlainn, Miss Maja Kopczynska	Clinical Immunology & Allergy	President's Prize Award
Umesh Vivekananda, Dr Rubika Balendra	Clinical Neurosciences	Gordon Holmes Prize
Mr Sam Mason	Coloproctology	John of Arderne Medal
Miss Sophie Doyle	Critical Care	Student Elective Prize
Dr Zahra Ahmed	Dermatology	AbbVie Dermatology Trainee Research Prize
Dr Lily Topham, Dr Emily Ryder, Dr Suchitra Chinthapalli, Dr Justyn Thomas, Dr Chao-Kai Hsu, Dr Amr Salam, Dr Jason Thomson, Dr Bryan McDonald, Dr Lucy Jayne Thomas	Dermatology	Monthly Trainee Presentation Award
Dr Stacey Jo Webster	Emergency Medicine	Essay Prize
Dr Matthieu Komorowski, Grace Chaplin	Emergency Medicine	Research and Innovation Prize
Miss Kelly Wilkinson	Emergency Medicine	Students' Prize
Dr Jahnavi Daru, Mr James Penny	Epidemiology & Public Health	Brooke Bursary
Deeban Ratneswaran	Epidemiology & Public Health	Young Epidemiologist Award
Dr Yiu Yeung Dennis Poon, Dr Charlotte Hall	Gastroenterology & Hepatology	Section Prize
Mr Subir Bali, Nicola Labuschagne	General Practice with Primary Healthcare	CAIPE: John Horder Award
Tak Chan, Jennifer Parker, Sabah Chaudry, Stephanie Grimes, Abdus Samad Ansari	General Practice with Primary Healthcare	GP Update Forum Medical Student and Trainee Poster Prize
Dr Catherine Hedley	Geriatrics & Gerontology	Trainees' Clinical Governance and Audit Prize
Dr Andrew Rogerson	Geriatrics & Gerontology	Geriatrics & Gerontology Section: Trainees' Prize - Clinical Case Presentations
Mr Ananyo Bagchi, Ms Victoria Thwaites, Dr Craig Bilisland	History of Medicine	Norah Schuster Essay Prize
Miss Sally Elizabeth Erskine	Laryngology & Rhinology	Research Prize
Dr Oliver McLaren, Miss Sally Elizabeth Erskine	Laryngology & Rhinology	Rhinology Essay Prize
Mr Neeraj Sethi, Dr Gordon Arthur George McKenzie	Laryngology & Rhinology	Short Paper and Poster Prize
Dr Catherine Elizabeth Rennie	Laryngology & Rhinology	Travel Grant
Dr Nicholas Richard Evans, Dr Josh Chai, Mr Brian Wang	Lipids, Metabolism & Vascular Risk	President's Prize
Dr Claire Wilson	Maternity & the Newborn Forum	Basil Lee Bursary for Innovation in Communication
Mrs Lindsay Gillman	Maternity & the Newborn Forum	Luke Zander Research Support Bursary
Mr Patrick Hickland	Maternity & the Newborn Forum	Wendy Savage Bursary
Surgeon Lieutenant Commander Ed Barnard, Major Neil Michael Eisenstein, Major David Holdsworth	Military Medicine	Colt Foundation Research Prize
Miss Rachel Smith	Nephrology	David Oliveira Medical Student Award
Dr Stephen McAdoo	Nephrology	Images in Nephrology Award
Dr Sham Dholakia, Dr Stephen McAdoo	Nephrology	Rosemarie Baillod Clinical Award
Mr Nishkantha Arulkumaran	Nephrology	Stewart Cameron Science Award
Mr Meraj Ondhia	Obstetrics & Gynaecology	Dame Josephine Barnes Award
Dr Matthew Denham, Dr Karolina Afors, Dr James Michael Niall Duffy, Dr Alina Jansevka	Obstetrics & Gynaecology	Herbert Reiss Trainees Prize
Dr Shafi Balal, Krishne Sivapathasantharam, Mr Matthew McDonald	Ophthalmology	Students and Trainees Prize
Mr Simon Fung, Mital Shah	Ophthalmology	Travelling Fellowship Bursary
Mr Shofiq Islam	Oral & Maxillofacial Surgery	John Langdon Essay Prize
Dr Rhodri Davies, Dr Andrea Tedesco	Oral & Maxillofacial Surgery	Short Paper Prize
Miss Sanya Patel, Mr Ivor Vanhegan, Mr Thomas Kurien	Orthopaedics	President's Prize Papers
Mr Harry Powell	Otology	Matthew Yung Short Paper and Poster Prize
Mr Michael Mather	Otology	Norman Gamble Research Grant
Mr Robert Nash	Otology	Training Scholarship
Dr Prita Rughani	Paediatrics & Child Health	President's Prize
Dr Anne-Lise Goddings, Dr Guddi Singh	Paediatrics & Child Health	Sam Tucker Fellowship

Dr Seilesh Kadambari, Dr Ilsa Haeusler	Paediatrics & Child Health	Tim David Prize
Ms Eika Webb, Ms Christine Bolton	Palliative Care	George Adams Prize
Dr Peter Daum, Dr Rachel Wakefield, Dr Tamkeen Pervez	Patient Safety	Students and Trainees Prize
Neil Rory Sheehan, Dr Nicolas Crossley	Psychiatry	Mental Health Foundation Research Prize
Dr Jonathan Rodrigues, Dr Saurabh Singh	Radiology	Finzi Prize
Mr John Lee Allen	Respiratory Medicine	Medical Student Elective Bursary
Mr Sam Calcott, Dr Culadeeban Ratneswaran	Respiratory Medicine	Young Respiratory Investigator Prize
Dr Taryn Youngstein, Dr Ritu Malaiya	Rheumatology & Rehabilitation	Barbara Ansell Prize
Dr Ilfita Kamaliah Sahbudin, Dr Rachel Byng-Maddick, Dr Carmel Stober	Rheumatology & Rehabilitation	Eric Bywaters Prize
Miss Amy Moltu	Sexuality & Sexual Health	Trainee and Medical Student Essay Prize
Dr Katherine Clare Kelly	Sport & Exercise Medicine	Helal and Harries Prize
Mr Jack Whitby	Students	GMC Tomorrow's Doctors Prize
Miss Megan Lloyd, Mr Kushal Dev Khera, Miss Jia Hui Choong	Students	Research Presentation Prize
Mr Richard D Bartlett, Mr Ali Bara Ahmed Kamel Al-Hadithi, Mr Ameer Hamid Ahmed Khan	Students	Sidney Linton Prize
Miss Kathryn Dayananda, Dr Radhika Chadha	Surgery	Adrian Tanner Prize
Mr Harry Theron, Mr David Roberts, Mr Rupert Smith	Surgery	John Dawson Medical Student Prize
Mr Mohan Singh	Surgery	MIA Prize
Mr Pankaj Chandak, Mr John Saunders	Surgery	Norman Tanner Prize and Glaxo Travelling Fellowship
Dr Michelle Fong	Surgery	President's Poster Prize
Dr Nadine Hachach-Haram	Telemedicine & eHealth	Prize for Innovation
Dr Shefali Parikh, Dr Laura Jayne Carone, Dr Hayley Smith, Mr Emre Doganay	Trainees	John Glyn Trainees' Prize - Oral Presentation
Dr Zoe Burton, Dr Gloria Esegbona	Trainees	Opportunities in Humanitarian and Expedition Medicine Prize
Mr Daniel Stevens, Mr Su-Min Lee, Miss Niyati Lobo	Urology	Malcolm Coptcoat Spring Short Papers Prize
Dr Charlotte Roberts, Mr Denosshan Sri, Miss Narin Miray Suleyman	Urology	Professor Geoffrey D Chisholm CBE Communication Prize
Mr Luke Teo	Urology	Secretary's Prize
Mr Hamid Abboudi, Mr Richard Nobrega, Mr Abhishek Reekhaye	Urology	Winter Short Papers Prize
Dr Nicholas Richard Evans, Miss Serena Martin	Vascular Medicine	Harvey Prize
Dr Alexandra Wagstaff, Dr Muholan Kanapathy	Venous Forum	Annual Meeting Prize

MAJOR PRIZES



**2015 WESLEYAN RSM
TRAINEE OF THE YEAR**

Dr Elaine Soon
Respiratory Section

ELLISON-CLIFFE TRAVELLING FELLOWSHIPS

Mr Joseph Butler
Orthopaedics Section, £15,000
Travel to Rothman Institute, Thomas Jefferson University Hospital, Philadelphia, USA

Dr Michael Quail
Cardiology Section, £15,000
Travel to Yale Translational Research Imaging Center, Connecticut, USA

FOR THE
FULL LIST
AND CLOSING
DATES FOR 2017
RSM PRIZES
PLEASE VISIT
WWW.RSM.AC.UK

EDUCATION

Public engagement

STRATEGIES

The RSM fosters relationships with the public, from school children, patients and their carers, through to adults and retired people with an interest in science and the practice and organisation of medicine.

A programme of educational activities specifically addressing the interests and aspirations of school students is constantly evolving with a focus on engaging and encouraging the doctors of the future. A key aim is to improve the opportunities for people to enter medicine and the caring professions, no matter what their socio-economic circumstances.

The RSM's programme of eponymous lectures provides a forum for informed debate on topical issues, and is key to attracting members of the public to the Society. All these lectures are free to attend and to view online through RSM Videos, with audiences reached all over the world.



SIGNIFICANT ACTIVITIES

- 1 The 37th Jephcott Lecture on *The real world of forensic anthropology* was given by Professor Sue Black. Director of the Centre for Anatomy & Human Identification at University of Dundee, Professor Black's talk examined the reality of the discipline of forensic anthropology in an effort to dispel the myths offered by today's media. Over 440 people registered to attend.
- 2 Dr Carolyn McGettigan, Director of the Vocal Communication Laboratory at Royal Holloway, University of London, gave the 2016 Anne Silk Lecture on *Inside the voice: Using neuroimaging to understand the sounds of the self*. Over 430 delegates registered to hear Dr McGettigan speak about understanding the flexibility of voice production, how it is perceived, and how it is essential to the progress of human behaviour and neuroscience.
- 3 Over 310 delegates attended the John Hunter Lecture on *World class trauma care - lessons learnt from the military*, presented by Professor Sir Keith Porter, Professor of Clinical Traumatology at University Hospitals Birmingham NHS Foundation Trust.
- 4 Five *Medicine & Me* events took place during the year. These sessions are designed to bring together healthcare professionals, patients, their families, carers and advocates to discuss the management and research issues of a particular condition. The RSM worked with leading charities the Alzheimer's Society, the British Lung Foundation, the National Autistic Society, the Lymphoma Association and the Encephalitis Society to organise these important conferences. Over 630 delegates attended the series during the year with more people viewing the lectures online through RSM Videos.
- 5 The 50th *Medicine & Me* meeting, a significant milestone in the series, took place during the year and was organised jointly with the Lymphoma Association which was also celebrating its 30th Anniversary. The meeting attracted an audience of 117, including patients, carers and healthcare professionals who were able to share learning, concerns and experiences of lymphoma.
- 6 Three conferences were organised for school students in years 11 and 12 considering a career in medicine, with delegates attending from across the spectrum of secondary education. The third *Medical careers advisory* conference for school careers advisors and heads of science also took place.



PERFORMANCE IN THE YEAR 2015/16

- The Royal Society of Medicine ran 20 public engagement meetings during 2015/16, all extremely well attended attracting a total of 3,899 delegates with very favourable feedback. There were over 2,100 video plays of RSM public lectures during the year.
- The average number of delegates registering for the *Medicine & Me* meetings was 135, and 62% of those attending the series were patients and carers. Video plays of *Medicine & Me* lectures during the year numbered more than 4,700.
- The medical careers programme attracted a combined audience of 679 school students, teachers and graduates across meetings held in London, Rutland and Berkshire.



VIDEOS



TRANSFORMING MEDICAL PRACTICE – FROM POPULATION HEALTH TO PRECISION MEDICINE
 Sir John Bell
videos.rsm.ac.uk/JohnBell



ARTS, SOCIETY AND MEDICINE: TONY CRAGG ON SCULPTURE
 Mr Tony Cragg RA
videos.rsm.ac.uk/TonyCragg



ELLISON-CLIFFE LECTURE: LIFE IS WHAT YOU MAKE IT
 Professor Paul Freemont
videos.rsm.ac.uk/PaulFreemont

FUTURE PLANS

- In 2016/17 the *Medicine & Me* programme will continue to bring meetings to patients, carers and healthcare professionals. The series will include partnerships with organisations including Verity, the charity for women with polycystic ovary syndrome, and the mental health research charity MQ.
- Public lectures will continue during 2016/17. Baroness Hayman will be giving the annual Jephcott Lecture and the fourth Arts, Society and Medicine Lecture, held in collaboration with the Royal Academy of Arts, will see the RSM hosting an evening in conversation with British artist Conrad Shawcross.
- The medical careers programme has branched out and the RSM will be working in collaboration with the University of East Anglia to run a medical careers day in Norfolk.

EDUCATION

Global Health

STRATEGIES

The RSM has formed a new partnership with the King's Centre for Global Health (KCGH) at King's College London to deliver an enhanced Global Health programme of meetings and conferences.

Led by Andy Leather, KCGH Director, Paula Baraitser, KCGH Director of Education and Fawzia Gibson-Fall, KCL/RSM Teaching Fellow in Global Health, the programme has new priorities that will address a forward looking agenda.

Three key programmatic streams have been developed to critically analyse and debate the important global health issues of our times:

- 1 Education:** Support the national global health education agenda by promoting the development of a global health curriculum at all stages of health professional education and for all health professional groups.
- 2 Emergencies:** Provide a neutral forum for those interested in prevention of and response to humanitarian crises, and to develop and share best practices of intervention.
- 3 Big issues:** Foster open discussion on pressing global health challenges to encourage debate and evidence-based policy responses.

2017 EVENTS:

PARTNERSHIPS IN GLOBAL HEALTH: WORKING IN AND OUT OF THE NHS
Wednesday 22 February

GLOBAL AGEING: CHALLENGES AND OPPORTUNITIES
Monday 24 - Tuesday 25 April

NEGOTIATING THE HUMANITARIAN SPACE: CIVIL-MILITARY RELATIONS AT A CROSSROADS
Tuesday 30 May

GLOBAL LGBT HEALTH
Wednesday 14 June 2017

GLOBAL SURGERY SUMMER SCHOOL
Saturday 8 - Sunday 9 July

SIGNIFICANT ACTIVITIES

- 1** The new Global Health programme launched in September 2016 with a sold-out meeting that explored aspects of global health relevant to those working in local UK practices. The agenda featured a range of expert speakers, including a keynote address from Lord Crisp, independent member of the House of Lords and co-chair, All Party Parliamentary Group on Global Health.
- 2** In June 2016, Fawzia Gibson-Fall was appointed as a Teaching Fellow in Global Health at both the KCGH and at the Royal Society of Medicine. Ms Gibson-Fall holds a BA in Political Science and History from McGill University, Canada and an MSc in Global Health with Conflict and Security from King's College London. Her main areas of research and teaching are related to conflict and health and matters of global health security.
- 3** In September 2016, Ms Eleanor Bowen-Jones was appointed as a PhD student at the KCGH and at the Royal Society of Medicine. Eleanor has a rich background studying global health and social justice and, for five years, worked for NHS Choices as a digital multimedia producer and strategist. Her PhD research will involve working on a new online education programme for medical electives, which will allow the RSM to engage in research activities in the field of global health for the first time.
- 4** An annual programme of regular meetings and conferences was confirmed, each of which will focus on one or more of the programme streams.



PERFORMANCE IN THE YEAR 2015/16

- Eleven events were held during the year including screenings and a meeting addressing migration flows in the Mediterranean.
- Engagement with the RSM global health programme from non-RSM members has increased to an average of 86%.
- Films and discussions at the RSM included *Born in Gaza*, *The Surgery Ship*, *The Storm Makers* and *London's Domestic Slaves*.
- Nine RSM Film Fellows were selected in July 2016 for a Global Health Film Lab, which provided training towards the development of three new documentaries.

TYPES OF DELEGATES AT GLOBAL HEALTH MEETINGS



FUTURE PLANS

- Regular events will be held at the RSM that will aim to reach a diverse audience and include the public in current global health conversations.
- The RSM's 2017 flagship global health conference *Global ageing: Challenges and opportunities*, will encompass a world-class agenda developed in collaboration with the Centre for Global Ageing at King's College London.
- Joint meetings have been confirmed with key external organisations and internal Sections of the RSM, including a global surgery summer school with the Global Anaesthesia, Surgery & Obstetric Collaboration and an evening conference about civil-military relations with the RSM Military Medicine Section.

MEDICAL INNOVATIONS

STRATEGIES

The strategy of the RSM's Medical Innovations programme has been based on informing and enthusing delegates about the breadth of innovation within the international medical community.

The programme has been structured to incur relatively low costs and require limited ongoing resources. The Development Office leads the strategy and planning. The administration – notably for the two *Medical Innovation Summits* held each year – is provided by the RSM's Academic Department. All speakers receive valuable support from the RSM's in-house AV team.

This popular programme has a positive impact on how the Society is seen internally and externally and has undoubtedly enthused and inspired the Society's donors.

SIGNIFICANT ACTIVITIES

The Medical Innovations programme focused on two major initiatives.

- 1 *Medical Innovations Summits* took place in April 2016 and September 2016. These were held at the weekend and attracted large audiences and international speakers.
- 2 Professionally edited videos were made of each presentation at the summits, providing longevity to the Medical Innovations programme. Available on the RSM Videos website, they are free of charge for anyone in the world to watch and learn from.



PERFORMANCE IN THE YEAR 2015/16

- The year included 26 briefings from some of the most exciting and influential names in medical innovation. Highlights included a presentation by 16-year old Krtin Nithiyandam on his test for Alzheimer's disease; and BT Young Scientist & Technology award-winner Renuka Chintapalli, also 16, who spoke on making discoveries about the biologies of cancer. Krtin and Renuka represent a number of young speakers who have taken part in the RSM Medical Innovations programme who are not medically qualified yet are having an extraordinary impact in the medical and healthcare sector. All the speakers for the Medical Innovations programme are listed at www.rsm.ac.uk/innovations.
- The programme continued to be extraordinarily popular, with many delegates travelling significant distances to attend meetings. Audiences were diverse in age range and interests and included medical professionals across many specialties, venture capitalists, scientists, engineers, journalists and lawyers. Meetings were particularly popular with medical students and trainees.
- The period also saw the RSM host its 200th medical innovations briefing delivered by Dr Alan Detton, Vice-President of Anatomical Education at 3D4Medical and Niall Johnston. Dr Detton presented *Complete Anatomy*, a medical education app.

FUTURE PLANS

- There will be the two flagship Summits to be held in April 2017 and September 2017. Each will feature 13 innovations and international speakers.
- Additional briefings will feature two or three innovations at each event.
- The Medical Innovations Programme will continue to reach out to school students and medical students. Links exist with the NHS England's Innovation programme and the Anglia Ruskin MedTech network. A new relationship is being nurtured with HealthTech Women.



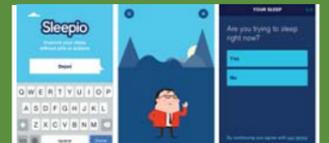
VIDEO HIGHLIGHTS

The only **crowd-funded** cancer drug trial in history **has begun**.

ICANCER: THE FIRST CROWD-FUNDED CANCER DRUG TRIAL
Liz Scarff, Alexander Masters and Dominic Nutt
videos.rsm.ac.uk/iCancer



BIOELECTRONIC MEDICINES: BRINGING OUR NERVES TO BEAR
Dr Kris Famm and Dr Nishan Ramnarain
videos.rsm.ac.uk/BioelectronicMedicines



SLEEPPIO: A DIGITAL SOLUTION FOR HEALTH & HAPPINESS
Dr Sophie Bostock
videos.rsm.ac.uk/Sleepio



PLAQUE CHECKER
Ms Hawaa Budraa and Ms Gina Dorodvand
videos.rsm.ac.uk/PlaqueChecker



TOTALLY ROBOTIC LIVING DONOR KIDNEY TRANSPLANTATION: THE VAGINAL ROUTE
Dr Federico Sallusto
videos.rsm.ac.uk/DonorKidneyTransplantation

DEVELOPMENT

STRATEGIES

The Development Office is responsible for the philanthropic fundraising for the Society.

As in previous years, the fundraising strategy has been based on spending the greatest proportion of the department's time and effort approaching wealthy individuals. This carefully focused approach kept administrative costs as low as possible.

The remaining time and resources were set aside to secure lower level gifts, keep existing donors up to date with developments at the Society and to attract new philanthropic support by hosting a variety of events.

In the last eight years the RSM's strategy for developing the flourishing Medical Innovations programme has enthused and inspired the Society's donors.



Lord Darzi



Mustafa Suleyman

SIGNIFICANT ACTIVITIES

- 1 Considerable time was spent meeting and hosting a significant number of philanthropists and influential individuals. Typically this would include a tour of the RSM's facilities and a meeting over coffee or lunch. Meetings were then followed up and where appropriate, potential donors were canvassed. A number of these meetings involved the RSM President and Chief Executive.
- 2 The *Wall of Honour* initiative attracted further donations as a result of time and effort directed towards specific members. RSM members and friends of the Society have arranged for additional names to be inscribed on the glass walls of the atrium.
- 3 The fundraising initiative to succeed the *Wall of Honour* continued this year. This project is based on the opportunity for RSM members and non-members to honour a loved one or a colleague who has passed away and have their name inscribed on the *RSM Memorial Board*. The opportunity to do this is based on an understanding that a donation of £1,000 is made to support the Society's provision of medical education. (The donation by non-members is £1,500).
- 4 The President, Vice-President, Chief Executive and Dean hosted a series of meetings with a number of donors and potential donors.
- 5 The 2nd Naim Dangoor Lecture was given by Lord Darzi and Mustafa Suleyman who spoke on *How digital innovation and data can improve healthcare*.

PERFORMANCE IN THE YEAR 2015/16

- Gross unrestricted income raised by the Development Office for 2015/16 was £673,000.
- Two major pledges secured during the previous financial year remain secure and the relationship remains strong. The donor has agreed to donate potentially the largest single donation in the Society's history – on a proviso relating to the performance of his business. The same donor is also committed to making a donation of £2 million to support the Library. One or both donations may be paid in 2017.
- Following meetings with longstanding RSM members, a legacy for approximately £400,000 - £500,000 has been generously arranged and another deceased member has established a restricted fund with a donation of £100,000.
- Staffing costs were kept as low as possible. The Development Office continues to employ just one person and administrative requirements are provided by other RSM departments.

FUTURE PLANS

- The main focus for the Development Office in 2016/17 will be to secure new and substantial donations to support the provision of medical education. Approaches will be made to individuals capable of making generous philanthropic donations.
- There will be a significant focus on the *RSM Memorial Board* and the *Wall of Honour*, providing the opportunity for members (and non-members) to remember or honour someone they admire or love who worked in the medical or healthcare sectors.
- The Development Office will plan, co-ordinate and implement a series of initiatives for the RSM President and President-Elect to help to nurture relations with current supporters and to initiate new relationships with potential donors.

MR M H A BEG FRCS 1944
DR NAOMI DATTA FRS 1922-2008
ARD MUIR FRCS 1906-1973
EME CATTO FRSE 1945
AN L BAYLEY FRCS 1942
DR URSULA VOGT MD 1951
H SUZANNE TATE MA 1978

AN DEREK FAIR OBE 1921-2009
GA VELTHUIS-MARTENS 1931
ALAN G TURNER FRCS 1943
SURJEET ADLAKHA MD 1942
EL DAVYS VRD 1922-2002
SPENCER GUNN FRCS 1946
ALERIE HEATHER LYONS 1941

DR KENNETH WILLIAM HARDY MB 1910-1981
DR PHILIPPE R ASPLET MBE 1900-1989 • MRS PHYLLIS ASPLET 1900-2002
DR JOHN CHARLES MCENTEE FRCP 1900-1969 • MR MARK J STIPANOVSKY 1968
DR SIKANDAR HAYAT KAMLANA FRCPsych 1946
DR MARYLYN POYNTER LDS RCSI 1952 • MRS SANTOKBEN J BHUNDIA 1927-2006
DR KENNETH ARTHUR DAY FRCPsych 1935-2008 • DR GEOFFREY DOWLING MD
DR TOMMY BOUCHIER HAYES RAMC 1937-2002 • MR MAUNG NU FRCS 1927-2002
DR CHARLES J GROSCH OBE 1901-1976 • DR BRIAN THOMAS MARSH DOBST 1936-2004
PROFESSOR NATESAN RANGABASHYAM FRCS 1933
DR JAN FAIRCLOUGH HOFMEYR MBBS 1955-1994 • MR MICHAEL TYLER FRCS 1965
DR DANIEL NEE ANNAN BA 1907-1972 • PROFESSOR ROBIN EASTWOOD FRCP 1938
MRS MARGARET MYLES RGN 1937 - 2008 • DR SHELAGH TYRRELL DM 1922-1985
DR CHARLES HAROLD EDWARDS FRCP 1913-1996 • DR FREDERICK JAMES MD 1920
MS DIANA NORTHOVER SRCH 1960 • DR ANDREW C LIDDLE MFDM 1954
PROFESSOR JOHN SHILLINGFORD MD 1914-1999

INFORMATION

STRATEGIES

The Library is now in year four of a five-year strategic plan and has already successfully achieved over three quarters of its objectives. Details of the plan can be viewed at www.rsm.ac.uk/library-strat.

The Library Services Strategic Review Group (LSSRG) was established to assess the range of services currently provided and to set a new five-year strategy for the RSM Library. The LSSRG has examined the changing trends in medical library usage and provision of library services in general. It has considered how the RSM Library will need to adapt and develop over the next five years in order to meet user needs. The new strategy is currently being worked upon and will be submitted for approval to the RSM Council in July 2017.

SIGNIFICANT ACTIVITIES

1 The Library no longer acquires paper journals and has significantly increased the availability of electronic content by migrating systematically to e-journals and high demand texts. In addition to over 6,000 e-journals and 1,500 e-books, Library users can now access more than 20,000 medical and surgical videos for clinical training via the online resource *ClinicalKey*.

2 A self-service desk was introduced allowing Library users to loan, renew and return texts during unstaffed hours.

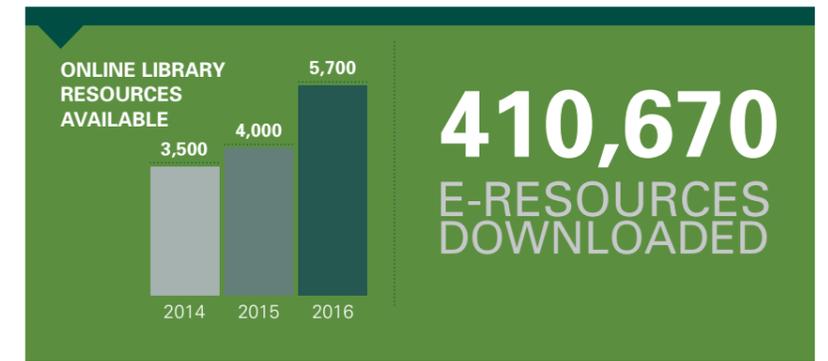
3 The Library's Information Skills Programme introduced two new sessions during 2015/16, *Introduction to Evidenced-Based Medicine* and *Introduction to Mendeley* (bibliographic reference management software). These courses are particularly useful for those who are keen to engage with the Library's increasing e-provision and are free to RSM members. The programme also provided some sessions via WebEx in order to improve access for Library users outside London.

4 A number of successful exhibitions were hosted by the Library during 2015/16, exploiting its rich collection of rare and historical material, as well as working with other learned bodies on cooperative projects. Exhibitions included: *The Root of Life: A History of the Heart*; *the Happiest Man: Sir Thomas Browne (1605-1682)*; *The Dublin Doctors*; *Charcot, Hysteria, and La Salpêtrière*; and *Treasures from the Chalmers Library*.



PERFORMANCE IN THE YEAR 2015/16

- The Library was visited 32,000 times, including visits to the first floor which is open 24/7.
- The Library dealt with over 11,000 telephone and email enquiries from Library users requesting assistance with their information needs. These figures include document supply and search requests which have increased significantly over the last year.
- 410,670 downloadable e-resources were used by RSM members during the year.
- Due to the generosity of the Friends of the Library 64 items from the collection were professionally conserved.
- The RSM's conservation volunteers repaired 561 items from the 19th and 20th century stock.



LIBRARY EXHIBITIONS DURING 2015/16



The Root of Life: A History of the Heart



The Happiest Man: Sir Thomas Browne (1605-1682)



The Dublin Doctors



Charcot, Hysteria, and La Salpêtrière



Treasures from the Chalmers Library

FUTURE PLANS

- Work will start on migrating the Library online catalogue to a web platform. This will, over time, enable greater functionality for Library users who will be able to use mobile apps to search the collection, renew books, pay overdue fees and access other services.
- The Library will implement the EBSCO online 'discovery tool' that will provide easy access to all content in both electronic and paper form. Library users will be able to type in the name of a journal or keyword and then retrieve full text content around their search.
- Library users wishing to make suggestions or recommendations regarding future developments may wish to apply to join the Virtual Library User Group. Contact library@rsm.ac.uk for further information.

MEMBERSHIP

STRATEGIES

The RSM works to provide its members with relevant educational programmes, through both physical meetings and digital services, to help medical and healthcare professionals deliver the best care possible to their patients.

The Society recognises the challenge of growing its membership with the existing packages of member benefits and the need to adapt these to meet the requirements of today's medical students, young doctors, consultants and the wider healthcare team.

The membership and marketing teams continue to refine the Society's programme of membership communications to maximise the potential income used to support the RSM's charitable activities.

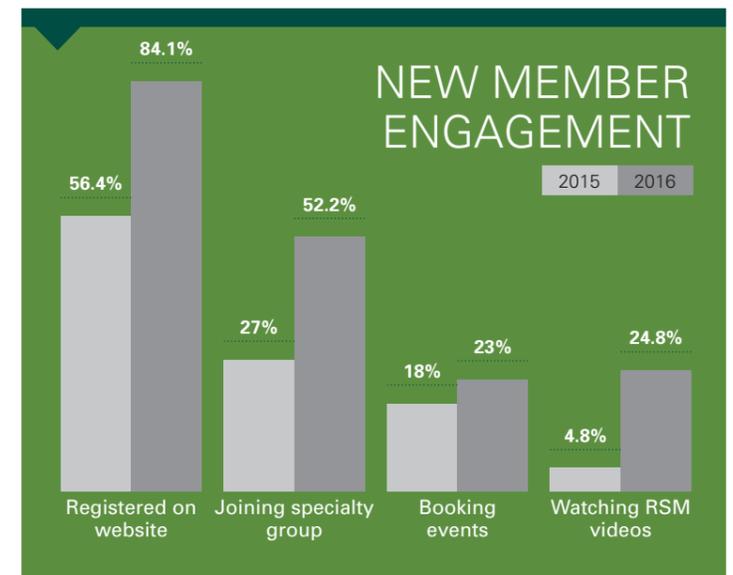


SIGNIFICANT ACTIVITIES

- 1 A communications programme called *Best Start* was introduced for all new members based on their interests, member type and location to increase engagement and first year retention.
- 2 The renewals process for members was reviewed and improvements made to tailor communications, both postal and electronic, to increase renewal rates.
- 3 The integration of the RSM's email marketing platform and CRM system now means that automated and more relevant email communications can be sent to both existing and prospective members of the Society.
- 4 Work continued to improve the customer experience via the RSM website, with further enhancements to speed processes for registration, joining and renewing being implemented.
- 5 The RSM worked with ITN Productions to develop a programme called *Doctors of the Future*. This showcased the RSM's educational work, supporting the objective of raising the profile of the Society amongst our core target audiences. This can be viewed at www.rsm.ac.uk/doctorsofthefuture.
- 6 Regular receptions for new members joining the Society continued to take place during the year. In addition, *Dial Medicine for Murder* was performed three times with overwhelming interest from members. This took the form of a unique medical consultation with GP Dr Harry Brünjes and forensic psychiatrist Dr Andrew Johns who described the activities of Dr Harold Shipman and Dr John Bodkin Adams, two of the most infamous British physicians of the 20th century.
- 7 The RSM continued to develop relationships with other medical organisations as a route to grow RSM membership. These included The Medic Portal for those applying for medical school entry, the Association for Nutrition, the Chartered Society of Physiotherapy, Doctors.net.uk and MSF UK.
- 8 A new corporate membership scheme was introduced for individuals working within healthcare organisations providing access to educational training and resources. In addition a Membership Sales Executive was recruited and is now working to promote the new corporate package to eligible companies.

PERFORMANCE IN THE YEAR 2015/16

- 2,003 new members joined the RSM during the year and total subscription income of £5.083m was received, nearly 2% above budget and £40,000 higher than 2014/15 income.
- 40% of new members joined as Fellows of the Society, 29% of applications came from students and 29% from allied healthcare professionals.
- Online applications have continued to rise and now make up 49.3% of all applications received.
- Total membership stands at 21,536, (1,019 less than last year) with a further 19,328 people registering with the RSM website during the year.
- Membership retention continues to be very strong with over 95% of all UK Fellows and Retired Fellows and 82.5% of student members continuing to renew. Most members continue to renew each year by direct debit and of those paying via a different method 69% chose to do so via the RSM website.
- The introduction of the *Best Start* programme for new members has improved their website specialty registration by 93%, increased attendance at events by 24% and use of lecture video facility by over 200%. In coming months it will be possible to determine if this also impacts on first year retention rates.



Dr Harry Brunjes (left) and Dr Andrew Johns in "Dial Medicine for Murder"

FUTURE PLANS

- Work is underway to identify requirements for potential new membership packages to be tested among trainee doctors in the autumn of 2017.
- Further improvements to the RSM website will be made including making this fully mobile responsive, enhancing customer journeys online, delivering personalised content and clearly positioning the range of online services available.
- A specific communications programme will be developed for first year renewals reflecting engagement levels and membership types.
- There will be an increased focus on building corporate members through attendance at relevant conferences and exhibitions.

CONFERRING 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 current and future commercial performance and consider new initiatives that have the potential to increase the company's profits which are distributed to the Royal Society of Medicine under corporate Gift Aid.

There are three main commercial areas:

- Member Services including Domus Medica accommodation, restaurant, private dining and bar
- Meetings and events at 1 Wimpole Street
- Chandos House

Royal Society of Medicine Support Services Limited continues to be of strategic importance as it contributes to the Society's overall financial position.



AV AWARDS



AV PROFESSIONAL OF THE YEAR
AV AWARDS
Kevin McLoughlin

HIGHLY COMMENDED AV SERVICE TEAM OF THE YEAR
AV AWARDS
RSM AV team

MOST INNOVATIVE & TECH FRIENDLY VENUE
EVENT TECHNOLOGY AWARDS
1 Wimpole Street

RISING STAR AWARD
INSTALL AWARDS
Madeleine Vining



Maddie Vining with (L-R) Tom Nash and Robert Grays of Prospero Integrated, sponsors of the Rising Star Award, and event host, comedian Ian Moore.

SIGNIFICANT ACTIVITIES

- 1 A significant investment was made in the upgrade of the audio visual facilities in the Guy Whittle Auditorium. The upgrade included the installation of a 4x HD projector, new sound system, new projection screen and lighting.
- 2 The in-house AV team won several national awards during the year, including joint AV Professional of the Year for AV Manager Kevin McLoughlin (AV Awards) and a Rising Star award for Senior AV Technician Madeleine Vining (InstallAwards). The team was highly commended in the AV Service Team of the Year category in the AV Awards.
- 3 The audience for the Médecins Sans Frontières Science Day at the RSM was increased 36-fold through the use of the RSM's adaptable live streaming services which gave access to this conference to 11,000 people in 125 countries.
- 4 A review was undertaken to identify ways to improve performance and increase income from external client events. This was achieved through competitor benchmarking, scrutiny of week-to-week budgeting and financial forecasts, and a more focused sales approach including re-connecting with lapsed clients.
- 5 One Wimpole Street has established itself as the home of *Event Huddle*, a monthly topical debate for the events industry broadcast live to delegates both on and offsite.
- 6 Chandos House hosted 438 events during 2015/16 with many clients from the healthcare and not-for-profit sectors.
- 7 There were changes to the menu formats in the members' restaurant which have resulted in positive feedback.
- 8 Bedroom occupancy rates continue to run at nearly 100% during academic term times although there has been a noticeable reduction in occupancy rates during holiday periods.



PERFORMANCE IN THE YEAR 2015/16

- Club facilities, including Domus Medica and private dining, although trading well have seen a 3% downturn in income due in part to reduced demand from RSM members.
- 1 Wimpole Street external venue hire for 2015/16 achieved £1.2m, which was in line with last year and the budget.
- Chandos House provided net income at similar levels to 2014/15. The venue continues to offer a reasonable return on the asset of over 5%.

"Just a few words to thank you for providing such an excellent dinner - the food was marvellous - and the setting in the Hewitt Room was excellent. It was a most successful meeting for the group of doctors who form the committee of Women in Medicine of the North London Collegiate School. Thank you so much."

Margaret Ghilchik
MS, FRCS

FUTURE PLANS

- The introduction of the National Living Wage has resulted in suppliers to the RSM increasing their prices. This has necessitated some price increases on the hospitality services provided to members. Further increases in costs due to Brexit are anticipated during 2017. The RSM itself aspires to paying all its staff no less than the London Living Wage by the first half of 2018.
- An all-day dining offer will be introduced in the member's Club to allow further flexibility for those using the Club areas. This will create a more relaxed, modern and current offer to reflect changing needs.
- TV and film production companies looking to hire Chandos House as a location will be targeted during the coming year.
- Closer links will be forged with business partners to help develop external venue hire business for both 1 Wimpole Street and Chandos House, including the Meeting Industry Association, London & Partners and the Association of British Professional Conference Organisers.

GOVERNANCE

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 with objects laid down as being the cultivation and promotion of Physic and Surgery and of the Branches of Science connected with them. Supplementary Charters were granted in 1907 and 1999 which included: the power to create Sections for the cultivation and promotion of any branch of medicine or any science connected with, or allied to, medicine; specific powers of investment through a separate Schedule of Investment Powers; and a number of changes to facilitate the governance of the Society.

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 in 1997 and again in 2009.

In 2016, the trustees concluded that a full review was required of the Society's governing documents with the objectives that the Society's mission and objects be updated to become more relevant to beneficiaries, and that the Society's governance arrangements be reviewed against best practice and codified accordingly.

The Audit Committee was tasked to lead this review with a view to the Society being granted a single consolidated Charter under new objects "**to advance health, through education and innovation**", as well as consolidated By-Laws and Rules. This is expected to be completed by Summer 2018.

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.

The Society primarily delivers public benefit through providing education and learning resources to medicine and healthcare professionals (both members and non-members of the Society) with the expectation that this will enable those professionals to deliver improved care to the benefit of their patients. The Society also provides education directly to patient groups and their doctors and carers, as described on page 12.

Members' annual subscriptions form a significant part of the Society's income which is used to fund the activities for public benefit. Whilst members themselves receive some benefit through the dissemination of knowledge and best practice and access to the Society's other facilities, the trustees are satisfied that such benefit is incidental to its delivery of public benefit since, 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 6. The trustees, on appointment, are given an induction 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 14 other members, of whom 11 are elected members and three are co-opted members, one of whom is the Chairman of the Academic Board. Four 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. They support Council and work, as appropriate, in collaboration with their respective Honorary Officer. Council met five times this year (see page 6 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 Stephen Gilbert, reports directly to Council and is responsible for audit and risk management. It has also been tasked by Council to lead the Society's governance review described above. Four meetings were held in the year. The IT Advisory Board, a sub-committee of the Audit Committee, formed to consider risk management on IT matters as well as providing high level support and guidance to the Society, met three times in the past year.

2 The Academic Board, chaired by Mr Adrian Beckingsale (demitted office 30 September 2016), 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 (Dr Fiona Moss CBE) is responsible for education strategy, continuing professional development, and the accreditation of Section meetings and e-learning programmes.

The Society has four other committees formed to facilitate the management and governance of specific areas and to bring in relevant specialist expertise.

- **Education Committee**, chaired by the Dean and has been under review during the past academic year, pending the re-organisation and strengthening of the role of the Academic Board, which has resulted in a stronger input from the Board to the governance and strategy of the education programme. The future role of the Education Committee will be assessed as part of the wider review of governance of the Society and its committees.
- **Investment Committee**, chaired by RSM Honorary Treasurer Miss Rachel Hargest, met four times in the past year and is responsible for investment strategy, appointment of investment managers and monitoring of investment performance through receiving reports from the Society's investment managers, Cazenove Capital Management.
- **Membership Services Committee**, chaired by Mr Martin Bailey, RSM Honorary Secretary (demitted office 7 December 2016) and Vice-President, met four times in the past year. The Committee includes Council members plus Associate and Student member representatives and reviews applications for membership, any issues related to members of the Society and agrees the subscription rates and benefit packages for all RSM members.
- **Remuneration Committee**, comprising the President, Honorary Treasurer and Chief Executive meets annually to review the remuneration of directors and other key employees (including key management personnel) taking into account external benchmarks and the performance of the individuals concerned.

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), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 2008 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.

GOVERNANCE

GOVERNANCE

The overall environment for governance includes: detailed terms of reference for all committees, formal agendas for meetings, formal organisational and governance structures 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 governing 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 (such as performance dashboards for each department) 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 refreshed its external review of its disaster recovery plans in the past year and has clear business continuity plans across all the Society's operations.

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, and ensuring the rigorous maintenance of standards in the Society's academic programme and in the awarding of CPD accreditation.

The Society has taken important steps in the past year to improve the resilience of its IT infrastructure. The strategy for the hosting of the major systems on which the Society relies, including back up arrangements, is to move to a full hybrid-cloud hosting environment by the first half of 2018 based on the Microsoft Azure cloud platform. Work has already taken place in pursuit of this strategy.

The IT Advisory Board, which includes senior IT industry professionals, has been invaluable in its guidance and advice in mitigating risks and in the development of strategy.

Through the risk management processes established by 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 Consolidated Statement of Financial Activities (SOFA) and Balance Sheets, together with the Notes to the Accounts set out on pages 35 to 48, 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.

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 investment performance is measured regularly and reviewed against appropriate benchmarks.

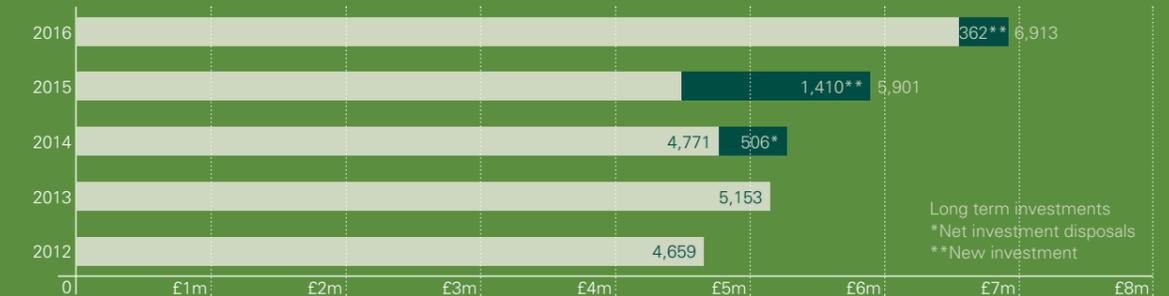
At 30 September 2016, the Society held 90,605 shares in AIM - quoted company GW Pharmaceuticals plc with a market value of £759,727 arising from donations from two of the Society's principal benefactors. The Society has adopted a policy in the past year to maintain the value of the Society's holding in these shares at no more than 10% of the overall investment portfolio.

Following the year end the shares have been converted to NASDAQ quoted ADRs in response to GW Pharmaceuticals plc delisting from AIM.

THE RESULTS FOR THE YEAR ARE SUMMARISED AS FOLLOWS:

	UNRESTRICTED FUNDS		TOTAL FUNDS	
	2016 £000	Restated 2015 £000	2016 £000	Restated 2015 £000
Incoming resources	15,783	15,788	16,049	16,173
Expenditure	(14,228)	(14,296)	(14,581)	(14,482)
OPERATING SURPLUS	1,555	1,492	1,468	1,691
Depreciation and interest	(1,255)	(1,304)	(1,255)	(1,304)
Net income	300	188	213	387

INVESTMENT POWERS, POLICY AND PERFORMANCE:



FUNDS AND RESERVES POLICY

Movement on funds:

The increase in net resources during the year, including investment market value changes, amounted to £1,333k (2015: restated £224k). The total funds carried forward at 30 September 2016 amounted to £37,648k (2015: restated £36,315k). The trustees are pleased to report that the level of free reserves at the year-end (reported as General Fund on the Group Balance Sheet) has increased to a surplus of £4,280k (2015: restated £3,515k) as analysed in the table opposite. 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 £1.2m (2015: £1.5m).

The financial strategy of the Society is to build free reserves to the point they represent 6 months' unrestricted expenditure in order to provide adequate reserves to protect against unexpected downturns, including a significant reduction in income which could otherwise result in the Society needing to review its strategy. As part of its governance review the trustees plan to re-examine the Society's free reserves policy including considering the adoption of a risk-based reserves approach.

FINANCIAL REVIEW

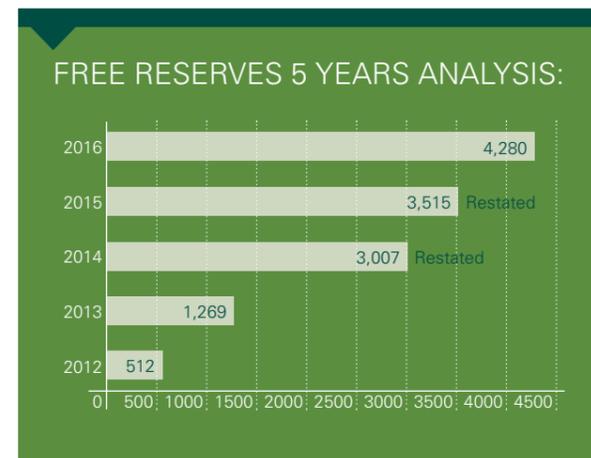
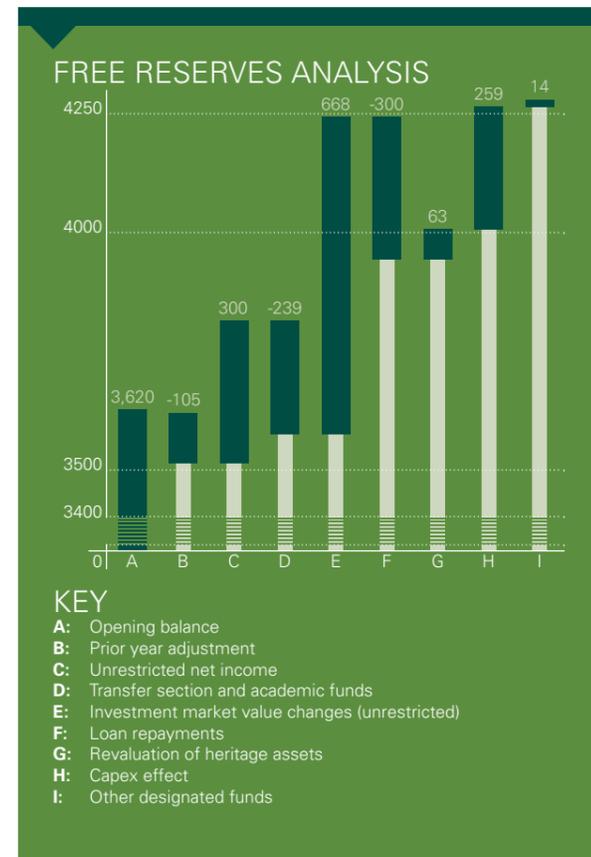
FINANCIAL MANAGEMENT POLICIES

Borrowings:

The Society's borrowing facilities at 30 September 2016 comprised a 10 year term loan of £1.2m 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. The Society supports equal opportunities and is committed to a formal performance appraisal process. The Society has developed formal training programmes for managers in the areas of core compliance, equality and management skills.

The Society operates defined contribution pension schemes which are administered by AEGON and the National Employment Savings Trust (NEST). The AEGON scheme is the Society's scheme for all employees, who become eligible to be enrolled, if certain criteria are met, after a three month postponement period. The Society makes a minimum contribution of 7% of basic salary and employees have the option of adding a further contribution. The NEST scheme has been adopted by the Society for its casual workers and operates based on the criteria for pensions auto-enrolment with both the Society and enrolled casual workers paying pension contributions equivalent to 1% of gross pay.

The Society has, starting in January 2017, implemented plans aspiring to paying all its staff at least the London Living Wage by 2018.

FUTURE PLANS

The Society has a sound financial basis upon which to build for the future. 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
17 January 2017

Mr B Sethia
FRCS
President

Miss Rachel Hargest
MD, FRCS
Honorary Treasurer

1 Wimpole Street London W1G 0AE Registered office

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 2016 which comprise the consolidated and charity balance sheets, the consolidated statement of financial activities, the consolidated statement of cash flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 the 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 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/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 30 September 2016 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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
- the parent charity has not kept sufficient accounting records; or
- the parent charity's 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
17 January 2017

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

		UNRESTRICTED FUNDS	RESTRICTED FUNDS	ENDOWED FUNDS	TOTAL 2016	RESTATED TOTAL 2015
notes	£000	£000	£000	£000	£000	£000
INCOME FROM:						
Donations and legacies		673	135	-	808	644
Other trading activities						
Conferencing and hospitality		7,186	-	-	7,186	7,419
Rental income		111	-	-	111	108
		7,297	-	-	7,297	7,527
Investments	3	119	131	-	250	236
Charitable activities						
Education		2,322	-	-	2,322	2,370
Information resources		93	-	-	93	143
Publishing		196	-	-	196	210
Membership subscriptions	4	5,083	-	-	5,083	5,043
		7,694	-	-	7,694	7,766
Total income		15,783	266	-	16,049	16,173
EXPENDITURE ON:						
Raising funds	5					
Fundraising costs		173	-	-	173	143
Conferencing and hospitality		6,833	-	-	6,833	7,119
Rental income costs		77	-	-	77	81
Interest		80	-	-	80	105
		7,163	-	-	7,163	7,448
Charitable activities	5					
Education		4,428	353	-	4,781	4,494
Information resources		2,591	-	-	2,591	2,619
Publishing		155	-	-	155	163
Membership subscriptions		1,146	-	-	1,146	1,062
		8,320	353	-	8,673	8,338
Total expenditure		15,483	353	-	15,836	15,786
NET INCOME BEFORE GAINS AND LOSSES ON INVESTMENTS		300	(87)	-	213	387
Net gains/ (losses) on investments	11	668	169	220	1,057	(163)
NET INCOME		968	82	220	1,270	224
Other recognised gains:						
Unrealised gain on revaluation of heritage assets	12	63	-	-	63	-
NET MOVEMENTS IN FUNDS		1,031	82	220	1,333	224
RECONCILIATION OF FUNDS						
Restated total funds brought forward	26	31,799	2,642	1,874	36,315	36,091
Total funds carried forward	17, 18	32,830	2,724	2,094	37,648	36,315

The Statement of Financial activities includes all gains and losses recognised in the year. All amounts relate to continuing activities.

The notes on pages 35 to 48 form part of these financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEET

		GROUP		CHARITY	
notes	2016 £000	RESTATED 2015 £000	2016 £000	RESTATED 2015 £000	
FIXED ASSETS					
Tangible assets	9	24,640	24,943	20,914	21,172
Intangible assets	10	265	287	265	287
Investments					
Property	11	-	-	9,000	10,500
Investment funds	11	6,913	5,901	6,913	5,901
Heritage Assets	12	3,346	3,283	3,346	3,283
Shares in subsidiary companies	8	-	-	2	2
TOTAL FIXED ASSETS		35,164	34,414	40,440	41,145
CURRENT ASSETS					
Stocks	13	64	78	5	8
Debtors	14	2,438	2,208	1,866	1,786
Short term investments	11	760	539	760	539
Bank deposits		4,335	5,119	4,335	5,119
Bank and cash balances		1,413	259	1,398	251
		9,010	8,203	8,364	7,703
CREDITORS: Amounts falling due within one year	15	(5,626)	(5,102)	(5,426)	(5,241)
NET CURRENT ASSETS		3,384	3,101	2,938	2,462
CREDITORS: Amounts falling due after more than one year	16	(900)	(1,200)	(900)	(1,200)
NET ASSETS	19	37,648	36,315	42,478	42,407
FUNDS					
Unrestricted Funds:					
Tangible fixed assets fund		27,051	27,012	32,327	33,741
Other designated funds		1,499	1,272	1,499	1,272
General fund		4,280	3,515	3,834	2,878
	17	32,830	31,799	37,660	37,891
Permanent endowment funds	18	2,094	1,874	2,094	1,874
Restricted funds	18	2,724	2,642	2,724	2,642
TOTAL FUNDS		37,648	36,315	42,478	42,407

Approved and authorised for issue on 17 January 2017 by Members of Council and signed on their behalf by:



Mr Babulal Sethia
FRCS



Miss Rachel Hargest F
MD, FRCS

The notes on pages 35 to 48 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	2016 £000	2016 £000	RESTATED 2015 £000	RESTATED 2015 £000
Net cash provided by operating activities		1,350		1,571
CASH FLOWS FROM INVESTING ACTIVITIES:				
Dividends from investments	228		212	
Purchase of property, plant and equipment and intangibles	(850)		(382)	
Purchase of long term investments	(362)		(1,410)	
Cash inflow from bank interest	22		24	
Proceeds from sale of short term investments	362		279	
Net cash used in investing activities		(600)		(1,277)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Repayments of loan finance: quarterly instalments paid	(300)		(300)	
Interest paid	(80)		(105)	
Net cash used in financing activities		(380)		(405)
Change in cash and cash equivalents in the year		370		(111)
Cash and cash equivalents at 1 October		5,378		5,489
Cash and cash equivalents at 30 September		5,748		5,378
RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the reporting period (as per the SOFA)		213		492
Adjustments for:				
Donation in Shares	(176)		-	
Depreciation	1,175		1,173	
Interest / Dividends	(170)		(131)	
(Increase) in debtors	(230)		(119)	
Decrease/ (Increase) in stock	14		(7)	
Increase in creditors	524		163	
Net cash provided by operating activities		1,350		1,571
ANALYSIS OF CASH AND CASH EQUIVALENTS				
		2016		2015
		£000		£000
Cash in hand		1,413		259
Bank deposits		4,335		5,119
Total cash and cash equivalents		5,748		5,378

The notes on pages 35 to 48 form part of these financial statements.

1. ACCOUNTING POLICIES

BASIS OF PREPARATION

The accounts are prepared under the historical cost convention, except for the modification to include certain assets at valuation as specified in the accounting policies below.

The financial planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. The trustees consider that the Society has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they have adopted the going concern basis in preparing the annual report and accounts.

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

These financial statements for the year ended 30 September 2016 are the first financial statements that comply with FRS 102 and Charities SORP (FRS 102). The date of transition is 1 October 2014. The transition to FRS 102 has resulted in one change in accounting policies to those used previously. The nature of this change and its impact on opening funds for the comparative period in the charity only balance sheet has been explained in note 25.

The Society meets the definition of a public benefit entity under FRS 102. As described further within the Governance section of the trustees' report on page 26, it is a Charity registered with the Charity Commission in England and Wales.

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 18.

The accounts include transactions, assets and liabilities of The Royal Society of Medicine Press Limited, Royal Society of Medicine Support Services Limited, and Royal Society of Medicine International Limited (dormant) 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 8.

The Society's activities, together with factors likely to affect its future development including strategies for each area, performance and financial position, and commentary on the Society's financial activities and its cash flows are set out in the trustees' report on pages 8-30 and elsewhere in the financial statements.

The SORP requires that income and costs are allocated where appropriate to charitable activities and to activities for raising funds.

Total incoming resources for the Society are £8,863k (2015: £8,754k) and total resources expended are £9,003k (restated 2015: £8,667k). The net movement in funds after investment movements and unrealised gains is £980k

(restated 2015: £(76)k deficit).

The accounting policy in respect of payments under Gift Aid by the subsidiary, Royal Society of Medicine Support Services Limited to its parent, the Royal Society of Medicine has changed as set out below.

The financial statements are presented in sterling (£).

SIGNIFICANT JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Society's significant accounting policies are stated below. The following is intended to provide an understanding of the policies that management consider critical (of which there are none) because of the level of complexity and judgement involved in their application and their impact on the consolidated financial statements.

BASIS OF CONSOLIDATION

The Group comprises the Royal Society of Medicine and its subsidiaries which are set out in note 8 to these accounts. The principal trading subsidiary is Royal Society of Medicine Support Services Limited which operates the catering, accommodation and conference activities on behalf of the Society.

The consolidated financial statements incorporate the financial statements of the Society and its subsidiaries for the year ended 30 September 2016 and the comparative period.

Subsidiaries are entities controlled by the Society. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The turnover and expenditure of the subsidiaries are included within the consolidated SOFA. The assets and liabilities are included on a line by line basis in the consolidated balance sheet in accordance with FRS 102, section 9 'Consolidated and Separate Financial Statements.' The financial statements of all Group companies are prepared using consistent accounting policies.

The following are the accounting policies adopted for material items:

INCOMING RESOURCES

Incoming resources are included in the SOFA when the Society is legally entitled to the income, there is probability of receipt, and the amounts can be quantified with reasonable accuracy. If these conditions are not met then the income is deferred.

Income is shown within four main categories in the Consolidated

ACCOUNTING POLICIES

Statement of Financial Activities:

- Incoming resources from donations and legacies
- Incoming resources from other trading activities
- Incoming resources from Investment income
- Incoming resources from charitable activities

The following specific policies apply to categories of income:

- a) Legacies and donations
- Donation income is recognised when received.
 - Entitlement to legacy income is considered to be on the earlier of the date of payment or where there is sufficient evidence to provide the necessary probability that the legacy will be received and the value is measurable with sufficient reliability. This is defined as the point when the executor has notified the Society that there is an intention to make a distribution from finalised estate accounts.
 - Gifts in kind for use by the Society are included in the accounts at their estimated value at the date of receipt. This is on the basis of the amount the Society would have been willing to pay to obtain equivalent facilities on the open market. A corresponding amount is then recognised in expenditure in the period of receipt.
 - Income from Gift Aid is recognised on the earlier of receipt or submission of a claim to HM Revenue & Customs.
- b) Income from other trading activities
- Income from conferencing and hospitality is accounted for on an accruals basis.
 - Rental income is accounted for on an accruals basis.
- c) Investment income
- Investment income, excluding interest from bank deposit accounts, is recognised on an accruals basis when received by the Society's investment managers.
- d) Income from charitable activities
- 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.
 - All other income from charitable activities 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 consolidated SOFA defines expenditure in two specific

categories:

- Expenditure on raising funds
- Charitable activities

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

The resources expended on charitable activities relate to the core charitable purposes of the Society - Education, Information resources, Publishing and Membership subscriptions.

Governance costs are those associated with the governance arrangements rather than the day-to-day management of the Society. These costs are allocated to expenditure on raising funds and charitable activities on the basis of estimated service usage within each area.

Support costs represent expenditure on administration, financial management, human resources, and information systems and marketing and communications – they assist the work of the Society but do not directly undertake charitable activities. These are allocated to expenditure on generating funds and charitable activities, on the basis of headcount or on the estimated service delivered by the support service or other bases if these are more appropriate.

FUND ACCOUNTING

General Funds are unrestricted funds that are available for use at the discretion of the trustees in accordance of the general objectives of the Society.

Designated funds are unrestricted funds that represent amounts set aside at the discretion of the trustees for specific purposes. They would otherwise form part of the general reserves.

The permanent endowment funds represent capital for the permanent benefit of the Society, and the income arising forms part of either restricted or unrestricted funds.

Restricted funds are subject to specific restrictions imposed by donors. The aim and use of the major restricted funds is set out in the notes in the financial statements.

All income and expenditure and changes in investment values are shown on the Consolidated Statement of Financial Activities on page 32.

IMPAIRMENTS

The carrying values of the Society's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of fair value less costs to sell the asset and its value in use.

TANGIBLE FIXED ASSETS

Tangible fixed assets are measured at costs less accumulated depreciation and any accumulated impairment losses.

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.

HERITAGE ASSETS

Heritage assets, being the contents of the Library, have been included in Fixed Assets since the year ended 30 September 2011. The heritage assets are included at their valuation based on an estimated auction value in December 2015 carried out by Bonhams for insurance purposes. The trustees consider that the value of the Library collection does not depreciate in value and, as such, no depreciation is charged.

INVESTMENT PROPERTY

The one investment property is measured at fair value at the reporting date in the charity only balance sheet and valuations will be carried out on an annual basis. This does not impact the group balance sheet where it should be treated as a fixed asset at depreciated cost.

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.

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. The Royal Society of Medicine Press Limited is now dormant, and the Royal Society of Medicine International Limited has not yet traded.

STOCKS

Stocks 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.

DEBTORS

Trade and other debtors are recognised at the settlement amount due, less any provision for bad or doubtful amounts. Such provisions are specific, and applied in a consistent manner based on a debts aging and other factors affecting potential recoverability.

SHORT TERM INVESTMENTS

Quoted investments, all of which are quoted on a stock exchange, are stated at the year-end market value.

CASH AND CASH EQUIVALENTS

Cash, for the purpose of the cash flow statement, represents balances on hand, and those on deposits with a short maturity of three months or less. Such balances are subject to insignificant risk of changes in value, and are readily convertible.

CREDITORS

Trade and other creditors are recognised at transaction price due, after allowing for any trade discounts.

Deferred income represents invoices raised and cash receipts for which income recognition criteria is not yet met, and will be satisfied in future accounting periods. Such amounts are not discounted.

ACCOUNTING POLICIES

Membership subscription income deferred represents subscription income received that relates to future accounting periods.

TAXATION

As a registered charity, the Royal Society of Medicine is exempt from taxation of income and gains falling within Part 11 Corporation Tax Act 2010 or Section 256 Taxation of Chargeable Gains Act 1992 to the extent these are applied to its charitable objects.

OTHER FINANCIAL INSTRUMENTS

The Society has considered FRS 102 sections 11 and 12, identifying and classifying financial instruments as 'basic' and 'other'. The Society only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

EMPLOYEE BENEFITS

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 7, represent contributions payable by the Society to the scheme. Short-term employee benefits, including holiday pay and contributions to the defined contribution pension scheme are recognised as an expense in the period in which they are incurred.

LEASING CONTRACTS

The Society has three long-term lease agreements in relation to its properties. Lease premiums and other costs of acquiring long term leases, together with subsequent leasehold improvements are capitalised as tangible fixed assets in the group balance sheet and depreciated as shown in the depreciation policy above. Ongoing rentals under these leases are charged to the SOFA as

they fall due under the terms of each lease.

The Society classifies the lease of printing equipment as operating leases and the title to the equipment remains with the lessor. Rentals paid under such operating leases are charged to the SOFA on a straight-line basis over the lease term.

TRANSLATION OF FOREIGN CURRENCIES

The Society's functional and presentational currency is pound sterling. 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. All differences are recognised in the SOFA.

RECEIPT OF PAYMENTS FROM SUBSIDIARY UNDERTAKING UNDER GIFT AID

The Society's subsidiary undertaking, Royal Society of Medicine Support Services Limited has adopted a policy of paying all of its taxable profits being £310k (2015: £523k) to the Society, under Gift Aid. These gift aid payments are recognised as distributions through equity rather than as an expense through the profit and loss, and therefore an operating profit exists at the balance sheet date, on which a tax liability arises in both the subsidiary and the group. This represents a change in accounting policy and has been accounted for as a prior period adjustment.

2. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Changes in the Charities SORP (FRS 102) require the disclosure of comparative SOFA information on a fund specific basis, such that each column presented for the current period has an associated comparative, and this information is given below.

	notes	RESTATED UNRESTRICTED FUNDS £000	RESTRICTED FUNDS £000	ENDOWED FUNDS £000	RESTATED TOTAL FUNDS 2015 £000
INCOME FROM:					
Donations and legacies		398	246	-	644
Other trading activities					
Conferencing and hospitality		7,419	-	-	7,419
Rental income		108	-	-	108
		<u>7,527</u>	<u>-</u>	<u>-</u>	<u>7,527</u>
Investments	4	97	139	-	236
Charitable activities					
Education		2,370	-	-	2,370
Information resources		143	-	-	143
Publishing		210	-	-	210
Membership subscriptions	5	5,043	-	-	5,043
		<u>7,766</u>	<u>-</u>	<u>-</u>	<u>7,766</u>
Total income		15,788	385	-	16,173
EXPENDITURE ON:					
Raising funds	6				
Fundraising costs		143	-	-	143
Conferencing and hospitality		7,119	-	-	7,119
Rental income costs		81	-	-	81
Interest		105	-	-	105
		<u>7,448</u>	<u>-</u>	<u>-</u>	<u>7,448</u>
Charitable activities	6				
Education		4,308	186	-	4,494
Information resources		2,619	-	-	2,619
Publishing		163	-	-	163
Membership subscriptions		1,062	-	-	1,062
		<u>8,152</u>	<u>186</u>	<u>-</u>	<u>8,338</u>
Total expenditure		15,600	186	-	15,786
NET INCOME BEFORE LOSSES ON INVESTMENTS		188	199	-	387
Net losses on investments	11	(22)	(77)	(64)	(163)
NET MOVEMENT IN FUNDS IN PRIOR YEAR		166	122	(64)	224

NOTE TO THE FINANCIAL STATEMENTS

3 INVESTMENT INCOME	2016 £000	2015 £000
Dividends	228	212
Bank interest	22	24
	<u>250</u>	<u>236</u>
4 MEMBERSHIP SUBSCRIPTIONS		
Membership subscription fees received	5,179	5,248
Deferred to next year	(2,277)	(2,181)
Deferred from last year	2,181	1,976
Net adjustment	(96)	(205)
Net membership subscriptions	<u>5,083</u>	<u>5,043</u>

5 TOTAL EXPENDITURE	Direct cost £000	Support costs £000	2016 £000	RESTATED 2015 £000
Expenditure on raising funds:				
Fundraising costs	128	45	173	143
Conferencing and hospitality	5,668	1,165	6,833	7,119
Rental income costs	30	47	77	81
Interest	80	-	80	105
Total expenditure on raising funds	<u>5,906</u>	<u>1,257</u>	<u>7,163</u>	<u>7,448</u>
Expenditure on charitable funds:				
Education	3,572	1,209	4,781	4,494
Information resources	1,956	635	2,591	2,619
Publishing	139	16	155	163
Membership subscriptions	637	509	1,146	1,062
Total expenditure on charitable activities	<u>6,304</u>	<u>2,369</u>	<u>8,673</u>	<u>8,338</u>
Total expenditure	<u>12,210</u>	<u>3,626</u>	<u>15,836</u>	<u>15,786</u>

Auditor's fees and expenses include the following:

	2016 £000	2015 £000
Fees payable to the auditors of The Royal Society of Medicine:		
in respect of the charity audit	30	28
in respect of the subsidiary audits	5	3
Other non-audit services:		
in respect of taxation compliance	11	9
in respect of other services	14	-
Total fees payable to auditor	<u>60</u>	<u>40</u>

6 ANALYSIS OF EXPENDITURE

(a) SUPPORT COSTS	Governance £000	Facilities Management £000	IT £000	Management & Admin £000	Total 2016 £000	RESTATED Total 2015 £000
Cost of generating funds						
Fundraising costs	13	13	8	11	45	43
Conferencing and hospitality	-	588	174	403	1,165	1,231
Rental income	-	36	-	11	47	53
	<u>13</u>	<u>637</u>	<u>182</u>	<u>425</u>	<u>1,257</u>	<u>1,327</u>
Charitable Expenditure						
Education	79	285	318	527	1,209	1,252
Information resources	21	412	99	103	635	675
Publishing	5	-	-	11	16	12
Membership subscriptions	146	9	120	234	509	435
	<u>251</u>	<u>706</u>	<u>537</u>	<u>875</u>	<u>2,369</u>	<u>2,375</u>
Total Support Costs	<u>264</u>	<u>1,343</u>	<u>719</u>	<u>1,300</u>	<u>3,626</u>	<u>3,702</u>

Support costs are allocated to the costs of generating funds and charitable expenditure on the basis of headcount or on the estimated service delivered by the support service or other bases if these are more appropriate.

(b) EXPENDITURE	Staff Costs £000	Support Costs £000	Other £000	Depreciation £000	Total 2016 £000	RESTATED Total 2015 £000
Expenditure on raising funds:						
Fundraising costs	96	45	21	11	173	143
Conferencing and hospitality	3,255	1,165	1,863	550	6,833	7,119
Rental income costs	-	47	-	30	77	81
Interest cost	-	-	80	-	80	105
	<u>3,351</u>	<u>1,257</u>	<u>1,964</u>	<u>591</u>	<u>7,163</u>	<u>7,448</u>
Expenditure on charitable activities:						
Education	1,159	1,209	2,178	235	4,781	4,494
Information resources	645	635	970	341	2,591	2,619
Publishing	54	16	85	-	155	163
Membership subscriptions	336	509	293	8	1,146	1,062
	<u>2,194</u>	<u>2,369</u>	<u>3,526</u>	<u>584</u>	<u>8,673</u>	<u>8,338</u>
Total expenditure	<u>5,545</u>	<u>3,626</u>	<u>5,490</u>	<u>1,175</u>	<u>15,836</u>	<u>15,786</u>

7 EMPLOYEE COSTS

Members of Council do not receive remuneration. The total sum relating to reimbursement of expenses and benefits for accommodation amounted to £1,706 for 5 members (2015 : £2,344 for 6 members).

The average number of persons employed during the period on a full-time equivalent basis was:	Total 2016 Number	Total 2015 Number
Generating voluntary income	1	1
Generating income from conferencing and hospitality	158	170
Education	34	33
Information resources	19	20
Membership subscriptions	6	7
Governance	2	3
Support functions	26	29
Total number of persons	<u>246</u>	<u>262</u>
Total employment costs were:	Total 2016 £000	Total 2015 £000
Staff costs amounted to:		
Wages and salaries	5,391	5,579
Social security costs	504	524
Defined contribution pension costs/life assurance	487	523
Termination payments	20	75
Other employment costs	1,002	885
Total employment costs	<u>7,404</u>	<u>7,586</u>

Staff costs of £1,859,000 are included within Support Costs above in note 6. All staff are employed by Royal Society of Medicine Support Services Limited and their costs are recharged to the Society. The above analysis includes the recharged amounts and represents the group costs. Wages and salaries are shown before any deduction for salary sacrifice arrangements.

NOTE TO THE FINANCIAL STATEMENTS

7 EMPLOYEE COSTS (continued)

The average number of persons employed during the year on a full-time equivalent basis was 246 (2015: 262).

The number of employees whose gross remuneration and taxable benefits but not employer pension costs exceeded £60,000 and fell within the following ranges were:

	2016 No.	2015 No.
The number of employees in the following payroll bands were as follows:		
£60,000 to £70,000	-	1
£70,001 to £80,000	3	3
£90,001 to £100,000	3	1
£130,001 to £140,000	1	1
£150,001 to £160,000	1	1

Pension contributions paid into a defined contribution scheme in respect of the above identified higher paid employees amounted to:

£000	£000
136	152

Key management personnel

The key management personnel are the trustees and the executive team listed on pages 6-7.

The total employee benefits (including pension) paid to key management personnel was £853k (2015: £990k).

The remuneration during the year for Ian Balmer, Chief Executive, comprised a salary of £158k and benefits in kind of £2k, totalling £160k.

The value of employer contributions during the year to the Royal Society of Medicine defined contribution pension scheme was £32k.

Mark Johnstone, Finance Director, received a salary of £130k, and benefits in kind of £2k, totalling £132k.

The value of employer contributions during the year to the Royal Society of Medicine defined contribution pension scheme was £26k.

8 SUBSIDIARIES

The Society has three wholly-owned subsidiaries. It holds 1 ordinary share of £1 in The Royal Society of Medicine Press Limited (RSMP Ltd Company no. 1572720), which is now dormant, and 1,000 ordinary shares of £1 each in Royal Society of Medicine Support Services Limited (RSMSS Ltd Company no. 2820374), which operates the catering, accommodation and conference activities on behalf of the Society. RSMSS Ltd gift aids its taxable profit to the Society. The Society also holds 1,000 ordinary shares of £1 each in Royal Society of Medicine International Limited (Company No. 08781651) which was incorporated in 2014. A summary of their results and summary balance sheets is provided as follows:

	RSMP Ltd		RSMSS Ltd		RSM International Ltd	
	2016 £000	2015 £000	2016 £000	2015 £000	2016 £000	2015 £000
PROFIT AND LOSS ACCOUNTS						
Turnover	-	-	7,186	7,419	-	-
Cost of sales	-	-	(4,049)	(4,102)	-	-
Gross profit	-	-	3,137	3,317	-	-
Administrative expenses	-	-	(2,827)	(2,794)	-	-
Profit for the year before taxation	-	-	310	523	-	-
Tax charge	-	-	(62)	(105)	-	-
Retained profit for the year	-	-	248	418	-	-
BALANCE SHEETS						
Tangible fixed assets	-	-	-	-	-	-
Stocks	-	-	59	70	-	-
Debtors	6	6	951	1,165	1	1
Bank balances	3	3	11	6	-	-
Creditors	(3)	(3)	(584)	(612)	-	-
Net assets and share capital and reserves	6	6	437	629	1	1

9 TANGIBLE FIXED ASSETS

Group	Leasehold Premises £000	Furnishings and Fittings £000	Plant, Vehicles & Office Equipment £000	Assets in course of construction £000	Group Total £000
<i>Cost or Valuation</i>					
At 1 October 2015	27,074	600	9,870	6	37,550
Additions	17	-	707	-	724
Transfers	-	-	6	(6)	-
At 30 September 2016	27,091	600	10,583	-	38,274
<i>Depreciation</i>					
At 1 October 2015	5,084	553	6,970	-	12,607
Charge for year	390	11	626	-	1,027
At 30 September 2016	5,474	564	7,596	-	13,634
Net Book Value at 30 September 2016	21,617	36	2,987	-	24,640
Net Book Value at 30 September 2015	21,990	47	2,900	6	24,943

The insured value of the assets included in Leasehold Premises as at 30 September 2016, including Domus refurbishment, is £53.7m (2015: £53.7m)

Charity	Leasehold Premises £000	Furnishings and Fittings £000	Plant, Vehicles & Office Equipment £000	Assets in course of construction £000	Charity Total £000
<i>Cost or Valuation</i>					
At 1 October 2015	22,679	600	9,870	6	33,155
Additions	17	-	707	-	724
Transfers	-	-	6	(6)	-
At 30 September 2016	22,696	600	10,583	-	33,879
<i>Depreciation</i>					
At 1 October 2015	4,460	553	6,970	-	11,983
Charge for year	345	11	626	-	982
At 30 September 2016	4,805	564	7,596	-	12,965
Net Book Value at 30 September 2016	17,891	36	2,987	-	20,914
Net Book Value at 30 September 2015	18,219	47	2,900	6	21,172

10 INTANGIBLE FIXED ASSETS

Group and Charity	Software £000	Total £000
<i>Cost or Valuation</i>		
At 1 October 2015	767	767
Additions	126	126
At 30 September 2016	893	893
<i>Depreciation</i>		
At 1 October 2015	480	480
Charge for year	148	148
At 30 September 2016	628	628
Net Book Value at 30 September 2016	265	265
Net Book Value at 30 September 2015	287	287

NOTE TO THE FINANCIAL STATEMENTS

11 INVESTMENTS

	Charity	
	Total 2016 £000	Total 2015 £000
Long term Investments:		
Property		
Carrying value (fair value)		
Market value 1 October	10,500	9,000
Unrealised gains/ (losses)	(1,500)	1,500
Market value 30 September	9,000	10,500

The one investment property (Chandos House) is valued annually and included at valuation on an open market basis. The valuation was carried out externally in December 2016 by Cluttons.

The valuations were undertaken in accordance with UK Generally Accepted Accounting Principles (GAAP) in compliance with the regulations laid down by the Royal Institution of Chartered Surveyors under the "RICS Valuation Professional Standards UK" revised April 2015.

	Group and Charity	
	Total 2016 £000	Total 2015 £000
Market value 1 October 2015	5,901	4,771
Additions at cost	362	1,410
Movement on gains/ (losses)	650	(280)
Market value 30 September 2016	6,913	5,901

	Group and Charity	
	Total 2016 £000	Total 2015 £000
Short term Investments:		
Market value 1 October 2015	539	701
Additions at cost	176	-
Sale	(362)	(279)
Movement on gains	407	117
Market value 30 September 2016	760	539

The total market value at 30 September comprises:

Units in charity-approved multi-asset portfolio Common Investment Fund	6,913	5,901
Investments quoted on recognised stock exchange	760	539
Total Investment Funds	7,673	6,440

12 HERITAGE ASSETS

	Group and Charity	
	Total 2016 £000	Total 2015 £000
Books and manuscripts		
Value 1 October 2015	3,283	3,283
Unrealised gains	63	-
Value 30 September 2016	3,346	3,283

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 external valuation most recently carried out in December 2015 by Bonhams at their estimated auction value.

The uplift of £63k was deemed immaterial to adjust for in 2015, but it is now reflected in 2016 financial statements above.

There have been no additions, disposals or impairments in the periods represented.

Five year financial summary of heritage asset transactions:

	2016 £000	2015 £000	2014 £000	2013 £000	2012 £000
Books and manuscripts	3,346	3,283	3,283	3,283	3,283

All heritage assets are maintained and managed through the heritage asset register which is overseen by the Director of Library Services.

The preservation of these assets is the responsibility of the Director of Library Services.

The Society has exhibited these assets in the past through exhibitions held for public benefit.

13 STOCKS

	GROUP		CHARITY	
	2016 £000	2015 £000	2016 £000	2015 £000
Goods for resale	64	78	5	8
	64	78	5	8

The amount of stocks recognised as an expense in cost of sales is £1,247k (2015: £970k).

14 DEBTORS

Trade debtors	815	664	101	183
Other debtors	181	132	167	35
Prepayments and accrued income	1,442	1,412	1,442	1,412
Amounts due from subsidiary undertakings	-	-	156	156
	2,438	2,208	1,866	1,786

15 CREDITORS: Amounts due within one year

Bank loan	300	300	300	300
Trade creditors	1,393	774	1,164	655
Accrued expenses/deferred income	1,294	1,362	1,161	1,120
Membership subscription income deferred (note 4)	2,277	2,181	2,277	2,181
Tax and social security	251	376	30	127
Amounts due to subsidiary undertakings	-	-	383	749
Other creditors	111	109	111	109
	5,626	5,102	5,426	5,241

16 CREDITORS: Amounts falling due after more than one year

Bank loan	900	1,200	900	1,200
	900	1,200	900	1,200

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. For this reason, it is deemed to represent a basic financial instrument under the conditions specified by FRS 102, section 11.9 'Basic Financial instruments,' and is measured using the amortised cost model.

Between one and two years	300	300	300	300
Between two and five years	600	600	600	600
More than five years	-	300	-	300
	900	1,200	900	1,200

17 MOVEMENT IN UNRESTRICTED FUNDS - GROUP

	Restated Balance 2015 £000	Transfers £000	Net incoming Resources £000	Net investment gains £000	Revaluation heritage assets £000	Balance 2016 £000
General	3,515	(225)	273	654	63	4,280
Designated Funds:						
Fixed Assets	27,012	(14)	53	-	-	27,051
Educational Funds	184	-	3	14	-	201
Sections' funds (note 21)	1,038	226	(16)	-	-	1,248
Academic Fund (note 21)	50	13	(13)	-	-	50
	31,799	-	300	668	63	32,830

The Tangible Fixed Assets Fund represents the net book value of fixed and heritage assets at 30 September 2016 after deducting related loan balances. The designated educational funds represent moneys set aside predominantly to support Sections.

NOTE TO THE FINANCIAL STATEMENTS

18 PERMANENT ENDOWMENT AND RESTRICTED FUNDS - GROUP AND CHARITY

	Permanent endowment funds			Restricted funds			Balance 2016 £000
	Balance 2015 £000	Gains on invt £000	Balance 2016 £000	Balance 2015 £000	Income and gains on invt £000	Expenditure £000	
ALARM fund	-	-	-	42	3	(7)	38
Coloproctology funds	33	4	37	48	5	(2)	51
Cowley Fund	83	10	93	28	3	(9)	22
Dobson Bequest	-	-	-	59	5	-	64
Dowling Endowment	50	6	56	15	2	(5)	12
Ellison Cliffe Lecture	146	16	162	14	5	(7)	12
M Feiwel	-	-	-	36	5	-	41
Finzi Bequest	-	-	-	304	31	(16)	319
Louis Forman Fund	-	-	-	172	20	-	192
W Gibson Research Scholarship	31	4	35	12	1	-	13
Global Health Film Club	-	-	-	174	-	(146)	28
John Glynn Young Fellows Prize	33	4	37	3	1	-	4
International Relations	-	-	-	218	31	(35)	214
Jephcott Lecture Fund	857	101	958	116	30	(25)	121
Richard Kovacs Fund	129	15	144	65	5	-	70
G Levene Memorial Fund	-	-	-	77	8	(1)	84
Library restricted fund	-	-	-	43	6	-	49
London Clinic	-	-	-	53	-	(10)	43
Ophthalmology Fund	41	5	46	16	1	(2)	15
Rank Fund	-	-	-	267	36	(10)	293
Smith Kline French	115	13	128	27	4	-	31
Stevens Fund	-	-	-	342	42	(9)	375
Lord Soulsby	-	-	-	-	100	-	100
Various Funds of less than £30,000	356	42	398	511	91	(69)	533
Totals	1,874	220	2,094	2,642	435	(353)	2,724

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
- Global Health Film Club - Fund to be applied to funding the Global Health Film Initiative on the basis of the budget presented to the Bill & Melinda Gates Foundation
- 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
- Richard Kovacs Fund - To fund a triennial lecture/visiting professorship organised by the Section of Rheumatology and Rehabilitation
- Rank Fund - The capital and income to be used to fund audio-visual content, in particular e-learning
- 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
- Lord Soulsby Fund - To fund a medical or veterinary post-doctoral student to carry out some aspect of their research by studying abroad on a topic related to 'One World- one Health'

19 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted funds £000	Designated funds £000	Endowment funds £000	Restricted funds £000	Total funds £000
Tangible, intangible and heritage assets	-	28,251	-	-	28,251
Fixed asset investments	2,853	157	2,094	1,809	6,913
Current assets	6,754	1,342	-	915	9,010
Current liabilities	(5,326)	(300)	-	-	(5,626)
Liabilities due after more than one year	-	(900)	-	-	(900)
Group Net Assets	4,280	28,550	2,094	2,724	37,648

20 FINANCIAL COMMITMENTS

(i) Operating leases

The total of future minimum rentals payable under non-cancellable operating leases at 30 September 2016 is £14k (2015: £14k). These are plant and machinery leases; £14k will be payable next year.

In addition, the Society has an operating lease in relation to a lease at Chandos House expiring 4 July 2129 at current rent of £170k/annum.

(ii) Capital commitments

Capital expenditure contracted for, but not provided in the financial statements, was £nil (2015: £nil).

21 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) 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	33,702	Oral & Maxillofacial Surgery	15,247
Black & Ethnic Medicine	998	Occupational Medicine	9,184
Cardiology	44,860	Open	2,769
Cardiothoracic	14,069	Ophthalmology	96,264
Catastrophes and Conflict	(523)	Orthopaedics	66,057
Clinical Forensic & Legal Medicine	9,380	Otology	24,604
Clinical Immunology & Allergy	17,445	Paediatrics & Child Health	93,581
Clinical Neurosciences	10,596	Pain Medicine	17,814
Coloproctology	4,929	Palliative Care	22,540
Comparative Medicine	455	Pathology	12,362
Critical Care	22,167	Patient Safety	17,439
Dermatology	24,948	Pharmaceutical Medicine & Research	(5,131)
Emergency Medicine	30,151	Plastic Surgery	10,110
Endocrinology & Diabetes	36,489	Psychiatry	51,552
Epidemiology & Public Health	(10,080)	Quality in Healthcare	(659)
Food & Health Forum	10,065	Radiology	68,358
Gastroenterology & Hepatology	15,187	Respiratory Medicine	49,500
General Practice with Primary Healthcare	28,211	Retired Fellows	19,686
Geriatrics & Gerontology	11,829	Rheumatology & Rehabilitation	8,027
Histopathology	2,973	Sexuality & Sexual Health	7,410
History of Medicine	6,886	Sleep Medicine	13,391
Hypnosis & Psychosomatic Medicine	6,813	Sport & Exercise Medicine	8,683
Intellectual Disability	2,717	Student Members	18,890
Laryngology & Rhinology	26,976	Surgery	16,930
Lipids, Metabolism & Vascular Risk	19,352	Technology in Medicine	(5,346)
Maternity and the Newborn	19,073	Telemedicine & eHealth	34,860
Medical Genetics	3,654	Trainees	10,195
Military Medicine	23,060	Urology	47,416
Nephrology	17,267	Vascular Medicine	11,313
Obstetrics & Gynaecology	14,077	Venous Forum	55,643
Odontology	(10,015)	Total Section Funds	1,247,709
Oncology	11,307	Total Academic Fund	50,000

NOTE TO THE FINANCIAL STATEMENTS

22 CONTINGENT LIABILITIES

There were no contingent liabilities requiring disclosure.

23 POST BALANCE SHEET EVENTS

There were no post balance sheet events requiring disclosure.

24 RELATED PARTY TRANSACTIONS

The Society has considered the disclosure requirements of the SORP for charities and FRS 102 'Related Party Disclosures' and believes that there are no such transactions during this financial year.

In accordance with FRS 102, transactions entered into between the Society and its wholly owned subsidiaries are not disclosed.

25 RECONCILIATION WITH PREVIOUS GENERALLY ACCEPTED ACCOUNTING PRACTICE**Group**

In preparing the accounts, the trustees have considered whether, in applying the accounting policies required by FRS 102 and the Charities SORP, the restatement of comparative items was required.

Charity

The following adjustment affects the entity only balance sheet as it is eliminated at Group level.

A classification adjustment has been made which does affect the overall funds brought forward. Tangible fixed assets with a net book value of £3,771k have been transferred to investment property as at the transition date.

This transfer represents the Royal Society of Medicine's leasehold interest it holds in the property, Chandos House. This continues to be presented as a tangible fixed asset at group level, but changes to definitions within FRS 102 have seen this fall into the classification of investment property within the Society's entity only accounts. This has the following impact on the brought forward balances within tangible fixed assets and investment properties.

	Balance sheet as restated £000	Previous balance £000
Tangible fixed assets - cost brought forward at 1 October 2015	33,155	38,317
Tangible fixed assets - depreciation brought forward at 1 October 2015	11,983	13,087
Investment properties - carrying value brought forward at 1 October 2015	9,000	-

This property was considered to have a fair value of £9,000k as at 30 September 2016, and an unrealised revaluation gain reflecting this is included within the charity only balance sheet in the tangible fixed asset fund.

There is no impact on the group SOFA for the year ended 30 September 2015.

26 PRIOR YEAR ADJUSTMENT

The Society's subsidiary undertaking, Royal Society of Medicine Support Services Limited has adopted a policy of paying all of its taxable profits being £328k (2015: £555k) to the Society, under Gift Aid. These gift aid payments are recognised as distributions through equity rather than as an expense through the profit and loss, and therefore an operating profit exists at the balance sheet date, on which a tax liability arises in both the subsidiary and the group. This represents a change in accounting policy and has been accounted for as a prior period adjustment. The impact of the adjustment is a tax charge of £62k (2015: £105k) for the year ended 30 September 2016. Unrestricted funds as at 1 October 2015 and 1 October 2014 have been restated by £440k and £444k respectively.

	SOFA as restated £000	Previous balance £000
Impact of incoming resources for 30 September 2015	387	492

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