

The British Society for Haematology
(Limited by guarantee)

Trustees' report and consolidated financial statements

Registered Company No: 02645706

Registered Charity No: 1005735

Year ended 30 September 2019

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The Trustees present their annual report and the consolidated audited financial statements for the year ended 30 September 2019.

These financial statements comply with current statutory requirements and with the requirements of the charity's governing document and with the Statement of Recommended Practice 2015 – "Accounting and Reporting by Charities".

Objectives and Activities

The objects of the Society, which is a registered charity and company limited by guarantee, are to advance the practice and study of haematology and to facilitate contact between persons interested in haematology. The chief ways in which the Society pursues these objects are through its journal; the production of clinical guidelines; its Annual Scientific Meeting; its grants programme and educational meetings.

The Trustees confirm they have referred to the guidance from the Charity Commission on public benefit and complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Commission's public benefit guidance. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Society's aims and objectives and in planning future activities. The Society's Mission Statement places public benefit centre stage, beginning with this sentence: "BSH exists to transform patient care through excellence in haematology".

Details of Significant Activities

The Society continued to work within its strategic plan *Moving on*.

There are five strategic aims for the lifetime of the plan:

1. Make BSH membership a must for haematology consultants, trainees, nurses and biomedical scientists, and strengthen membership engagement in all the Society's activities.
2. Maintain and build on areas where the Society has already gained a reputation for excellence: guidelines and education.
3. Transform the Annual Scientific Meeting into *the* go-to event for all UK haematology professionals.
4. Strengthen the voice of haematology at national and international levels.
5. Make sure the Society is fit for purpose in terms of sustainability and resource management.

Having reviewed the plan mid-cycle in 2018/19 and updated it, the Board began to consider the next iteration of the strategic planning process at its retreat in early September 2019. The Board decided to focus the next strategic plan around three main areas: education and knowledge sharing; support for members and, a new area for BSH, developing an advocacy role for the Society.

The BSH continued to provide the following activities throughout the year:

- Annual Scientific Meeting (ASM): the 2019 meeting built on the success and innovations of 2017-18 and, once again, achieved the largest attendance ever for a stand-alone meeting and record sponsorship. Feedback from delegates was very positive.
- Educational work: including the continuation of the provision of the British Journal of Haematology (*BJHaem*) to full, trainee and developing world members; ongoing development of the education section of the corporate website; continuation of education days run by the Education Committee regional leads; and Special Interest Groups (SIGs).
- Grant-making programme
- Clinical Guidelines.

We report on these in more detail below.

Annual Scientific Meeting (ASM)

The ASM was held in Glasgow between 1-3 April and was the Society's 59th conference. This year's meeting was the third organised by MCI, the Society's professional conference organiser (PCO). The meeting attracted a record-breaking 1436 delegates. The Programme Committee delivered an excellent scientific and educational programme alongside more informal social activities, all of which were very well received by delegates.

The meeting continued the American Society of Hematology (ASH)-BSH opening plenary; the Crucible competition and featured the ever popular 'Meet the Expert' sessions. The Society continues to work hard to encourage participation in and attendance at the meeting by trainees and nurses.

For the 2019 ASM we continued with reduced attendance fees for members, more attractive single day attendance options and expanded the range of attendance grants available for both members and non-members alongside the innovative provision of creche facilities. We will monitor the feedback on the programme and the take up of reduced attendance fees and bursaries and use the results for planning of future years' meetings.

MCI kept a very strong control of costs and delivered a record £929,919 amount of income. The ASM delivered a profit before tax of £190,139 (2018: £167,126). The increase in profit reflects the increase in sponsorship and delegate income.

As 2020 sees the 60th anniversary of the founding of the Society, planning for the ASM and other activities in that year was fully underway when, due to the Coronavirus outbreak, the 2020 meeting had to be cancelled. Other anniversary plans, being overseen by a project manager to ensure both successful planning and efficient use of the Society's funds, are now under review.

The Programme Committee, the BSH Trustees, BSHE Directors and Chief Executive are planning future ASMs with MCI on a rolling cycle (currently through to 2023) in order to secure attractive venues able to accommodate an expanding ASM, whilst maintaining a close view of the medium to long-term effects of the COVID-19 pandemic.

Education and awareness

Overall, the BSH spent £1,078,104 on education and awareness activities compared with £912,106 in 2018. Many costs were similar in range to those of 2018. There were some key differences, however. In 2019 there was £108,117 expenditure on the 2020 Anniversary; and expenditure of £24,750 on the Haematology Work Force Report (which appeared in early 2020). However, in other areas costs were down, notably the ASM £55,235 (£99,338 in 2018) and Guidelines at £18,226 (2018: £31,456).

It is also important to note that support costs for education and awareness increased significantly during the year. This was because the Society's property at White Lion Street underwent the planned refurbishment program to result in updated and improved use of space for the Society's growing needs. The refurbishment costs, additional temporary office facility costs, and legal costs resulted in an increase in premises costs in the year. This was part of the implementation of the Society's strategic plan – *Moving On* – and in addition to the improved premise facilities, staff numbers and costs also increased in the year, in line with the plan. Please see Notes 7 and 8 for more detailed information on this.

Journal

BSH provides the British Journal of Haematology (*BJHaem*) to all full, trainee and developing world members at a cost to the Society of £107,303 (2018: £103,883). The BJH is co-owned by the Society and the publisher Wiley. During 2019, the Society and Wiley signed a contract for an open access journal. The new journal, called *eJHaem* was launched just after the year end in November 2019, and will enable the publication of additional quality material as a valuable overflow from *BJHaem*. The new journal published its first contribution paid for by an Article Payment Charge, in February 2020.

Events

The Society continued to run education events throughout the year, via its Committees, Special Interest Groups (SIGs) and regional leads. These included: student days; CMT day; ST3 induction day; a trainee day; a paediatric SIG day; 2 obstetric SIG days; and one run by the Lymphoma SIG. A student day was organised by the Yorkshire & Humberside regional lead and was held in Leeds on 13 October 2018.

Online Education

The Education Team (staff and volunteers), via a system of sub-editors, ensure that the website is up-to-date. The Education Committee is working on the re-development of the haematology image library. The new library will officially be launched at the 2020 ASM. The committee has approved a number of new case reports for publication on the site and is undertaking a review of all reports currently published. Committee members have written several new Multiple-Choice Questions (MCQs) which have been published on the site.

Grants, awards and prizes

The categories of awards are as follows:

Grant name	Total available	Max per applicant
Student Elective Scholarships	20 awards per annum	maximum £1,000 per applicant
Travel Scholarships	8 awards per annum	maximum £1,000 per applicant
American Society of Hematology Travel Scholarships	5 awards per annum	maximum £1,000 per applicant
European Hematology Association Travel Scholarships	10 awards per annum	maximum £500 per applicant
Early Stage Research Start-up grants +	6 per annum and 5 per annum	maximum £10,000 per applicant and maximum £15,000 per applicant
BSH ASM Travel and Abstract Scholarships	pool of £43,750 available	maximum £500 per applicant
Meeting Support grants	5 awards per annum	maximum £1,000 per applicant
Visiting Fellow Scholarship	3 awards per annum	maximum £6,000 per applicant
Global Haematology Scholarship++	pool of £24,000 available	maximum £6,000 per applicant

+ During the year, the Early Stage Research Awards were increased from five to six per annum and from £10k to £15k per project. So, 11 grants were dispensed, 6 x £10,000 and 5 x £15,000

++ The funds for this award are from the Global Haematology Designated Fund

Further information on the grants programme is available on the BSH website. The Scientific and Publications Committee (SPC) oversees the grant applications, makes the awards and reports back regularly to the Trustee Board. The Board sets the grant-making strategy for the Society. (See also the section on Designated Funds, with reference to the Data Registry Fund).

At the end of the year £219,250 worth of scientific grants had been awarded compared with £99,957 in 2018 (see Note 6). A total of 117 grants were awarded compared with 87 in 2018. This increase is accounted for, predominantly, by a higher take-up of historically under-subscribed grants, as well as the expansion of the grant programme: the Early Stage Research programme was expanded in both individual value and number of available grants, increasing available funding from £60,000 to £150,000. This year saw the take-up of some of the Global Haematology grants available, and some of the ASM grants continued to fund attendance of the ASM by non-members.

BSH continued with the National Institute for Health Research (NIHR)-BSH “Researcher of the Year” awards in 2019. Five awards, totalling £2,500, were made; they were presented at the ASM in Glasgow.

At the 2019 ASM, Dr Jennie Darlow won the £1,000 Crucible prize for her presentation on: “How can haematology change the world?”

BSH also awarded cash prizes to the top two entries in its annual student essay competition to a total value of £750.

Clinical Guidelines

The Society’s Guidelines Committee and its four Task Forces continued to produce high quality clinical guidelines which not only support the haematological community in the UK but are used worldwide. The Guidelines Committee has also provided haematological advice to the National Institute for Health and Clinical Excellence (NICE). The cost of the production of guidelines was £40,973, which included £18,226 spent on literature searches (2017: £31,456). The Society has been refining its guidance processes over the past two years and now produces Good Practice Papers and Position Papers in addition to the full Guidelines. Good Practice Papers are used to recommend good practice in areas where there is a less robust evidence base but for which a degree of consensus or uniformity is likely to be beneficial to patient care. Position Papers primarily consist of adoption and adaptation of a non-UK evidence-based guideline for use in the UK. The Society produced three Guidelines and two Good Practice Papers (GPPs) during the year. The latter are guidance where there is insufficient evidence for a full guideline. The Guidelines and GPPs issued were:

- The Prevention of glucocorticoid-induced osteoporosis in patients with immune thrombocytopenia receiving steroids: Good Practice Paper published 4 Jan 2019
- The management of primary mediastinal B-cell lymphoma: Good Practice Paper published 4 Jan 2019
- Diagnosis and management of polycythaemia vera published 27 Nov 2018
- Diagnosis and management of primary central nervous system diffuse large B-cell lymphoma published 23 November 2018
- Management of specific situations in polycythaemia vera and secondary erythrocytosis published 13 November 2018.

The Society, as part of its strategy, has increased the guidelines staff complement; the budget for literature searches; and the budget for other services provided by medical writers for the guidelines programme.

Membership

Following a General Meeting in April 2018, at which the Society changed its categories of membership by virtue of the adoption of new Articles, the roll out of the new categories began at the start of the current year, in October 2018. Over the rest of the year, membership applications increased each month and averaged 40 per month, compared with an average of 20 in the previous Financial year. This growth looks to continue after the 2018-19 Financial Year, with an average of 60 membership applications per month over the first five months of the 2019-20 Financial Year. However, the medium-term impact of COVID-19 is not yet known, and the Society is not complacent.

Communications

Our reach via social media, e-bulletins and our website continue to grow. Our most popular social media channel is Twitter which has grown from 4,858 followers in October 2018 to almost 7,000 followers in September 2019. All our social media accounts have engagement from both haematology professionals and patients from around the world. BSH has a range of e-bulletins that members and non-members can sign up to, the most popular being:

- Guidelines 2,681 subscribers
- Events 1,706 subscribers
- Grants 1,372 subscribers
- Member-only, 1,841 subscribers

Our open rates average at 40% which is substantially above the industry average (30%). Our website has had over 1,320,466 page-views, with the Guidelines continuing to be the most popular page (100,924 views). Website users come from 210 different countries which demonstrates our global reach.

BSH at 60

The Society marks its 60th anniversary in 2020 and in February 2019 a project manager was engaged to plan and implement activities for the anniversary year. The Board had set aside a designated fund of £350,000, increased to £400,000 during the year, and has been working with the project manager over the past 12 months on co-ordinating all the potential projects to ensure both successful planning and efficient use of the Society's funds.

In early 2020, the Society was using the anniversary to engage further with its current members and potential members to celebrate the advances in haematology over the past 60 years and to look forward to what the future might hold for the discipline and those working within it. The anniversary will have lasting impact with the launch of enduring projects during 2020, which include the updated and expanded careers booklet and the timeline detailing developments in haematology over the past 60 years.

Due to COVID-19 outbreak, the Society is reviewing these plans to ensure that what it continues to do is appropriate and proportionate. These include:

- how costs not already committed can be scaled back;
- how the work that has been done, eg the timeline of UK haematology and accompanying exhibition, can be shown online rather than in person;
- how the anniversary might be extended into 2021 to make best use of what has already been put together.

Work Force Review

During 2018-19, the Society's External Affairs Committee worked with APCO Global, a well-respected consultancy, on a review of the UK clinical haematology workforce. The Trustees reviewed a draft of the report at its November 2019 meeting and the report launched in early March 2020. Key findings included: many vacancies in the workforce and within the consultant workforce this is exacerbated by early retirement and a lack of trainees coming through to replace senior

colleagues; staffing levels that remain stable will not be able to cope with increasing numbers of patients who are living longer (due to better, and novel treatments); and low morale and sickness levels are having an adverse effect on the work force. On a more positive note, those working in haematology are excited by recent diagnostic and treatment developments and senior consultants are keen to nurture and mentor their successors. The report will inform the Society's new round of strategic planning, which will focus on membership recruitment, engagement and retention; education and learning; and representing its members, and the discipline more widely, in the future.

Finance

The Board reviewed the surplus reserves during 2019. The Board will set up a task and finish group to investigate how these reserves might be used, for projects in furtherance of the Society's charitable aims and objectives. However, Trustees will also need to factor in the effects of COVID-19 on the Society's reserves and plan accordingly.

Infected Blood Inquiry (IBI)

In November 2018 the Society received a request from the IBI for the retention of all documents and information and for the production of the specified documents and information under Rule 9(2) of the Inquiry Rules 2006. The request also asked the Society to retain and refrain from destroying any records or other materials that may contain information that was potentially relevant to the Inquiry,

The Society complied with this request over the next few months, maintaining contact with the IBI throughout. The Society felt that it was important to inform the Charity Commission of the contact from the IBI; we did this in January 2019. The Commission responded in May that it was satisfied with the actions the Society's Trustees had taken on the understanding that we had reported to the Commission fully and frankly. In the spring and summer of 2019, the IBI asked the society to assist with finding experts for the expert panels it was convening; the Society was pleased to be able to assist the IBI further.

Review of transactions and financial position

The Trustees are satisfied with the group's results for the year which are shown in the consolidated statement of financial activities and income and expenditure account on page 17. The Society has incurred no financial costs in any fundraising activity. Neither did the Society engage any external fundraisers, nor did it receive any complaints in respect of its fundraising activities.

In late 2018, the Trustees decided that the Finance Committee should also take on the responsibility of carrying out the Society's risk assessments and oversee the annual external audit and report back to the Trustee and BSHE boards. The Committee has therefore been renamed as the Finance, Audit and Risk Committee (FARC). The FARC monitors all financial aspects of the Society including its trading arm and the investments strategy and performance.

Income

The total consolidated income has risen to £2,430,241 (2018: £2,269,269).

Our biggest income stream remains our share of the profits of the British Journal of Haematology (*BJH*) which was £1,220,251 (2018: £1,093,064). During the year, the impact factor of the *BJH* was 5.206; it continues to appear in the top quartile of haematology journals. The increased take-up of the "All Journals" licence subscriptions has resulted in increased subscription revenue from the *BJH* and the Society is working with Wiley to continue to increase *Project Based Revenues*.

Income from the ASM was £910,919 (2018: £898,612). Both delegate numbers and sponsorship were higher in 2019 than 2018. but venue costs in Glasgow were on a par with those for the 2018 meeting in Liverpool. Further information is at Note 9.

Income from membership subscriptions was £190,843 (2018: £183,813). The Trustees held subscription rates at the same level for 2019. There were 2,077 active members at the year-end which represents a net increase of 312 from the previous year. The increase in membership numbers is doubtless related to the roll out of new categories of membership following

the General Meeting in 2018 at which BSH adopted new Articles. The increase in members, and improvements to the system for collecting subscriptions, are the main reasons for the increase in this income.

Investment income was £107,637 (2018: £92,966). The Society is now showing dividends reinvested in the Investment Portfolio as income during the year that it was received. Withdrawals were made from the Society's two Investment Portfolios during September 2019 (£600,000) and October 2019 (£600,000) to provide the liquid funds to support Society's future expenditure allocated within the Designated Funds. This, along with the Global Financial position after the Corona Virus pandemic, is expected to reduce the investment income in the next year.

Expenditure

Most resources expended were for running the Society, running of the annual conference, educational services, providing the Journal to members and research grants. Grants are recognised in the Statement of Financial Activities when they are authorised by the Scientific and Publications Committee (SPC). See above, Significant Activities and Notes 6 and 7 for detailed reporting on grants and education. The trading subsidiary results are discussed below and at Note 9.

Designated Funds

The work of the Global Haematology SIG continued this year, with monies being drawn down against the Global Haematology Fund. The SIG continued with the pilot for the Plenary Speakers Scheme, which sends BSH members to international conferences held in LMICs, to give lectures. This has been well-received, and the scheme has been moved from being a pilot to forming a keystone of the SIG's work. The SIG partners with HVO, a US NGO, which places haematology professionals in Low- and Middle-Income Country (LMIC) settings for a few weeks. Two BSH members undertook a pilot visit to Cambodia as part of this scheme. Finally, the SIG has linked up with the ASH Sickle Cell New-born Screening programme and professionals in Zambia and had planned to undertake a scoping visit to Zambia in June 2020 as part of this initiative; however, due to the COVID-19 situation, this has had to be postponed, along with the Plenary Speakers' Scheme and HVO collaboration.

The Wilkinson Bequest continues to support the provision of the *BJH/RCPATH/Dacie* and Wilkinson Bequest Lecture by an international speaker at the ASM. In 2019, the cost to the Society was £319 (2018: £257).

During the year, the Trustee Board:

- increased the Data Registry Fund from £250,000, for the support of cohort studies, to £300,000. The money will be administered by the Scientific and Publications Committee (SPC) as part of the Society's research programme. The fund opened to submissions in the summer of 2019; 8 applications were made to the fund which are now at the review stage.
- increased the 2020 Fund from £350k to £400k. The Society has used the anniversary to engage further with its members and potential members; to celebrate the advances in haematology over the past 60 years; and to look forward to what the future might hold for the discipline and those working within it.
- designated £20k to be spent over the next two years on regional events and education. This will replace the regional leads structure. Members will be able to apply for monies to support initiatives in their part of the country; the fund will roll out during 2020 and the Scientific and Publications Committee will administer it.

Trading activities

The Charity's subsidiary company made an overall profit (stated before Gift Aid payment to the Charity) for the year of £190,139 (2018: £167,126) and the results are shown in note 9 to the financial statements.

Given the cancellation of the 2020 ASM, the contribution from Trading activities in the year ended September 2020 will be considerably reduced. At the time of approval of the accounts there are ongoing discussions with all sponsors with a view to repurposing the money towards activities later this year, or next year's ASM. The feedback from ASM sponsors is generally to support the subsidiary in the sunk costs of the 2020 ASM as well as the costs of alternative projects in the year, thereby retaining their sponsorship income in the trading subsidiary.

At the time of signing the accounts the ICC in Birmingham have agreed to refund part of the venue hire costs for the 2020 ASM, with part being retained towards a future ASM at Birmingham.

Reserves policy

The assets of the Society included tangible fixed assets £479,732, investments of £7,401,976, net current assets of £2,171,548 and overall, the Society's net assets stand at £10,053,256. This includes designated funds of £740,725 and general funds of £9,312,531. During the year total funds increased by £716,477 to £10,053,256.

In January 2018, the Trustees instigated a review of the Society's reserves policy, and they considered a paper at their October 2018 meeting, at the beginning of the current year.

The FARC continues to monitor the Charity's Reserve Policy annually. The level of the Operational Reserve continues to cover 1.5 years of running costs should it be necessary to wind down the Society for any unanticipated reason or if future income falls; plus amounts to cover fluctuating ASM surpluses and the unlikely (but if it occurred, damaging) dramatic, unexpected loss of sponsorship income for the ASM. An allowance of 20% for market volatility was agreed, resulting in an Operational Reserve figure of £2,550,000. In addition, there should be a cash reserve of £500,000 at the year end to maintain fluidity; please see the table below which shows the short and long-term operational reserves.

The sharp fall in the markets during the recent COVID-19 crisis still left the Society with ample reserves, due the significant level of funds invested in the portfolios. At the point of the initial announcement on lockdown the CCLA/Coutts investment portfolios reduced by 16%/8% (respectively) of its value at the quarter ended 31 December 2019, leaving a portfolio of £6m in value. After just over a month this value has increased to £6.5m with the markets bouncing back somewhat; the losses in values of the investments since the 31.12.19 having been reduced to 6%/2.5% for CCLA/Coutts

The Board had asked the FARC to review and make recommendations for use of the Society's surplus reserves. Excluding operational fixed assets, operational reserves and designated funds, surplus reserves at 30 September 2018 had been £5m. A task and finish group will be set up to obtain external advice and feedback to the board regarding potential options which may include property purchase or investment; increased expenditure on research; increased investment in education resources, all the while taking into account the medium to long term impact of COVID-19.

Purpose	Amount (£)	
SHORT TERM FUNDS		
Operational cash requirements are held in accounts with Coutts and HSBC, as are those for BSH Enterprises. Short-term reserves are held in a Coutts Reserve account. Funds in excess of cashflow requirements are periodically moved to the investment funds.	£500K at the year end	
LONG TERM FUNDS		
The Minimum Reserve is managed as part of Investment Funds by Specialist Investment Managers with same risk profile as funds required in 3-5 years.	£2,550,000	
TOTAL	£3,050,000	

Investment policy

At the beginning of the year, the FARC worked on an updated Investment Policy. This was signed off by the Trustee Board in January 2019. The Policy covered the Society's:

- Investment beliefs and principles
- Objectives and risk attitude
- Asset allocation strategy
- Treasury and investment manager selection, benchmarks and performance targets
- Ethical investment
- Attitude to capital growth and income generation
- The scope of the investment powers
- Investment Management Fees and Transaction costs
- Shareholder activism and voting of shares
- Authority of Instruction.

The Trustees have continued to take advice from the Society's investment managers to ensure that the investment portfolio is managed, in line with its ethical requirements and spread to reduce risk to the Society. The portfolio is aimed at growth in value rather than income generation, with income being reinvested. The overall investment portfolio has decreased by £27,256 in the year (2018: £2,782,094 increase); £600,000 was withdrawn from the CCLA Investment Fund in September 2019, to support the planned Designated Funds spend in the new year. Last year £2.4 million was transferred from the Reserve bank account into the CCLA Investment Fund. A further £600,000 was withdrawn from the Coutts Investment Fund in October 2019.

The total investment portfolio was valued at £7,401,976 as at 30 September 2019, compared with £7,429,232 in 2018 and £4,647,138 in 2017.

Investment income was £107,637, compared with £92,966 in 2018, with dividends received and being reinvested within the investment portfolio now being shown as income in the year.

The fund managers are adhering to the restrictions imposed by the Trustees regarding ethical standards. The progress of the investments is tracked and reviewed regularly. The Trustees have taken advice from the investment managers and have invested in a range of direct investments and managed funds which meet their investment criteria. Regular performance reports are received, and the investment is reviewed on a regular basis by the FARC and by the Board; most recently, the FARC asked both CCLA and Coutts to give a substantive update to its meeting in January 2020. The Coutts Investment fund is defensive; the CCLA one is higher risk.

At the time of writing, due to the COVID-19 outbreak, both funds have lost value which is fluctuating between 12-16% (CCLA) and 6-8% (Coutts). The Trustees' decision, in the previous financial year to move the Coutts investments to a more defensive portfolio has been proved to be very sound.

Whilst the Trustees are not complacent, they are confident that the Society's substantial reserves will be enough to see the organisation through this difficult time.

Investment powers

The Trustees have the power to invest funds not immediately required for operational purposes in such concerns, securities or property as they think fit.

Principal risks and uncertainties

The Trustees assessed the Society's risk register and the Directors of BSH Enterprises Ltd assessed its risk register in July 2019. This exercise is undertaken on an annual basis in accordance with the guidelines for charities. Following the assessments, both documents were revised and updated. The Trustees of the Society and Directors of BSH Enterprises Ltd believe they have taken enough steps to mitigate the risks identified for each organisation. The principal risks that the Society faces, as identified in the updated risk register, are:

- Failure to translate the strategy into achievable and measurable activities
- Failure to ensure that the new structures within BSH work together effectively;
- Potential losses from trading subsidiary due to drop in revenue from delegates and or sponsorship
- Major IT systems failure including failure of external suppliers.

Whilst a pandemic was not considered a principal risk in the versions of the Risk Registers updated in the year, the recent global events with the outbreak of COVID-19 has meant that the Trustees have had to consider the consequent risks for the Charity. The FARC considered this area of the Register in May 2020 and reported accordingly to the Board.

Below, we highlight the mitigation work to these risks.

Firstly, the Society is focused on ensuring that structure (the two Boards, Committee and SIGs) and resources (staff, building and money) are used optimally to ensure that the strategic plan will be achievable and will enhance the charity's aims and objectives. As part of this focus, at the start of this year, the Chief Executive and Board recalibrated the content and format of the Society's strategy to ensure it was up-to-date and fully fit for purpose for the remaining 18 months of its lifetime. New staff roles were created to take it forward.

The Society hired MCI, a global PCO company to run its ASM in 2017 and remains reassured that MCI has in place suitably robust systems across the board that will ensure successful and profitable Annual Science Meetings being held.

In 2019, the charity reviewed the Reserves Policy and Risk Register, and has set aside enough in reserves to insure against the short-term catastrophic loss of commercial income for the ASM. As a result of the COVID-19 pandemic the 2020 ASM had to be cancelled but at the time of writing the Trustees Report it is not anticipated that the 2020 ASM will report a financial loss. Whilst the registration fees of delegates are to be refunded in full, any committed costs to date are to be deducted from any refunds due to sponsors. Several major sponsors have expressed the desire to either support the current year's Charity activities or roll their sponsorship forward to next year's ASM, thereby leaving the income in the subsidiary.

During the year the Society carried out a major re-purposing of its headquarters. The number of staff members, Committees and SIGs has grown and the current building, though it has enough space, was not being used to its full and best capacity. This has been remedied by the repurposing of the office space which has room for further expansion of staff numbers and improved facilities for meetings. Work began in December 2018 and completion was in mid-February 2019.

The Society has coped with the recent limitations on travel during the COVID-19 pandemic by enabling all staff to continue to work from home using laptops and remotely connecting to the office server, thereby ensuring as little disruption as possible in the ongoing work of the Charity.

Last year BSH put in place more robust contractual procedures for its website (including hosting) and its IT services; at the time of writing, the Society was just beginning work with its website developers on an upgrade to the content management system to ensure that the system remains supported and stable into the next few years. The Society is also working on longer-term plans for the hosting of its computer filing system.

The Charity will continue to remain a necessary source of education and support for the Haematology profession and material losses in members subscriptions are not anticipated following the pandemic. The majority of subscriptions are collected in January which has meant that most have been collected pre the pandemic. The levels of subscriptions received in January 2020 were consistent with levels in previous years, and there have not been substantial cancellations and requests for refunds following the pandemic.

John Wiley & Sons regularly update the Trustees on the finances of the Journal and is currently actively updating the Trustees on the effect of the pandemic. The production of digital material continues to be possible throughout the restrictions of the pandemic, and, after a short period of being unable to produce printed Journals, Wileys have been able to recommence the printing process.

VAT

The Society continues to monitor its VAT status with the assistance of its advisers and management accountant.

Structure, governance and management

The charity is an incorporated legal entity limited by guarantee, the business of which is governed by a Board of Trustees, which meets quarterly. The charity has 10 FTE staff members; this number includes some temporary staff and it is the Society's plan, where appropriate, to make these roles permanent in the next year. The Trustees have delegated day to day responsibility for the running of the charity to the Chief Executive.

Special Interest Groups (SIGs) and Regions

By this year end the society had five SIGs: Global Haematology; Lymphoma; Obstetrics; Paediatric; and Teenage and Young Adults (TYA). Both the Global Haematology SIG and the Paediatric SIG had previously been Subcommittees of the Board. All groups are active in their area, undertaking educational work in various ways.

The new, designated Regional Fund will replace the regional leads structure (See above).

The charity has invested £2 in a wholly owned trading subsidiary BSH Enterprises Limited (BSHE) through which the organisation of the Annual Scientific Meeting (ASM) for the British Society for Haematology is conducted. The company, BSHE Ltd, gift aids its taxable profits to the charity.

The Trustees of the charity and the Directors of the subsidiary are responsible for strategic direction and governance of the BSH and BSHE Ltd. The Key Management Personnel of the group includes the Trustees and Directors. No Trustees were remunerated during the year (2018: nil). Total remuneration to the Key Management Personnel was £ 74,370 (2018: £71,954). The pay of the Key Management Personnel is reviewed annually. In view of the nature of the charity, the Trustees benchmark against pay levels in other charities. The remuneration setting policy is the mid-point of the range paid for similar roles in similar-sized charities.

Appointment of trustees/directors

Following a General Meeting in April 2018, at which the Society changed its categories of membership by virtue of the adoption of new Articles, the roll out of the new categories began October 2018. Over the rest of the year, membership applications increased each month and averaged 40 per month, compared with an average of 20 in the previous Financial year. This growth looks to continue after the 18-19 Financial Year, with an average of 60 membership applications per month over the first five months of the 19-20 Financial Year.

Trustees/Directors are elected by secret ballot of eligible members during February-March each year; Ordinary Trustees, the Secretary and the Treasurer sit for a three-year term and the Vice-President serves two years before becoming President and serving a further two years. Ordinary Trustees, the Secretary and Treasurer may stand for election for a second three-year term, thereby enabling them to serve up to six years on the Board in this role. Under the Articles adopted in April 2018, this second term for Ordinary Trustees may now be consecutive, where previously a Trustee had to be out of office for one year before standing again for election. Trustees take up/relinquish office at end of the Trustees' Meeting held during the ASM.

The Board has the power to co-opt Trustees and currently has two lay trustees in addition to the Ordinary Trustees and Officers; during the year, the Board decided to recruit two additional lay trustees who would bring new skills and also assist with continuity and succession planning when the current lay trustees demit in April 2022.

The Society provides new Trustees with an induction session and guidance from the Charities Commission and other relevant publications. Trustees' remuneration and expenses are detailed in note 11 to the financial statements.

Political and charitable contributions

The group cannot make political contributions under their governing documents and charity law. The group has not made any charitable donations during the year.

Future Plans

Strategic Direction

In 2019-2020 the charity will continue to implement its revised strategy, *Moving on* whilst adapting it into the next round of strategic planning; a new plan will be launched in the autumn of 2020 to coincide with the Society's new financial year. Two key developments will be a review of the vision and mission statements; and three strategic aims: supporting membership and the wider profession; education and learning; advocacy for both the profession and the discipline of haematology.

Following initial work done by the Board in autumn 2019, and a discussion session for staff, the next step was to consult Committee and SIGs via a meeting of their Chairs and other representatives. Ideas will be woven into an initial document for the Board's consideration in the summer. Budgetary work will take place over the summer in time for launch in early October.

Following a report by a working group on income diversification, the Board will be considering how best to implement its findings. Options include active fundraising; consideration of property purchase; and roll out of further partnerships with the biomedical and pharmaceutical industry. This last item had been due for launch at the ASM at the end of April 2020 but with the cancellation of the meeting, this work is being brought forward for a faster roll out. The Society will take due consideration of the likely medium to long-term consequences of COVID-19 when taking forward the new strategic plan.

Governance and infrastructure

An early plan for further strengthening of the Board are to recruit two more lay Trustees in 2020. At the time of writing, the Society had advertised the positions and was at the long-listing stage. Interviews have been postponed in the wake of the COVID-19 outbreak, but the Board plans to take this forward during the summer, remotely if need be.

Another consequence of cancelling the 2020 ASM was that Trustees due to take up office at the meeting were unable to do so in the usual way. In late March 2020 the Board, having taken legal advice, co-opted the elected incoming Officers and Trustees for one year, until the 2021 meeting. Over the next few months, the Board will consult further with lawyers on the best way to resolve this situation and to avoid a similar one occurring in the future.

The Society continues to work on ensuring that all its constituent parts: Boards, Committees, SIGs and staff, are working together and following the organisation's strategic direction.

Finance

The Board will be considering the future use of surplus reserves; options will include increasing the society's educational and grant-making work and purchase of a property (with the eventual aim of making it the Society's next headquarters). As mentioned earlier, it is the intention to set up a task and finish group to obtain external advice and feedback to the board regarding potential options. However, in view of the current pandemic, the Board and FARC will continue to monitor the finances of the Charity. The Trustees are aware of the potential drops in investment income going forward but have

confidence that the levels of membership subscriptions will be maintained.

The current £ Sterling: \$ US Dollar exchange rate strengthens the income in the Journal's accounts, and therefore the Royalties paid to the Society, due to the many subscriptions received in US Dollars.

On the other hand, Wiley, the Journals' publisher have said that the financial impact of the global pandemic remains unknown given the trajectory and timescale of the crisis are yet to unfold, whether by country or in aggregate. No industry or value chain will be immune to the crisis, but to the extent the research publishing industry's revenue is associated with digital delivery, they are hopeful that business can continue, with some adaptations, throughout this period. Like many other companies, Wiley continues to assess scenarios as the global situation evolves to be prepared to adapt quickly but at this time, it would be premature to offer any prediction of financial impact on specific societies.

Should the Society's income drop substantially through this period it has the Reserves to support costs going forward for 1.5 years and is ultimately in control of many of the material costs.

ASM

The 2020 ASM was due to be held in Birmingham from 26 to 29 April. However, due to the outbreak of COVID-19, the Trustee Board cancelled the ASM on 12 March. The Programme Committee had developed an exciting conference programme with a number of innovations – including a '60 at 60' Exhibition – organised around our 60th Anniversary Year; a nursing thread for the Tuesday; and linking up with NCRI to run their trials day on the Wednesday. During January and February, the registrations were well ahead of last year's event and we had seen a significant increase in abstracts submitted. Sponsorship too was up on last year.

In 2021, the ASM will move from a Monday to Wednesday slot to a Sunday to Tuesday slot for the first time. The meeting will be held in Liverpool from April 25 to 27. Following the cancellation of the 2020 meeting the Society plans to go ahead in May 2020 with the first planning meeting for the 2021 ASM. It is likely that the Society will roll over the 60th anniversary from late 2020 (19 November 2020 is the exact birthday of the Society) into early 2021, culminating at the 2021 meeting in Liverpool. It is hoped that some of the programme and plans outlined in the paragraph above can also be rolled over to the 2021 meeting.

Membership

Our membership continues to grow, and we plan to invest in ameliorating the membership package with a focus on improving the benefits especially for our nurse and consultant members. As part of this work we will be commissioning an organisation to do some research to make sure that any benefits we introduce are fit for purpose and are not duplicating what is already supplied elsewhere.

Statement of Trustees' responsibilities in respect of the Trustees' Report and consolidated financial statements

The Trustees (who are also Directors of The British Society for Haematology for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as we are aware:

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

Reference and administration information

The British Society for Haematology was registered with the Charity Commission on 7 November 1991 (registered number 1005735) and was incorporated as a company limited by guarantee (registered company number 2645706) on 13 September 1991. The company is governed by its Articles of Association incorporated on 13 September 1991 and which were last updated on 17 April 2018.

Trustees/directors

The Trustees/Directors who held office during the year were as follows:

Officers

President	Professor Cheng-Hock Toh (from 18 April 2018)
Vice President	Professor Simon Rule (from 18 April 2018)
Treasurer	Dr John Ashcroft * (from 18 April 2018)
Secretary	Dr Anne Parker (from 29 March 2017)

Ordinary Trustees

Dr Hume Ahmad	(to 03 April 2019)
Dr Subarna Chakravorty	(from 03 April 2019)
Professor Adele Fielding	(from 29 March 2017)
Dr Maria Gilleece *	(from 18 April 2018), re-elected April 2019
Professor Claire Harrison	(to 03 April 2019)
Dr Fergus Jack	(from 03 April 2019)
Dr Banu Kaya	(from 18 April 2018)
Professor David Roberts	(from 29 March 2017)

Dr James Seale	(from 29 March 2017)
Dr Josh Wright	(from 19 April 2016), re-elected April 2019

Co-opted Lay Trustees:

Mr Trevor Jones*	(from 19 April 2016), reappointed in April 2019
Ms Susannah Randall	(from 19 April 2016), reappointed in April 2019

* Member of Finance Audit and Risk Committee (FARC)

The Trustees of the charity constitute Directors for the purposes of the Companies Act 2006.

Registered office: 100 White Lion Street
Finsbury
London N1 9PF

Advisers

The company's principal advisers are as follows:

Solicitors Bates Wells Braithwaite
10 Queen Street Place
London EC4R 1BE

Clayden Law
1st Floor, 228-40 Banbury Road
Oxford OX2 7BY

Auditors Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Bankers Coutts & Co
440 The Strand
London WC2R 0QS


Investment Advisers Church, Charity and Local Authority (CCLA) Fund Managers Limited
Senator House, 85 Queen Victoria Street
London EC4V 4ET

Coutts & Co
440 The Strand
London
WC2R 0QS

Auditors

Haysmacintyre LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be reappointed as auditors.

By order of the Board



Dr A John Ashcroft
Trustee and Treasurer

100 White Lion Street
Finsbury
London N1 9PF

5 June 2020

**Independent auditor's report to the members of
The British Society for Haematology (Limited by guarantee)**

Opinion

We have audited the financial statements of The British Society for Haematology for the year ended 30 September 2019 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 September 2019 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 10, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Conclusions relating to going concern

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

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

**Independent auditor's report to the members of
The British Society for Haematology (Limited by guarantee)**

(Continued)

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Use of our report

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



.....
*Kathryn Burton (Senior statutory auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor*

*10 Queen Street Place
London
EC4R 1AG*

Date: ...18 June 2020.....

The British Society for Haematology (Limited by guarantee)
Consolidated statement of financial activities
Year ended 30 September 2019

	Notes	General Funds £	Designated Funds £	Total 2019 £	Total 2018 £
INCOME FROM:					
Donations	3	1,007	-	1,007	157
Charitable activities:					
Subscriptions		190,843	-	190,843	183,813
<i>Profit share of British Journal of Haematology</i>		1,220,251	-	1,220,251	1,093,064
<i>Other income</i>	4	284	-	284	657
<i>Income from the operation of conferences</i>		910,219	-	910,219	898,612
Investment income	5	107,637	-	107,637	92,966
Total income		<u>2,430,241</u>	<u>-</u>	<u>2,430,241</u>	<u>2,269,269</u>
EXPENDITURE ON:					
Raising funds					
<i>Investment management fees</i>	8	49,975	-	49,975	32,923
Charitable activities					
<i>Research</i>	6/8	318,447	22,689	341,136	199,281
<i>Education and awareness</i>	7	963,310	114,794	1,078,104	912,106
<i>Cost of operation of conferences</i>	8	739,877	-	739,877	730,487
Total expenditure	8	<u>2,071,609</u>	<u>137,483</u>	<u>2,209,092</u>	<u>1,874,797</u>
Net income before investment gains and transfers		358,632	(137,483)	221,149	394,472
Transfers between funds		(145,528)	145,528	-	-
Net gains on investments		495,328	-	495,328	319,553
Net income and net movements in funds		<u>708,432</u>	<u>8,045</u>	<u>716,477</u>	<u>714,025</u>
Reconciliation of funds					
Fund balances brought forward		8,604,099	732,680	9,336,779	8,622,754
Fund balances carried forward	19	<u>9,312,531</u>	<u>740,725</u>	<u>10,053,256</u>	<u>9,336,779</u>

All recognised gains and losses are reflected through the Statement of Financial Activities. No separate Statement of Total Recognised Gains and Losses is presented. All activities reflected above are continuing activities.

The accompanying notes form part of the accounts.

The British Society for Haematology (Limited by guarantee)
Consolidated Balance Sheet
At 30 September 2019

Company Number: 02645706

	Notes	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible assets	14	479,732		302,182	
Investments	15	7,401,976		7,429,232	
			<u>7,881,708</u>		<u>7,731,414</u>
CURRENT ASSETS					
Debtors	16	724,849		516,380	
Cash at bank and in hand		1,754,135		1,361,850	
		<u>2,478,984</u>		<u>1,878,230</u>	
CREDITORS: amounts falling due within one year	17	<u>(307,436)</u>		<u>(272,865)</u>	
NET CURRENT ASSETS			<u>2,171,548</u>		<u>1,605,365</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>10,053,256</u>		<u>9,336,779</u>
NET ASSETS			<u>10,053,256</u>		<u>9,336,779</u>
UNRESTRICTED FUNDS:					
General funds	19		9,312,531		8,604,099
Designated funds	19		740,725		732,680
TOTAL FUNDS			<u>10,053,256</u>		<u>9,336,779</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 5 June 2020 and were signed on its behalf by



Professor Adele Fielding
Trustee and President



Dr A John Ashcroft
Trustee and Treasurer

The accompanying notes form part of the accounts.

The British Society for Haematology (Limited by guarantee)
Charitable Company Balance Sheet
At 30 September 2019

Company Number 02645706

	Notes	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible assets	14	479,732		302,182	
Investments	15	7,401,978		7,429,234	
			7,881,710		7,731,416
CURRENT ASSETS					
Debtors	16	535,874		442,894	
Cash at bank and in hand		1,594,666		1,086,811	
		2,130,540		1,529,705	
CREDITORS: amounts falling due within one year	17	(306,498)		(256,352)	
NET CURRENT ASSETS			1,824,042		1,273,353
TOTAL ASSETS LESS CURRENT LIABILITIES			9,705,752		9,004,769
CREDITORS: amounts falling due after more than one year	18		-		-
NET ASSETS			9,705,752		9,004,769
UNRESTRICTED FUNDS:					
General funds	19		8,965,027		8,272,089
Designated funds	19		740,725		732,680
TOTAL FUNDS			9,705,752		9,004,769

The financial statements were approved and authorised for issue by the board of Trustees on 5 June 2020 and were signed on its behalf by



Professor Adele Fielding
Trustee and President



Dr A John Ashcroft
Trustee and Treasurer

The accompanying notes form part of the accounts.

As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities or Income and Expenditure account has been presented for the charity alone.

Income of the parent charity alone amounted to £1,694,570 (2018: £1,371,657). Net income of the charity after realised/unrealised gains on investments amounted to £700,983 (2018: £546,899).

The British Society for Haematology (Limited by guarantee)
Consolidated Cash Flow Statement
Year ended 30 September 2019

		2019 £	2018 £
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	A	44,734	526,318
Cash flows from investing activities			
Dividends and interest		107,647	92,966
Purchase of investments		(2,721,573)	(5,285,679)
Proceeds from sale of investments		3,241,137	2,847,849
(Increase)/decrease in investment cash		3020	(24,711)
Payments to acquire tangible fixed assets		(193,212)	(2,696)
Net cash provided by/(used in) investing activities		437,019	(2,272,271)
Change in cash and cash equivalents in the reporting period		392,285	(1,845,953)
Cash and cash equivalents at the beginning of the reporting period		1,361,850	3,207,803
Cash and cash equivalents at the end of the reporting period	B	1,754,135	1,361,850

NOTES TO THE STATEMENT OF CASH FLOWS

(A) Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities:

Net movement in funds:	716,477	714,025
Net gain on investments	(495,328)	(319,553)
Depreciation	15,107	12,680
(Increase)/decrease in debtors	(208,469)	520,885
Increase/(decrease) in creditors	34,571	(308,753)
Dividends, interests and rents from investments	(107,647)	(92,966)
Loss on disposal of fixed assets	555	-
Net cash (used in)/provided by operating activities	(44,734)	526,318

(B) Analysis of Cash and Cash equivalents

		1,754,135	1,361,850
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The accompanying notes form an integral part of these accounts.

1. COMPANY STATUS

The company is limited by guarantee, not having a share capital. The members undertake to contribute to the assets of the company in the event of it being wound up, either whilst members or within one year of the membership ceasing. The maximum contribution required from each member is £1. There were 2,077 active members at 30 September 2019 (2018: 1765).

2. ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. They are drawn up under the historical cost basis of accounting as modified by the revaluation of investments. The Charity has early adopted the Amendments set out in Charity SORP 2015 Update Bulletin 2 effective for accounting periods commencing 1 January 2019.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

General information

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 02645706) and a charity registered in England and Wales (charity number: 1005735). The Charity's registered office address is 100 White Lion Street, London N1 9PF.

The British Society for Haematology meets the definition of a public benefit entity under FRS 102.

Consolidation

The accounts consolidate the financial statements of The British Society for Haematology and its wholly-owned subsidiary, BSH Enterprises Ltd, on a line-by-line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities or Income and Expenditure account has been presented for the charity alone.

Income of the parent charity alone amounted to £1,694,570 (2018: £1,371,657). Net income of the charity after realised/unrealised gains on investments amounted to £700,983 (2018: £546,899).

Going concern

The Trustees have reviewed the Reserves Policy and the forecasts for the next two years and consider that there are no material uncertainties about The British Society for Haematology's ability to continue in existence and it has adequate resources for the near future. Current levels of investments and cash funds are in excess of the Reserves Policy and the Charity has the ability to curtail expenditure to a minimal level of overheads.

Every quarter the FARC reviews management accounts, 24 month cash projections, and budgets. The budgets prepared for the coming financial year will carefully consider the control of outgoing expenditure to be in line with the current income streams, any effect on levels of income due to the pandemic, and any increases in income resulting from the projects to diversify and increase income.

2. ACCOUNTING POLICIES (continued)

Critical accounting judgements and estimates and key sources of estimation uncertainty

In the application of these accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects current and future periods. The Trustees consider the following items to be areas subject to estimation and judgement:

Depreciation: The useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted retrospectively. Although tangible fixed assets are significant, variances between actual and estimated useful economic lives will not have a material impact on the operating results. Historically, no changes have been required.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Income

All income is recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Membership subscription income is accounted for on an accrual basis and represents only that part of the subscription which relates to the financial year in which it is paid. The balance is included in deferred income in creditors on the balance sheet and released in the period to which it relates.

Dividend income is accounted for in the statement of financial activities in the period in which the charity is entitled to receipt.

The profit share receivable from John Wiley & Sons Ltd in respect of The British Journal of Haematology is recognised on a receivable basis.

Turnover in BSH Enterprises Limited represents the amounts (excluding value added tax) derived from the provision of the annual conference for The British Society for Haematology. Turnover is accounted for on an accrual basis with income recognised in the profit and loss account for the conference completed in the current accounting period. Deposits received in respect of the conference in the next accounting period are held in deferred income in creditors in the balance sheet at the year end.

2. ACCOUNTING POLICIES (continued)

Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of investment management and other support costs that do not relate directly to separate charitable activities.
- Expenditure on charitable activities includes the costs of projects on health and education and their associated costs undertaken to further the purposes of the charity.

Support costs have been allocated to direct activities based on the total direct costs of each function.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Grant awards

BSH invites applications for funding of research start-up grants for young investigators in haematology. BSH also awards student scholarships and scholarships to assist haematology professionals to visit overseas institutions for the purpose of learning new research or clinical techniques. In addition, BSH awards travel scholarships to enable haematology trainees to attend major overseas conferences.

Applications are made to the Scientific and Publications Committee (SPC), which is assisted by independent expert reviewers for the higher-value research grants. The Board of Trustees approves annual grant budgets and reviews expenditure regularly.

The liability for the grant is recognised at the point the relevant committees authorise the award of the grant.

Operating leases

Rentals payable under operating leases are charged to the statement of financial activities over the terms of the lease.

Short-term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Pensions

The Charity contributes to the NEST defined contribution scheme, contributions are made in accordance with the rules of the plan and are charged to expenditure when they are payable.

Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Fixed asset investments

Quoted investments are stated at market value at the balance sheet date. The investment in the subsidiary company is included in the accounts at cost.

Fixed assets and depreciation

Items are capitalised if cost is greater than £1,000, otherwise they are written off directly to the Statement of Financial Activities.

2. ACCOUNTING POLICIES (continued)

Depreciation on these assets is provided to write off the cost of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Long leasehold property - over 50 years
Office equipment - 20% per annum

Taxation

The Society was registered as a charity in November 1991. Under s505 ICTA 1988 the charity is not subject to taxation on its charitable activities.

The profits of the non-charitable subsidiary are normally gift aided to the parent company. Any surplus remaining is subject to a taxation charge. The charge for taxation is based on the result for the year.

Fund accounting

The Society has the following types of funds for which it is responsible and which require separate disclosures.

General funds

General funds are unrestricted funds, and these are expendable at the discretion of the Trustees in furtherance of the objectives of the company. In addition to expenditure on the principal objectives of the company, such funds may be held in order to finance capital investment and working capital.

Designated funds

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds

Restricted funds are funds subjected to specific instructions by the donor, but still within the objects of the charity.

Transfers between reserves

Transfers between general and designated funds are made at the Trustees' discretion to set aside funds as required.

Financial Instruments

The charity only holds financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments include trade debtors, accrued income, other debtors and loan amounts due from subsidiary undertakings. Basic financial liabilities include trade creditors, accruals, and other creditors. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The British Society for Haematology (Limited by guarantee)
Notes to the financial statements (continued)
Year ended 30 September 2019

3. DONATIONS	2019	2018
	£	£
General funds		
Donations	1,007	157
	<hr/>	<hr/>
Total donations	1,007	157
	<hr/> <hr/>	<hr/> <hr/>
4. OTHER INCOME	2019	2018
	£	£
General funds		
Catering income	179	446
Room hire	105	211
	<hr/>	<hr/>
	284	657
	<hr/> <hr/>	<hr/> <hr/>
5. INVESTMENT INCOME	2019	2018
	£	£
General funds		
Dividend and returns from investments	106,078	92,611
Other interest receivable	1,559	355
	<hr/>	<hr/>
	107,637	92,966
	<hr/> <hr/>	<hr/> <hr/>

6. RESEARCH	2019	2018
	£	£
Research is achieved through the payment of the following grants:		
Early Stage Research start up grants (11 grants; 2018: 6 grants)	134,742	53,648
Travel Scholarships (14 grants; 2018: 12 grants)	12,907	11,378
Student electives (18 grants; 2018: 9 grants)	16,608	9,000
BSH ASM Scholarships, including for students (67 grants: 2018 57 grants)	30,804	23,575
Scientific Meeting support (2 grants: 2018 3 grants)	1,500	2,500
Global Haematology grants ((from Designated Funds) (5 grants))	22,689	-
Major Research Grants underclaim	-	(144)
	<hr/>	<hr/>
	219,250	99,957
Support costs (see note 8)	121,886	99,324
	<hr/>	<hr/>
	341,136	199,281
	<hr/> <hr/>	<hr/> <hr/>

A total of 117 (2018: 87) grants were awarded in the year and included in above are the following grants paid to institutions:

2019: Imperial College of Science Technology and Medicine £14,922; University College of London £14,977; University of Bristol £435; University of Cambridge £500; NHS Blood and Transplant £500; University of Sheffield £481; Leukaemia Care £500; University of Glasgow £160.

2018: King's College London: £10,000; Imperial College of Science: £9,703; Newcastle University: £9,545; University of Oxford: £10,000; Glasgow Caledonian University: £10,000; GBS University Hospitals of Leicester NHS Trust: £10,000; Thrombosis UK: £1,000; University Hospital Bristol: £500; University of Cambridge: £1,000.

7. EDUCATION AND AWARENESS	2019	2018
	£	£
Guidelines Committee General Expenses	5,588	1,492
Guidelines Haem/Thrombosis T/F Expenses	6,902	3,574
Guidelines Haem/Oncology T/F Expenses	5,197	6,270
Guidelines General Haem T/F Expenses	115	6,116
Guidelines Transfusion T/F Expenses	4,945	3,014
Guidelines Literature Searches & Medical Writing	18,226	31,456
Educational Committee Expenses	3,634	2,896
Communications Committee Expenses	1,214	10,530
Paediatric Special Interest Group Expenses	1,330	2,754
Lymphoma Special Interest Group Expenses	730	-
Advisory Committee for Clinical Excellence Awards	-	400
External Affairs Committee expenses	-	567
Programme Committee expenses	1,792	4,007
Scientific and Publications Committee expenses	-	507
Genomics Working Group	734	178
Other Committee Expenses	236	1,622
Educational Services & Journals	107,303	103,883
Annual Science Meeting costs	55,235	99,338
Prizes & Excellence Awards	4,250	4,250
Website Costs	32,815	23,942
Educational Events costs	11,547	47,280
Contributions to external events	2,328	1,500
Global Haematology Committee expenses	-	2,912
Global Haematology Working Group expenses	6,359	3,766
Wilkinson Lecture cost	319	257
Haematological Workforce Survey	24,750	-
2020 Anniversary Commemoration Costs (from Designated Funds)	108,117	-
	<hr/>	<hr/>
	403,668	362,511
Support costs (see note 8)	674,436	549,595
	<hr/>	<hr/>
	<u>1,078,104</u>	<u>912,106</u>

8. EXPENDITURE	Direct Costs £	Grants payable £	Support - Costs £	Total 2019 £
Total expenditure				
Cost of raising funds				
<i>Investment management fees</i>	33,725	-	16,250	49,975
Charitable activities				
<i>Research</i>		219,250	121,886	341,136
<i>Education and awareness</i>	403,668	-	674,436	1,078,104
<i>Cost of operation of conferences</i>	739,877	-	-	739,877
	1,177,270	219,250	812,572	2,209,092
	1,177,270	219,250	812,572	2,209,092
EXPENDITURE PRIOR YEAR	Direct Costs £	Grants payable £	Support - Costs £	Total 2018 £
Total expenditure				
Cost of raising funds				
<i>Investment management fees</i>	19,680	-	13,243	32,923
Charitable activities				
<i>Research</i>	-	99,957	99,324	199,281
<i>Education and awareness</i>	362,511	-	549,595	912,106
<i>Cost of operation of conferences</i>	730,487	-	-	730,487
	1,112,678	99,957	662,162	1,874,797
	1,112,678	99,957	662,162	1,874,797

The basis of allocation of support costs is based on an allocation of estimated staff time.

	2019 £	2018 £
Support costs - other		
Salaries and other staff costs	496,777	426,666
Premises costs	134,665	45,376
Office and computing	80,470	45,417
Professional fees	34,486	58,181
Marketing	4,539	10,189
Other	780	11,997
	751,717	597,826
Support costs - governance		
Audit costs	10,570	8,214
Legal costs	25,138	30,166
Trustees' & Governance meetings	25,147	19,956
Membership Review costs	-	6,000
	60,855	64,336
	812,572	662,162

9. INVESTMENT AND OPERATIONS IN TRADING SUBSIDIARY

The wholly owned trading subsidiary, BSH Enterprises Limited (02677826), which is incorporated in the United Kingdom and registered in England and Wales, pays all of its profit by gift aid. BSH Enterprises Limited operates the Annual Scientific Meeting (ASM) and all commercial trading operations. The charity owns the entire issued share capital of 2 ordinary shares of £1 each. A summary of the trading results is shown below:

	2019	2018
	£	£
Turnover	929,919	948,332
Cost of sales	(726,228)	(756,639)
	<hr/>	<hr/>
Gross profit	203,691	191,693
Administrative expenses	(12,256)	(23,569)
	<hr/>	<hr/>
Operating profit/(loss)	191,435	168,124
Finance Costs	(1,394)	(1,020)
Interest receivable	98	22
	<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation	190,139	167,126
Taxation	-	-
Gift Aid paid	174,647	-
	<hr/>	<hr/>
	15,492	167,126
	<hr/> <hr/>	<hr/> <hr/>

The costs of the Annual Scientific Meeting recharged to the Society have been recognised as expenditure within charitable activities and on consolidation the elimination of these costs has been reflected on the Statement of Financial Activities within the operation of conferences.

The assets and liabilities of the subsidiary were:

Current assets due within one year	375,213	317,885
Debtors due after more than one year	38,527	35,028
Creditors: amounts falling due within one year	(66,234)	(20,901)
	<hr/>	<hr/>
Total net assets	347,506	332,012
	<hr/> <hr/>	<hr/> <hr/>
Share capital and reserves	347,506	332,012
	<hr/> <hr/>	<hr/> <hr/>

10. NET INCOME	2019	2018
	£	£
Net income is stated after charging:		
Auditors' remuneration:		
- Audit of these financial statements (excluding VAT)	8,245	7,925
- Audit the subsidiary financial statements (excluding VAT)	5,020	4,825
- Other services	1,950	1,875
Depreciation	15,664	12,680
	<u> </u>	<u> </u>

11. REMUNERATION OF TRUSTEES

The Trustees received no remuneration during the year, or the previous period. 10 Trustees received reimbursement of expenses in the year of £10,788 (2018: 14 Trustees; £16,001). These expenses related to travel and subsistence necessarily incurred in the performance of their duties. No amounts were paid directly to third parties.

12. STAFF NUMBERS AND COSTS

The average number of persons, employed by the group during the year (excluding Trustees and Directors) was 7 (2018: 6). The average number of persons including temporary staff was 11.

The group aggregate payroll costs of these persons were as follows:

	2019	2018
	£	£
Wages and salaries	230,974	168,368
Social security costs	21,347	17,529
Employers pension	18,507	11,720
Temporary staff	192,414	197,259
	<u> </u>	<u> </u>
	<u>463,242</u>	<u>394,876</u>

There was 1 employee (2018: nil) whose emoluments for taxation purposes amounted to over £60,000.

The key management personnel of the group includes the Trustees and Directors. No trustees were remunerated during the year (2018: nil). Total remuneration to the key management personnel was £74,370 (2018: £71,954).

13. TAXATION

The company, which is a registered charity, is not liable to taxation on the net income from its charitable activities.

14. TANGIBLE FIXED ASSETS

Group and Charitable Company	Long leasehold Property & Improvements £	Office equipment £	Total £
Cost			
At 1 October 2018	435,450	63,884	499,334
Additions	169,309	23,903	193,212
Disposals	-	(40,182)	(40,182)
	<hr/>	<hr/>	<hr/>
At 30 September 2019	604,759	47,605	652,364
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 October 2018	139,341	57,811	197,152
Charge for the year	11,273	3,834	15,107
Depreciation on disposals	-	(39,627)	(39,627)
	<hr/>	<hr/>	<hr/>
At 30 September 2019	150,614	22,018	172,632
	<hr/>	<hr/>	<hr/>
Net Book Value			
At 30 September 2019	454,145	25,587	479,732
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 September 2018	296,109	6,073	302,182
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

15. FIXED ASSET INVESTMENTS

	2019 Market Value £	2018 Market Value £
Group Investments		
At 1 October 2018	7,244,104	4,486,721
Additions	2,721,573	5,285,679
Disposals	(3,241,137)	(2,847,849)
Realised gain/(losses)	43,542	(3,397)
Unrealised gains	451,786	322,950
	<hr/>	<hr/>
Total Investments (excluding cash)	7,401,875	7,244,104
Cash held in investment portfolio	182,007	185,027
	<hr/>	<hr/>
At 30 September 2019	<u>7,401,875</u>	<u>7,429,131</u>
Unlisted investments		
At 1 October 2018	101	101
Additions	-	-
	<hr/>	<hr/>
At 30 September 2019	<u>101</u>	<u>101</u>
Total investments at end of year	<u>7,401,976</u>	<u>7,429,232</u>
Historical costs of listed investments are £3,236,554 (2018: £3,621,398)		
Charitable company		
Listed investments		
At 1 October 2018	7,244,104	4,486,721
Additions	2,721,573	5,285,679
Disposals	(3,241,137)	(2,847,849)
Realised gain/(losses)	43,542	(3,397)
Unrealised gains	451,786	322,950
	<hr/>	<hr/>
Total Investments (excluding cash)	7,401,875	7,244,104
Cash held in investment portfolio	182,007	185,027
	<hr/>	<hr/>
At 30 September 2019	<u>7,401,875</u>	<u>7,429,131</u>
Unlisted investments	£	£
At 1 October 2018	103	103
Additions	-	-
	<hr/>	<hr/>
At 30 September 2019	<u>103</u>	<u>103</u>
Total investments at end of year	<u>7,401,978</u>	<u>7,429,234</u>

The charitable company owns the entire share capital (two £1 ordinary shares) of BSH Enterprises Limited, a company registered in England and Wales. The company organises conferences on behalf of the British Society for Haematology. The results of the company are consolidated in these financial statements. The charitable company also owns 10% of the share capital (101 £1 ordinary shares) of The Angel Office Village Ltd, a company registered in England and Wales.

16. DEBTORS	Charitable company		Group	
	2019	2018	2019	2018
	£	£	£	£
Due in less than one year:				
Trade debtors	-	9,203	12,880	10,103
Other debtors	-	15,467	-	15,467
Prepayments and accrued income	535,874	393,890	664,120	435,836
Other taxes and social security	-	19,946	9,322	19,946
Amounts due from subsidiary undertaking	-	4,388	-	-
	<u>535,874</u>	<u>442,894</u>	<u>686,322</u>	<u>481,352</u>
Due in more than one year:				
Prepayments and accrued income	-	-	38,527	35,028
Amounts due from subsidiary undertaking	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total debtors	<u><u>535,874</u></u>	<u><u>442,894</u></u>	<u><u>724,849</u></u>	<u><u>516,380</u></u>

17. CREDITORS: amounts falling due within one year	Charitable company		Group	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	27,423	172,116	79,023	174,726
Other taxes and social security	69,424	5,557	8,328	5,557
Other creditors	6,251	2,961	6,251	2,961
Accruals for grants payable	49,510	9,652	49,510	9,652
Accruals and deferred income (see below)	149,690	66,066	164,324	79,969
Amounts owed to subsidiary undertaking	4,200	-	-	-
	<u>306,498</u>	<u>256,352</u>	<u>307,436</u>	<u>272,865</u>
Deferred income				
Subscription income	46,715	42,338	46,715	42,338
Other deferred income	-	-	8,747	-
	<u>46,715</u>	<u>42,338</u>	<u>55,462</u>	<u>42,338</u>
Total	<u>46,715</u>	<u>42,338</u>	<u>55,462</u>	<u>42,338</u>
Accruals	102,975	23,728	108,862	37,631
	<u>102,975</u>	<u>23,728</u>	<u>108,862</u>	<u>37,631</u>
Total accruals and deferred income (see above)	<u><u>149,690</u></u>	<u><u>66,066</u></u>	<u><u>164,324</u></u>	<u><u>79,969</u></u>

Deferred subscription income occurs as subscriptions are billed based on the calendar year. Three months' worth of the 2019 subscription income is deferred to the 2019/20 financial year. Other income relates to income received for the next financial period. The 2018 deferred other income balance was released to the Statement of Financial Activities in the year.

18. CREDITORS: amounts falling due after more than one year	Charitable company		Group	
	2019	2018	2019	2018
	£	£	£	£
Accruals for grants payable	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

19. TOTAL FUNDS	Designated Funds £	General Funds £	Restricted Funds £	Total 2019 £
Group				
At 1 October 2018	732,680	8,604,099	-	9,336,779
Net income/(expenditure)	(137,483)	358,632	-	221,149
Revaluation of investments (note 15)		495,328	-	495,328
Transfers between funds	145,528	(145,528)	-	-
	<u>740,725</u>	<u>9,312,531</u>	<u>-</u>	<u>10,053,256</u>
Charitable company				
At 1 October 2018	732,680	8,272,089	-	9,004,769
Net income/(expenditure)	(137,483)	838,466	-	700,983
Revaluation of investments (note 15)		495,328	-	495,328
Transfers between funds	145,528	(145,528)	-	-
	<u>740,725</u>	<u>8,965,027</u>	<u>-</u>	<u>9,705,752</u>

Designated funds	Balance at 1 October 2018 £	Net outgoings reserves £	Transfers from General funds £	Balance at 30 September 2019 £
Group and charitable company				
Grants Fund	24,472	-	(24,472)	-
Global Haematology Fund	86,094	(29,047)	-	57,047
Wilkinson Bequest	22,114	(319)	-	21,795
BSH 60 th Anniversary	350,000	(108,117)	50,000	291,883
Data Registry Project Fund	250,000	-	50,000	300,000
Genomics Education Fund	-	-	50,000	50,000
Regional Events Support Fund	-	-	20,000	20,000
	<u>732,680</u>	<u>(137,483)</u>	<u>145,528</u>	<u>740,725</u>

In 2017 a Designated Fund was allocated to settle delayed payments of grants authorised in the year ended September 2017, as well as paying grants to non-members to attend the ASM in 2018. These grants have now been paid out and the balance of the fund has been transferred to General Reserves.

The Wilkinson Bequest is a designated fund which pays for the Wilkinson Memorial Lecture at the ASM each year.

The Global Haematology Fund is a designated fund set up specifically to fund ways of helping haematology professionals in low and middle income countries.

The Society set up the 60th Anniversary Fund to engage further with its members and potential members; to celebrate the advances in haematology over the past 60 years and to look forward to what the future might hold for the discipline and those working within it.

The Data Registry Fund which had been designated with £250,000 in it for the support of cohort studies was increased by another £50,000. The money will be administered by the Scientific and Publications Committee (SPC) as part of the Society's research programme over the next 2-3 years.

19. TOTAL FUNDS - continued

During the year the Board designated a fund of £50k towards Genomics Education. The funds will be administered by the Scientific and Publications Committee (SPC). The Genomics Working Group is working on ideas to recommend to the SPC for how this fund can best be spent.

During the year the Board designated £20k towards supporting education across the UK over the next two years. This will replace the regional leads structure. BSH members will be able to apply to the fund to support initiatives in their part of the country. After the year end, this was formalised and the Scientific and Publications Committee (SPC) will administer these funds as well.

TOTAL FUNDS PRIOR YEAR	Designated Funds £	General Funds £	Restricted Funds £	Total 2018 £
Group				
At 1 October 2017	215,143	8,407,611	-	8,622,754
Net income/(expenditure)	(82,463)	476,935	-	394,472
Revaluation of investments (note 15)		319,553	-	319,553
Transfers between funds	600,000	(600,000)	-	-
	<u>732,680</u>	<u>8,604,099</u>	<u>-</u>	<u>9,336,779</u>
At 30 September 2018	<u>732,680</u>	<u>8,604,099</u>	<u>-</u>	<u>9,336,779</u>
Charitable company				
At 1 October 2017	215,143	8,242,727	-	8,457,870
Net income/(expenditure)	(82,463)	309,809	-	227,346
Revaluation of investments (note 15)	-	319,553	-	319,553
Transfers between funds	600,000	(600,000)	-	-
	<u>732,680</u>	<u>8,272,089</u>	<u>-</u>	<u>9,004,769</u>
At 30 September 2018	<u>732,680</u>	<u>8,272,089</u>	<u>-</u>	<u>9,004,769</u>

Designated funds	Grants Fund £	Global Haematology Fund £	Wilkinson Bequest £	BSH 60th Anniver- sary £	Data Registry Project £	Total 2019 £
Group and charitable company						
At 1 October 2017	100,000	92,773	22,371	-	-	215,143
Net outgoing reserves	(75,528)	(6,678)	(257)	-	-	(82,463)
Transfers from general fund	-	-	-	350,000	250,000	600,000
	<u>24,472</u>	<u>86,094</u>	<u>22,114</u>	<u>350,000</u>	<u>250,000</u>	<u>732,680</u>
At 30 September 2018	<u>24,472</u>	<u>86,094</u>	<u>22,114</u>	<u>350,000</u>	<u>250,000</u>	<u>732,680</u>

The British Society for Haematology (Limited by guarantee)
Notes to the financial statements (continued)
Year ended 30 September 2019

20. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Designated Funds £	General Funds £	Restricted Funds £	Total 2019 £
Fund balances at 30 September 2019 are represented by:				
Tangible fixed assets	-	479,732	-	479,732
Investments	-	7,401,976	-	7,401,976
Current assets (liabilities)	740,725	1,430,823	-	2,171,548
Net assets/liabilities due after more than one year	-	-	-	-
	<u>740,725</u>	<u>9,312,531</u>	<u>-</u>	<u>10,053,256</u>
At 30 September 2019	<u>740,725</u>	<u>9,312,531</u>	<u>-</u>	<u>10,053,256</u>

ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Designated Funds £	General Funds £	Restricted Funds £	Total 2018 £
Fund balances at 30 September 2018 are represented by:				
Tangible fixed assets	-	302,182	-	302,182
Investments	-	7,429,232	-	7,429,232
Current assets (liabilities)	732,680	872,685	-	1,605,365
Net assets/liabilities due after more than one year	-	-	-	-
	<u>732,680</u>	<u>8,604,099</u>	<u>-</u>	<u>9,336,779</u>
At 30 September 2018	<u>732,680</u>	<u>8,604,099</u>	<u>-</u>	<u>9,336,779</u>

21. OPERATING LEASE COMMITMENTS

As at 30 September 2019, the charity and group's future minimum operating lease payments are as follows:

	2019		2018	
	Charity £	Group £	Charity £	Group £
Office Equipment				
Within one year	1,328	1,328	1,615	1,615
Between two and five years	1,969	1,969	7,183	7,183
	<u>3,297</u>	<u>3,297</u>	<u>8,798</u>	<u>8,798</u>

The amounts charged to the Statement of Financial Activities in the year was £1,745 (2018: £1,393)

22. PENSIONS

The Charity contributes to the NEST pension scheme. This is a defined contribution scheme, contributions are made in accordance with the rules of the plan and are charged to expenditure when they are payable. Contributions to the scheme totalled £18,507 (2018: £11,958). At the year end contributions totalling £3,001 (2018: £2,052) were outstanding.

23. CAPITAL COMMITMENTS

As at the year end the charity had capital commitments contracted, but not provided for in these financial statements of £0 (2018: £124,000).

24. POST BALANCE SHEET EVENTS

The global pandemic of COVID-19 has already started to show its impact on the economy and whilst it is a non-adjusting post balance sheet event for the Society, the Society is in a financially secure position owing to its considerable investment portfolios of £7m. When the UK Government announced the first period of lockdown the investment market values lost 16% (CCLA) & 8% (Coutts), however, since then the markets have recovered and the current reduction in market value since the year end values stands at about 1%.

Whilst the Trustees are not complacent, they are confident that the Society's substantial reserves will see the organisation through this difficult time, in conjunction with the following short-term activities as at May 2020:

- The Finance Audit and Risk Committee discussed the Risk Registers in May 2020 and the Board took due note of their recommendations at its meeting on 5 June 2020 and the Society will make necessary adjustments to the registers;
- The next round of budgeting is underway (June 2020) and there will be an emphasis on ensuring expenditure stays in line with the Society's projected income for the current year (2019/2020);
- Income from the journal royalties was higher than expected in 2019 which boosted the Society's cash-flow in early 2020;
- The bulk of membership subscriptions were collected in January 2020 and we are still ahead of last year in terms of new members joining the Society;
- We have just negotiated a settlement with the cancelled 2020 ASM venue, the ICC in Birmingham, which means that the ICC will be retaining 35% of the venue hire charges towards a future ASM at the ICC, with the balance of hire charges paid being refunded to BSH Enterprises Ltd.

In the medium-term (rest of 2020 into 2021) the Society will:

- Continue to work very closely with its publisher Wiley on journal revenue including looking at new ways of generating income from corporate partners;
- Continue to work closely with the ASM sponsors including via the Society's new Annual Sponsorship programme which went live in April 2020. Many ASM sponsors are keen to support BSH during the current year and we are exploring possible options around retrieving some of the 2020 ASM programme for online transmission in late 2020. BSH is also reviewing other events planned for later in 2020 and how it might convert those to online versions too (the Society has just held a webinar in May 2020 and plans another for June 2020);
- Keep a close eye on budgets and cash-flow
- Take advice from its professional advisors to ensure that its investments are managed to optimal effect to further the charitable aims of the Society.