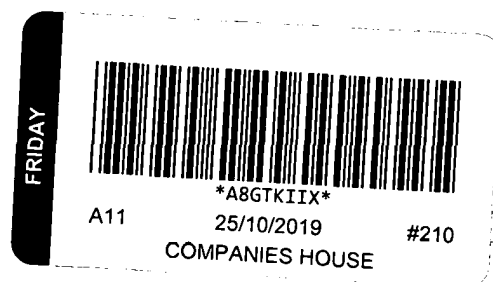




Royal Medical Benevolent Fund

The Doctors' Charity

Annual report and accounts Year ended 31st March 2019



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REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31st MARCH 2019

The Trustees submit their report and the financial statements of the Royal Medical Benevolent Fund (RMBF) for the year ended 31st March 2019. These were approved by the Board on 27th June 2019.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Rules and Articles of Association of the RMBF, and 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 1st January 2015).

1. OUR CHARITABLE OBJECTS

The objects of the RMBF are to prevent or relieve poverty and to relieve need arising from youth, age, ill health, disability and bereavement among people who are doctors or who have worked as doctors, and medical students and the dependants of all such individuals.

2. OUR AIMS, OBJECTIVES AND ACTIVITIES

2.1 Our aims

The RMBF aims to support doctors and their families through times of crisis and great hardship. We aim to help our beneficiaries to become independent and self-sufficient, and we may be able to consider longer term support when this is not possible.

Our Medical Student Programme aims to help medical students who are facing exceptional hardship to finalise their studies, qualify as doctors and complete their foundation years.

Our Refugee Doctors Programme works with key partners to help refugee doctors to secure GMC registration on successful completion of their exams and subsequently to obtain supervised employment in a training post in the NHS.

In addition we aim to keep under review emerging needs relating to doctors, medical students and their families.

2.2 Our objectives for 2018/19

Our key objectives were:

- To provide appropriate financial support to all eligible applicants and beneficiaries in need of help
- To continue the development of the RMBF volunteer network
- To raise the profile of the Charity in the profession so that those needing help know where to turn
- To develop partnerships with relevant organisations to maximise the Charity's impact
- To diversify and grow the Charity's income streams so that we can respond to increasing demand for our help

REPORT OF THE BOARD OF TRUSTEES (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

2. OUR AIMS, OBJECTIVES AND ACTIVITIES (Continued)

2.3 Our charitable activities

2.3.1 Grant making (the award of grants and loans amounting to £643,884 in 2018/19).

The RMBF provides grants and loans to help with living costs, back to work and retraining costs, home adaptations and specialist equipment.

The Grants and Awards Committee meets regularly to consider applications for assistance from those in financial hardship.

The Board of Trustees keeps the Charity's grant making policies under regular review to ensure they are effective in meeting the Charity's aims and objectives.

2.3.2 DocHealth

DocHealth, developed in partnership with the BMA, provides confidential, specialist-led support for doctors experiencing mental health issues. The service supported 218 doctors this year with a range of issues such as anxiety, depression and burnout.

2.3.3 Money advice

In 2018/19 the RMBF's specialist money advisor helped beneficiaries with advice to secure state benefits to which they are entitled to a total value of £51,277 in addition to securing savings of £33,285 through debt renegotiation.

The RMBF also provided specialist online money advice to 86 medical students this year.

2.3.4 Online support

The RMBF website received more than 124,000 visits, an increase of over 20,000 compared to the previous year. The website helps doctors and medical students in need to access support from the RMBF – this includes our direct support for those in serious hardship, as well as useful online resources covering wellbeing, careers, mental health, money advice, and more besides. It also hosts a wealth of content for those looking to get involved and support others, whether by donating, volunteering or fundraising for the charity.

3. PUBLIC BENEFIT REQUIREMENT

The Board of Trustees confirms that it has complied with the duty set out in the Charities Act to have regard to the Charity Commission's guidance on public benefit when exercising its powers and duties.

REPORT OF THE BOARD OF TRUSTEES (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

3. PUBLIC BENEFIT REQUIREMENT (Continued)

The Trustees are aware of the guidance and have taken it into account when determining the activities undertaken by the Charity. To fulfil the RMBF's charitable objectives the Charity provides a range of support as follows:

- Monthly grants to help with essential day-to-day living costs
- Back-to-work awards for doctors returning to work after a period of illness
- Help with purchasing specialist equipment
- Help with purchasing disability adaptations for a car or home
- Top-up for residential fees or extra care costs where there is an assessed need
- Money and debt management advice
- Telephone befriending, for those who are isolated and in need of support

The potential beneficiaries who are eligible to be considered for support include 290,000 doctors registered with the GMC as well as an unknown number of retired doctors who are no longer registered. A conservative estimate is that each doctor has on average 1.5 dependants, producing a further 435,000 dependants. In addition there are now over 40,000 medical students.

The work undertaken by doctors in providing medical diagnosis, treatment and care for the people of the United Kingdom is clearly of great public benefit. By helping doctors through their own individual periods of need, so that they can return to medical practice where appropriate, a further public benefit is provided.

The doctors supported back to work by the RMBF will in turn all be contributing to the well-being of their patients, significantly widening the public benefit which the Charity provides.

The RMBF Medical Student Programme, which helps medical students facing exceptional hardship to finalise their studies to qualify as doctors and complete their foundation years, further extends the public benefit provided by the Charity.

REPORT OF THE BOARD OF TRUSTEES (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

4. OUR ACHIEVEMENTS AND PERFORMANCE

Objective	Achievement
1. To provide appropriate financial support to all eligible applicants and beneficiaries in need of help	<p>A total of £804,731 was provided or secured for 300 beneficiaries this year.</p> <p>Grants and loans paid out of £553,914 were 6% higher than the previous year. In addition, the Grants and Awards Committee approved a further £89,970 for payment after the end of the financial year.</p>
2. To continue the development of the RMBF volunteer network	<p>Our volunteers are the backbone of the RMBF, providing vital support to our beneficiaries and promoting our work throughout the profession. We now have 230 dedicated volunteers undertaking a range of key roles including Medical Liaison Officers, Area Visitors, Phone Friends and Guild Officers.</p> <p>We have also developed a new Student Medical Liaison Officer role to raise awareness of our work in medical schools across the UK.</p> <p>Our first cohort of volunteer coach-mentors is also now active and providing specialist support to beneficiaries looking to return to work after a period of ill health.</p> <p>We are very grateful for the hard work, commitment and great expertise demonstrated across the RMBF volunteer network.</p>
3. To raise the profile of the Charity in the profession so that those needing help know where to turn	<p>Our staff, trustees and volunteers have undertaken a wide range of talks and presentations over the year raising the profile of the RMBF among the medical profession. We have also staffed stands at national medical conferences and secured coverage for the Charity in the medical media.</p> <p>In November 2018 we launched our Med Students Matter campaign, calling for greater support for medical students. The campaign attracted significant media coverage in national and trade media, including an interview by our President, Professor Dame Parveen Kumar, on talkRADIO and articles in GP Online and the BMJ. Social media reach on Facebook, Twitter and YouTube was also greatly elevated during the Med Students Matter campaign.</p> <p>The campaign played a key role in increasing awareness and reach to medical students at the start of their careers, and in encouraging them to seek support when needed.</p> <p>In February 2019, junior doctor Michael Nally – “Dr Mike on a Bike” – set off from Buckingham Palace on the first leg of a round-the-world cycle ride in aid of the RMBF and Mind. Dr Mike has a large social media following and has been raising awareness throughout his journey, starting with an interview with our CEO Steve Crone on BBC Sussex on launch day.</p>

REPORT OF THE BOARD OF TRUSTEES (Continued)

FOR THE YEAR ENDED 31st MARCH 2019

4. OUR ACHIEVEMENTS AND PERFORMANCE (Continued)

Objective	Achievement
4. To develop partnerships with relevant organisations to maximise the Charity's impact	<p>We have continued to build on our programme of meetings with medical organisations to help identify new and emerging needs and how best the RMBF could respond to those needs.</p> <p>We have developed our partnership with the BMA to support the DocHealth service which provides confidential, specialist-led support for doctors experiencing mental health issues. The service continues to make very good progress, with over 500 doctors helped so far, the majority of those being junior doctors.</p> <p>We are also developing a new partnership with the Association of Anaesthetists. The Association of Anaesthetists have kindly supported the work of the RMBF for some time, and we are delighted to be teaming up to promote greater wellbeing and awareness of support for doctors amongst members of the specialty.</p>
5. To diversify and grow the Charity's income streams so that we can respond to increasing demands for our help	<p>During the year, members and supporters of the RMBF's volunteer guilds made a valuable contribution of £46,508 through their wide range of fundraising events and donations. We are very grateful for their support.</p> <p>The President's Appeal has again been a great success raising a total of £83,502 this year. We are very grateful to individual donors from within the medical profession and their families, who provide valuable support year-on-year. We also owe grateful thanks to supporters who very sadly passed away over the past year and left generous gifts to the RMBF in their wills.</p> <p>Combined support from trust, foundations and corporates also had a major impact in 2018/19. We would like to extend thanks to the Wesleyan Foundation, BMA Giving, the Tod Benevolent Trust, the Association of Anaesthetists, Lloyds Banking Group, MDDUS, Medical Protection, MDU, local medical committees and the Family Doctor Association for their support.</p>

Factors relevant to the achievement of the RMBF's charitable objectives included:

- The commitment, care and professionalism of the RMBF's President, Board of Trustees, staff and volunteer network
- Partnerships with a wide range of medical and other organisations
- The continued generosity of all those who support the RMBF as donors and fundraisers, which is greatly appreciated

REPORT OF THE BOARD OF TRUSTEES (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

4.1 Principal funding sources and how expenditure in the year under review has supported the key objectives of the Charity

The principal funding sources in 2018/19, in order of financial importance, were as follows: investment income, donations and legacies.

All income is used to support the Charity's key objectives, as identified in section 2.2 above. In 2018/19 this included:

- Direct financial support for 300 beneficiaries
- £643,884 in grants and loans awarded to those in financial hardship
- Specialist money advice which assisted beneficiaries to secure a further £51,277 in statutory benefits, in addition to securing savings of £33,285 through debt renegotiation
- Casework support enabling beneficiaries to secure a further £76,285 from other charities
- Back to work support for doctors following a period of ill health
- Support for medical students in exceptional and unexpected hardship
- Support for refugee doctors retraining to practise medicine in the UK
- Development of the RMBF volunteer network
- Web based information and advice services
- Dedicated online money advice for medical students
- The Med Students Matter campaign calling for better support for medical students

4.2 Fundraising activities and compliance

Voluntary income from donations this year totalled £333,564 which was some £21,000 above last year.

We take our fundraising responsibilities very seriously at the RMBF and follow best practice guidance to ensure that supporter needs, welfare and rights remain at the forefront of our operations. We are registered with the Fundraising Regulator and monitor internal practices and procedures to ensure we meet (and where possible exceed) the standards laid out in the Fundraising Code of Practice. This also typifies our approach to relevant legislation, ensuring that we remain compliant in areas such as data protection, licensing and trading. In particular, we welcome the General Data Protection Regulations (GDPR) which have placed even greater emphasis on protecting people's rights and information.

The RMBF does not use professional fundraisers or commercial parties. All charity employees who undertake fundraising as part of their duties receive thorough inductions and regular training and supervision. Our fundraising, communications, administration and finance personnel also work closely with fundraising supporters and RMBF Guild committees to ensure they are well supported and compliant in their own voluntary fundraising efforts.

REPORT OF THE BOARD OF TRUSTEES (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

5. OUR STRUCTURE, GOVERNANCE AND MANAGEMENT

5.1 Board of Trustees

The Trustees, who are the Directors of the Company, during the year ended 31st March 2019 and to date were/are:

Chair of the Board of Trustees:	Professor Michael Farthing
Treasurer:	Professor Amritpal Hungin OBE DL
Vice Chair of the Board of Trustees:	Miss Heather Mellows OBE

Dr Edward Adams
Dr David Derbyshire
Mr Simon Dinnick
Mr James Fergusson
Mr Jonathan Hine
Mrs Christine Linehan (retired 24th September 2018)
Ms Janice Liverseidge
Professor Pauline McAvoy
Dr Oliver Seyfried
Dr Richard Stevens

5.2 How trustees are recruited, appointed, inducted and trained

Under the RMBF's constitution the Board of Trustees consists of a minimum of five members but not more than fifteen members, serving for three years in the first instance, renewable for a second term.

Before recruiting new trustees an analysis is undertaken by the Board to ensure appropriate diversity and to identify what experience, expertise and contacts will be most helpful to further the aims and objectives of the Charity. We then advertise the role through relevant media to identify suitable potential trustees for interview.

Each new trustee receives an induction pack, providing information about the RMBF (including its constitution, its most recent Annual Report and Accounts) and the role of a charity trustee. Each trustee is also invited to attend an induction session at the RMBF's offices, arranged by the Chair and Chief Executive, which includes observing a Grants and Awards Committee meeting in order to see at first hand the types of case requiring help, the way these are evaluated and the range of support considered.

A budget is allocated for trustee development and details of external trustee training opportunities are circulated to all trustees.

REPORT OF THE BOARD OF TRUSTEES (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

5. OUR STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

5.3 Organisational structure

The RMBF is governed by a Board of Trustees, drawn primarily from the medical profession, which meets quarterly to consider how best to achieve the RMBF's charitable objects; provide strategic leadership and approve, monitor and review development plans; agree policies; agree and keep under review the RMBF's organisational structure and arrangements for delegation; and approve the annual budget, annual accounts, the Investment Strategy, the Reserves Policy, risk review and audit arrangements.

The Board is assisted by a number of specialist sub committees. These comprise:

- the *Grants and Awards Committee*, which meets every two months to review applications for help;
- the *Finance Committee*, which meets three times a year to review the RMBF's financial position and operating performance and to review the performance of the RMBF's investment portfolio;
- the *Compliance Committee*, which meets annually to help ensure the RMBF is meeting its legal requirements, to review health and safety compliance and to conduct a review of the risk register; and
- the *Staffing Committee*, which is responsible for staff terms and conditions and ensuring equality of opportunity.

The Board and its sub committees are advised by the RMBF's Chief Executive, who is responsible for arranging the drafting of development plans, budgets and policies, for consideration by the Board; for arranging implementation of Board and Committee decisions; and for day to day management of the RMBF. The RMBF's staff arrange support for those in need, coordinate the work of the RMBF's volunteer network, organise national fundraising (such as the President's Appeal) and ensure that the RMBF meets all Charity Commission, Scottish Charity Regulator and other statutory and legal requirements.

The RMBF is fortunate that so many members of the medical profession and their families voluntarily give their time to support its work. A national network of volunteer area visitors ensures home visits for each eligible applicant and a national network of guild officers organise local fundraising events. Our volunteer medical liaison officers raise the profile of the RMBF in the medical profession and our phone friends provide invaluable help to those who may be isolated or in need of ongoing support.

6. OUR AIMS AND KEY OBJECTIVES TO MARCH 2020

Our key objectives to March 2020 are:

- To provide appropriate financial support to all eligible applicants and beneficiaries in need of help
- To continue the development of the RMBF volunteer network
- To raise the profile of the Charity in the profession so that those needing help know where to turn
- To develop partnerships with relevant organisations to maximise the Charity's impact
- To diversify and grow the Charity's income streams so that we can respond to increasing demand for our help
- To commission research to identify the extent of unmet need in doctors, medical students and families in financial difficulty

REPORT OF THE BOARD OF TRUSTEES (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

7. FINANCIAL PERFORMANCE

7.1 Investment policy

The investment policy aims to provide a balance between income and capital growth with a medium level of risk over the longer term, thereby enabling the Trustees to meet their objectives in respect of the requirements of the Charity.

Following an investment review in 2014, RMBF now adopts a total return approach. The Trustees had noted that by previously requiring the investment manager to provide a specified level of investment income, the RMBF was missing out on investment gains from capital growth in its investments because the investment manager was concentrating on income generating holdings to reach its annual income target rather than low income high growth holdings. Therefore the total return was lower than could be achieved under a total return basis. To spread the risk in a volatile financial market the portfolio was also split between its existing investment manager, Newton Investment Management, and Ruffer LLP.

The Trustees require their investment managers to pay attention to the standard investment criteria, namely the suitability of the class of investment and the need for diversification insofar as appropriate to the circumstances of the Charity. Any restrictions on the type of investments or markets in which the manager may invest on the Charity's behalf will be given in writing.

The underlying investment objective is to achieve a real return of 3.85% per annum net of fees, enabling the RMBF to spend this amount (whether from income or capital) and to maintain the real value, and dividend paying capacity, of the invested portfolio, measured over the course of an economic cycle.

Naturally it is to be expected that in individual years the returns will go up and down. This year the performance was mixed, although positive overall. Newton, which manages the larger part of the portfolio, achieved positive returns mostly arising from market gains during the fourth quarter. On the other hand Ruffer, which allocates a lower proportion of assets to equities and uses capital protection strategies, produced a negative return. Going forward we will continue to keep the target under review.

7.1.1 Investment restrictions

The RMBF may have no direct or indirect investment in tobacco production and no direct or material indirect exposure to companies that derive more than 10% of their turnover from tobacco. 'Exposure' includes shares, fixed interest securities and other financial instruments.

7.2 Reserves policy

The Board of Trustees has examined the Charity's requirements for reserves and identified the need for sufficient reserves to generate the investment income needed to:

- Maintain its charitable activity – to include maintaining support for current beneficiaries for as long as the need exists including the new demands from the medical student programme; and
- Extend its charitable work, to meet new and emerging needs in the medical profession.

REPORT OF THE BOARD OF TRUSTEES (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

7. FINANCIAL PERFORMANCE (Continued)

This requirement takes account of the fact that, in a typical year, the RMBF's charitable expenditure considerably exceeds the aggregate of its voluntary and trading income. This shortfall is largely covered by investment income and most of the RMBF's reserves are held in the form of investments which the RMBF requires to generate income to support its long-term work.

The Finance Committee monitors the reserves of the RMBF regularly and will recommend corrective action to the Board of Trustees, where appropriate.

The Finance Committee formally reviews the reserves policy each year (or more frequently should the need arise) and recommends to the Board of Trustees whether the policy should be continued or amended.

The RMBF's unrestricted reserves stood at £31.8 million at 31st March 2019, the majority of which is subject to market risk. The continuing high reliance on investment income to finance the RMBF's charitable work during a period of continuing stock market volatility and unusually low interest rates, emphasises the importance of maintaining adequate reserves of at least this order.

7.3 Financial performance for the year and financial position at the year end

In the current year, the RMBF increased its grant giving and continues to remain in a robust financial position.

The statement of financial activities records net income for the year of £640,576 compared with net expenditure of £194,410 last year. This includes net gains on investments of £1,264,020 in the current year compared with net losses in the preceding year of £290,894.

Total income for the year amounted to £1,111,741, compared with £1,733,247 in the preceding year. This decrease in income is mainly due to lower legacy income - down from £761,408 to £140,731 in the current year, with last year having included one particularly generous legacy of £622,462.

Income from investments has increased slightly due to higher distributions from the Newton Growth Fund for Charities.

The increase in expenditure on charitable activities from £1,260,446 to £1,357,423 reflects the increase in grants awarded to individuals, partially offset by lower expenditure on the coach mentoring programme. Support costs increased by a modest 1.6%.

Total resources at the disposition of the RMBF at 31st March 2019 amounted to £33.3 million, of which £31.7 million is unrestricted. Over £31 million is held in investments.

Social investments comprising interest free secured loans to beneficiaries stood at £576,235 compared with £602,435 last year.

REPORT OF THE BOARD OF TRUSTEES (Continued)

FOR THE YEAR ENDED 31st MARCH 2019

8. RISK MANAGEMENT

The Trustees have identified the risks to which the RMBF is exposed, including risks to its financial position and reputation as well as health and safety considerations. These are reviewed annually by the Compliance Committee, which ensures that risk management procedures and controls are in place to minimise risk and, where appropriate, to consider further action.

The key types of risk to which the RMBF is exposed, along with the principal processes in place to manage and mitigate the risks, are briefly described below:

Risk	Mitigation
Adverse external financial environment and performance of investment managers	<p>The Finance Committee regularly reviews the financial performance of the Charity and monitors the investment managers closely, taking expert advice.</p> <p><i>In order to provide balance and diversification to the portfolio and reduce risk, the RMBF splits its investments between two fund managers with different approaches.</i></p>
Fraud	<p>Financial controls at the RMBF are documented and follow Charity Commission guidelines. The RMBF accounts are fully audited annually. IT systems are regularly updated.</p>
Health and safety	<p>A Health and Safety premises visit was undertaken in February 2019 by Croner, who are specialists in health and safety law, and the policy updated. We will continue to undertake annual health and safety reviews.</p> <p>Basic health and safety training and fire safety training is part of the induction process for new staff. Smoke detectors, fire extinguishers and emergency lighting are checked regularly, and full evacuations performed.</p> <p>Volunteers receive guidance and training on health and safety issues and lone working.</p>
Disaster recovery	<p>The RMBF has a formal business recovery plan. A disaster recovery contract has been agreed with our IT support provider which includes a commitment to have the office up and running in 48 hours with all basic essentials including loan hardware for a minimum of ten users.</p>
Data protection, cyber security and loss of information	<p>Our data protection policy is circulated to all staff and procedures are in place to ensure compliance with the Data Protection Act and GDPR. We will continue to monitor RMBF data protection procedures and best practice.</p> <p>Our IT support function is outsourced to a professional service company who ensure that daily backups of our data are held securely off site. Our LAN is protected by a managed firewall and our servers and PCs have automatically updating antivirus protection.</p> <p>Following an independent cyber security review we have strengthened our password policy, improved our network security and we are conducting additional staff training.</p>

REPORT OF THE BOARD OF TRUSTEES (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

9. REFERENCE AND ADMINISTRATIVE INFORMATION

Royal Medical Benevolent Fund

The RMBF is a private company limited by guarantee, number 00139113.

Charity registered with the Charity Commission for England and Wales No 207275 and the Scottish Charity Regulator No SC046148

Address and registered office: 24 Kings Road, Wimbledon, London SW19 8QN.

Website: <https://rmbf.org>

Patron: HM The Queen

President: Professor Dame Parveen Kumar DBE

Trustees: The Trustees are as reported in paragraph 5.1 above.

Chief Executive: Steve Crone

Our principal advisors during the year were:

Legal

Charles Russell Speechlys
5 Fleet Place
London
EC4M 7RD

Bates Wells Braithwaite
10 Queen Street Place
London
EC4R 1BE

Bankers

National Westminster Bank Plc.
Regent Street Branch
250 Regent Street
London
W1B 3BN

Investment managers

Newton Investment Management Limited
160 Queen Victoria Street
London
EC4V 4LA

Ruffer LLP
80 Victoria Street
London
SW1E 5JL

Auditors

Knox Cropper LLP
Chartered Accountants
65 Leadenhall Street
London
EC3A 2AD

REPORT OF THE BOARD OF TRUSTEES (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

10. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law and the law applicable to charities in England and Wales requires the Charity Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity 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 Charity's website.

The Trustees confirm that, in the case of each of the persons who are Trustees at the date of this report, the following applies:

- So far as each Trustee is aware there is no relevant audit information (information needed by the Company's auditors in connection with preparing their report) of which the Charity's auditors are unaware; and
- Each Trustee has taken all the steps necessary to make herself/himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board of Trustees



STEVE CRONE
Chief Executive and Company Secretary

27th June 2019

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL MEDICAL BENEVOLENT FUND

Opinion

We have audited the financial statements of the Royal Medical Benevolent Fund (the 'charitable company') for the year ended 31st March 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 charitable company's affairs as at 31st March 2019 and its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL MEDICAL BENEVOLENT FUND (Continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, set out in the trustees' report, 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 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 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

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 and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 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.



Gregory Stevenson, Senior Statutory Auditor
For and on behalf of Knox Cropper LLP, Statutory Auditors
65 Leadenhall Street, London, EC3A 2AD

27th June 2019

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31st MARCH 2019**

		2019			2018		
	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		£	£	£	£	£	£
INCOME FROM							
Donations and legacies	2	465,426	8,869	474,295	1,087,300	27,500	1,114,800
Other trading activities		19,944	-	19,944	19,831	-	19,831
Investments	3	568,087	49,415	617,502	550,200	48,416	598,616
Total		1,053,457	58,284	1,111,741	1,657,331	75,916	1,733,247
EXPENDITURE ON							
Charitable activities	4	1,300,907	56,516	1,357,423	1,184,451	75,995	1,260,446
Raising funds	5	169,568	-	169,568	163,404	-	163,404
Investment management fees		208,194	-	208,194	212,913	-	212,913
Total		1,678,669	56,516	1,735,185	1,560,768	75,995	1,636,763
Net income/(expenditure) before gains and losses on investments		(625,212)	1,768	(623,444)	96,563	(79)	96,484
Net gains/(losses) on investments	10	1,153,904	110,116	1,264,020	(315,359)	24,465	(290,894)
Net income/(expenditure) and net movement in funds		528,692	111,884	640,576	(218,796)	24,386	(194,410)
RECONCILIATION OF FUNDS							
Fund balances brought forward at 1 st April 2018		31,194,270	1,498,419	32,692,689	31,413,066	1,474,033	32,887,099
Fund balances carried forward at 31st March 2019	15, 16	£31,722,962	£1,610,303	£33,333,265	£31,194,270	£1,498,419	£32,692,689

There were no discontinued or acquired activities during the current or preceding financial year.

BALANCE SHEET AS AT 31st MARCH 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	9	245,715	238,074
Investments – Representing:			
Unrestricted funds	10	29,963,699	28,960,195
Restricted funds	10	<u>1,505,591</u>	<u>1,395,475</u>
		31,469,290	30,355,670
Social investments	11	<u>576,235</u>	<u>602,435</u>
		32,291,240	31,196,179
CURRENT ASSETS			
Debtors	12	181,749	779,031
Cash at bank and in hand	13	<u>1,044,318</u>	<u>796,582</u>
		1,226,067	1,575,613
CREDITORS: Amounts falling due within one year	14	<u>(184,042)</u>	<u>(79,103)</u>
Net current assets		1,042,025	1,496,510
Total assets less liabilities		<u>£33,333,265</u>	<u>£32,692,689</u>
UNRESTRICTED FUNDS	15		
Accumulated funds		27,791,552	27,591,116
Revaluation reserve		<u>3,931,410</u>	<u>3,603,154</u>
		31,722,962	31,194,270
RESTRICTED FUNDS	16	<u>1,610,303</u>	<u>1,498,419</u>
		<u>£33,333,265</u>	<u>£32,692,689</u>

The financial statements were approved by the Board of Trustees on 27th June 2019 and signed on its behalf by:



Michael Farthing
Chair of the Board of Trustees



Amritpal Hungin
Treasurer

Registered Company Number: 00139113
Charity Commission Registration Number: 207275
Scottish Charity Registration Number: SC046148

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31st MARCH 2019

	Notes	2019 £	2018 £
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Net cash used in operating activities</i>	A	(273,097)	(1,130,794)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(32,210)	(7,060)
Purchase of investments		(9,303,702)	(3,497,469)
Proceeds from sale of investments		9,934,983	5,022,418
Dividends and interest received		610,285	587,478
Investment management fees paid		(208,790)	(215,152)
<i>Net cash provided by investment activities</i>		1,000,566	1,890,215
<i>Change in cash and cash equivalents in the financial year</i>		727,469	759,421
Cash and cash equivalents at the beginning of the financial year	B	2,153,162	1,393,741
<i>Cash and cash equivalents at the end of the financial year</i>	B	£2,880,631	£2,153,162

NOTES TO THE STATEMENT OF CASH FLOWS

A. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net movement in funds as per the statement of financial activities	640,576	(194,410)
Adjustments for:		
- Depreciation	24,569	23,477
- Losses on sale of tangible fixed assets	-	2,769
- Dividends and interest from investments	(617,502)	(598,616)
- (Gains)/losses on investments	(1,264,020)	290,894
- Investment management fees	208,194	212,913
- Decrease in social investments	26,200	15,965
- Decrease/(increase) in debtors	604,499	(518,291)
- Increase/(decrease) in creditors	104,387	(365,495)
<i>Net cash used in operating activities</i>	£(273,097)	£(1,130,794)

B. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Bank current accounts	8,915	20,740
Cash on deposit - less than 24 hours' notice	1,034,311	775,427
Cash in hand	1,092	415
Bank overdraft	(1,148)	-
	1,043,170	796,582
Cash held under investments	1,837,461	1,356,580
	£2,880,631	£2,153,162

**NOTES FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019**

1. ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value, with the exception of listed investments which are shown at their market value at the balance sheet date. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Rules and Articles of Association of the RMBF, and 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 1st January 2015).

The RMBF meets the definition of a public benefit entity under FRS 102.

The Trustees consider that there are no uncertainties about the Charity's ability to continue as a going concern.

(b) Significant judgements and estimates

- Unsecured loans to beneficiaries - unsecured loans are provided for in full by expensing them as grants made in the year in which they are granted. Any subsequent repayments are credited against grants paid in the year of receipt. The Trustees do not consider the recoverability of these loans to be sufficient enough to justify recognition of these loans as an asset on the balance sheet.
- Useful lives of depreciable assets - the annual depreciation charge is sensitive to changes to the estimated useful lives and residual values of assets. The useful lives and residual values are reassessed annually and amended where necessary.

(c) Income recognition

Income is recognised once the RMBF has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

In practice donations are generally recognised on a cash received basis. The tax credits on gift aided donations are recognised at the same time as the income to which they relate.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash, recognition is subject to the value of the gift being reliably measurable with a degree of accuracy and the title to the asset having been transferred to the RMBF.

Dividends receivable are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on fixed interest securities and bank deposits is accounted for on an accruals basis.

NOTES FORMING PART OF THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

1. ACCOUNTING POLICIES (Continued)

(d) Expenditure recognition

Grants are awarded to beneficiaries in the furtherance of the charitable objects of the RMBF. Grants are recognised as expenditure in the year in which they are approved by the Grants and Awards Committee and the offer is conveyed to the beneficiary. Where grants are subject to conditions, they are only recognised to the extent that those conditions have been met at the year end. Grants awarded but not yet paid are recorded in creditors.

Unsecured loans to beneficiaries are accounted for as an expense in the year in which they are granted and any subsequent repayment is credited against grants awarded in the year of receipt. Unsecured loans are not deemed sufficiently recoverable to justify recognition as an asset on the balance sheet.

Other liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis.

All expenses are allocated or apportioned to the applicable expenditure headings. Where possible, costs are allocated to activities on an actual basis. Where actual allocation is not possible, costs are apportioned on the basis of staff time.

Support costs are those functions that assist the work of the Charity but do not undertake charitable activities. Support costs include back office costs, finance and IT and governance costs. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. This includes costs related to statutory audit and legal fees together with an apportionment of staff time.

The RMBF is not registered for VAT and is unable to recover input tax. Expenditure therefore includes VAT where incurred.

(e) Investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The investments held by RMBF, other than forward foreign exchange contracts, fall under the category of basic financial instruments.

Forward foreign exchange contracts are held as part of our investment strategy and are used by one of the fund managers to mitigate the foreign currency risk of certain holdings in overseas securities. The fair value of forward currency contracts is calculated by reference to current forward exchange contracts with similar maturity profiles.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase price if acquired after the beginning of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

NOTES FORMING PART OF THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

1. ACCOUNTING POLICIES (Continued)

(f) Financial instruments

Except as indicated above, the RMBF only has financial assets and liabilities of a kind that qualify as basic financial instruments, for example debtors, bank deposits and creditors. These are initially recognised at transaction value and subsequently valued at settlement value.

(g) Depreciation of tangible fixed assets

Depreciation is calculated to write off the cost of fixed assets on a straight line basis over the expected useful lives of the assets concerned. The rates used for this purpose are:

Freehold property	2%
Furniture, fixtures and fittings	10%
Office equipment	25%
Computer hardware and software	20% to 33⅓%

(h) Social investments

Secured loans to beneficiaries for charitable purposes are accounted for as a social investment. These are stated at the amount originally paid out with the carrying amount reduced in subsequent years to reflect repayments and adjusted if necessary for any impairment.

(i) Restricted funds

Restricted funds represent amounts bequeathed or donated to further objects which, whilst similar to the RMBF's objects, are subject to certain restrictions imposed by the donor (see note 16).

(j) Pension costs

Pension costs comprising employer contributions for current employees in the defined contribution scheme are allocated to the applicable expenditure heading. The total paid in respect of the year is disclosed in the employee costs note (note 7).

2. DONATIONS AND LEGACIES

	2019			2018		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	£	£	£	£	£	£
Donations	324,695	8,869	333,564	284,892	27,500	312,392
Sponsorship	-	-	-	41,000	-	41,000
Legacies	140,731	-	140,731	761,408	-	761,408
	£465,426	£8,869	£474,295	£1,087,300	£27,500	£1,114,800

Donations are stated inclusive of tax recoverable on amounts received under Gift Aid.

No geographical analysis of income is presented. However, the RMBF operates almost entirely within the UK.

NOTES FORMING PART OF THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

3. INVESTMENT INCOME

	2019			2018		
	Unrestricted funds £	Restricted funds £	Total £	Unrestricted funds £	Restricted funds £	Total £
Dividends and interest from managed funds	556,359	49,381	605,740	546,682	48,410	595,092
COIF Charities Deposit Fund	1,758	-	1,758	394	-	394
Bank deposit interest	9,970	34	10,004	3,124	6	3,130
	£568,087	£49,415	£617,502	£550,200	£48,416	£598,616

4. EXPENDITURE ON CHARITABLE ACTIVITIES

Support for doctors

	2019			2018		
	Unrestricted funds £	Restricted funds £	Total £	Unrestricted funds £	Restricted funds £	Total £
Grants awarded	573,126	50,758	623,884	469,722	51,266	520,988
Less: Unsecured loans repaid	(580)	-	(580)	(1,210)	-	(1,210)
<i>Net grants awarded</i>	572,546	50,758	623,304	468,512	51,266	519,778
Providing advice	68,544	375	68,919	59,555	1,380	60,935
Casework	163,379	-	163,379	161,917	-	161,917
Coach mentoring	7,300	-	7,300	9,075	20,000	29,075
Volunteer management	81,385	-	81,385	92,559	-	92,559
Raising awareness	110,320	5,383	115,703	100,619	3,349	103,968
Support costs	297,433	-	297,433	292,214	-	292,214
	£1,300,907	£56,516	£1,357,423	£1,184,451	£75,995	£1,260,446

5. EXPENDITURE ON RAISING FUNDS

Support for doctors

	2019 Unrestricted funds £	2018 Unrestricted funds £
Trading	6,348	5,386
Fundraising costs	104,529	99,575
Support costs	58,691	58,443
	£169,568	£163,404

NOTES FORMING PART OF THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

6. SUPPORT COSTS

	Raising funds	2019 Support for doctors	Total	Raising funds	2018 Support for doctors	Total
	£	£	£	£	£	£
Finance and IT	37,636	150,543	188,179	38,514	151,273	189,787
Premises	8,451	33,805	42,256	9,198	36,126	45,324
Office administration	12,604	50,418	63,022	10,731	42,148	52,879
Governance	-	62,667	62,667	-	62,667	62,667
	£58,691	£297,433	£356,124	£58,443	£292,214	£350,657

Support costs include staff costs and other expenses relating to these activities, which are allocated on the basis of staff time.

7. EMPLOYEE COSTS

	2019 £	2018 £
Salaries	452,580	434,869
National Insurance contributions	46,350	44,439
Defined contribution pension costs	65,192	62,013
	£564,122	£541,321

	Number	Number
The average monthly number of employees during the year (excluding Trustees) was:		
Head count	12	12
Full time equivalent	9.7	9.7

Employees who earned in excess of £60,000 had earnings in the following bands:

£80,001 to £90,000	-	1
£90,001 to £100,000	1	-

The Trustees were not paid and did not receive any benefits from employment or other services supplied to the Charity during the year (2018: £nil). They are reimbursed expenses if they submit a claim. Reimbursed expenses during the year amounted to **£2,517** (2018: £2,914).

The key management personnel comprise the Trustees, the Chief Executive Officer and the Finance and IT Manager. The total employee benefits of the key management personnel (including National Insurance and pension costs) were **£188,005** (2018: £182,222).

In addition, 230 volunteers across the UK also gave their services, contributing in particular to the RMBF's charitable work and its fundraising. No value is reflected in the accounts for these donated services. The reimbursed expenses to volunteers amounted to **£9,646** (2018: £6,049).

NOTES FORMING PART OF THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

8. NET INCOME

Net income for the year (2018: net expenditure) is stated after charging:

	2019		2018	
	£	£	£	£
Depreciation		24,569		23,477
Auditors' remuneration (including VAT)				
- Audit	7,800		7,650	
- Other services	1,620		1,584	
		9,420		9,234
Loss on disposal of tangible fixed assets		-		2,769

9. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture, fixtures and fittings £	Office equipment £	Computer equipment and software £	Total £
Cost					
At 1 st April 2018	371,675	45,179	19,986	73,789	510,629
Additions	-	17,295	2,396	12,519	32,210
Disposals	-	(163)	(70)	-	(233)
At 31 st March 2019	371,675	62,311	22,312	86,308	542,606
Depreciation					
At 1 st April 2018	169,717	33,597	17,575	51,666	272,555
Eliminated on disposal	-	(163)	(70)	-	(233)
Charge for the year	7,433	2,318	2,136	12,682	24,569
At 31 st March 2019	177,150	35,752	19,641	64,348	296,891
Net book value					
At 31 st March 2019	194,525	£26,559	£2,671	£21,960	£245,715
At 31 st March 2018	£201,958	£11,582	£2,411	£22,123	£238,074

The freehold property is the RMBF's registered office in Wimbledon. All tangible fixed assets are used in the furtherance of the RMBF's charitable objects.

NOTES FORMING PART OF THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

10. INVESTMENTS

	Unrestricted funds £	2019 Restricted funds £	Total £	Unrestricted funds £	2018 Restricted funds £	Total £
Investments at market value						
Market value at 1 st April 2018	27,603,615	1,395,475	28,999,090	29,443,923	1,371,010	30,814,933
Cost of additions	9,303,702	-	9,303,702	3,497,469	-	3,497,469
Proceeds of disposal	(9,934,983)	-	(9,934,983)	(5,022,418)	-	(5,022,418)
Realised gains on disposal	217,166	-	217,166	301,840	-	301,840
Unrealised increase/(decrease) in market value	936,738	110,116	1,046,854	(617,199)	24,465	(592,734)
Market value at 31st March 2019	28,126,238	1,505,591	29,631,829	27,603,615	1,395,475	28,999,090
Cash held under investments						
Held by investment managers	714,934	-	714,934	856,515	-	856,515
Shawbrook Bank CAF 12 Month Fixed Rate Saver	622,462	-	622,462	-	-	-
Virgin Money Charity Deposit Account	500,065	-	500,065	500,065	-	500,065
	£29,963,699	£1,505,591	£31,469,290	£28,960,195	£1,395,475	£30,355,670

Unrestricted funds consist of listed investments managed on behalf of the Charity by Newton Investment Management Limited and Ruffer LLP, and cash held on deposit with Shawbrook Bank and Virgin Money. As at 31st March 2019, the units in the fund managed by Newton were valued at **£18,664,710** (2018: £17,582,235) and the portfolio with Ruffer was valued at **£10,176,462** (2018: £10,877,895).

The following investments represent more than 5% of the value of the total unrestricted fund investment portfolio at 31st March 2019:

Name of fund	% of portfolio	
	2019	2018
Newton Growth Fund for Charities X Shares	62.3%	60.7%
Ruffer SICAV Fixed Income	8.4%	-

The 12 Month Fixed Rate Saver account with Shawbrook Bank pays interest at 1.3% per annum and matures on 10 July 2019.

All of the restricted funds' investments are held in COIF Charities Investment Fund income units, managed by CCLA Fund Managers Limited.

Realised gains and losses on disposal and unrealised increases and decreases in market value are derived from both investments and forward foreign exchange contracts. The latter are used by one of the fund managers to mitigate the foreign currency risk of certain overseas securities.

NOTES FORMING PART OF THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

11. SOCIAL INVESTMENTS

	2019	2018
Secured loans to beneficiaries	<u>£576,235</u>	<u>£602,435</u>

These interest free concessionary loans are made wholly to advance charitable purposes for the benefit of the RMBF's beneficiaries. New loans of £20,000 were made during the year and £46,200 was repaid (2018: no new loans advanced and £15,965 repaid).

Loans are usually recovered from beneficiaries' estates although beneficiaries may opt to make earlier repayment. They are therefore not recoverable within one year.

12. DEBTORS

	2019 £	2018 £
Legacies	5,000	622,462
Tax recoverable under Gift Aid	5,134	2,820
Other debtors	1,469	200
Prepayments	30,564	21,553
Accrued income	139,582	131,996
	<u>£181,749</u>	<u>£779,031</u>

13. CASH AT BANK AND IN HAND

	2019 £	2018 £
Bank current accounts	8,915	20,740
Cash on deposit – less than 24 hours' notice	1,034,311	775,427
Cash in hand	1,092	415
	<u>£1,044,318</u>	<u>£796,582</u>

Bank current accounts include **£7,619** (2018: £8,726) held by the guilds.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Bank overdraft	1,148	-
Grants payable	89,970	-
Other creditors	21,094	2,535
Accruals	71,830	76,568
	<u>£184,042</u>	<u>£79,103</u>

The RMBF does not have an overdraft facility. The overdrawn position was a book overdraft reflecting payments submitted but not cleared at the year end with the position being covered by short term deposits.

NOTES FORMING PART OF THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31st MARCH 2019

15. UNRESTRICTED RESERVES

	Accumulated funds £	Revaluation reserve £	Designated reserve £	Total £
Balance at 1 st April 2017	26,754,117	4,596,133	62,816	31,413,066
Net movement in funds	(218,796)	-	-	(218,796)
Transfers between reserves	1,055,795	(992,979)	(62,816)	-
Balance at 31 st March 2018	27,591,116	3,603,154	-	31,194,270
Net movement in funds	528,692	-	-	528,692
Transfers between reserves	(328,256)	328,256	-	-
Balance at 31 st March 2019	£27,791,552	£3,931,410	£-	£31,722,962

The designated reserve was originally established to meet the costs of research into understanding the needs of medical practitioners and how those needs are changing over time. This project is now complete and the unspent balance was transferred to accumulated funds in the previous financial year.

16. RESTRICTED FUNDS

				2019	2018
	No. COIF units	Investments at market value £	Net current assets £	Total net assets £	Total net assets £
Bessie Jane Giffen Bequest	23,921	366,996	(27)	366,969	340,163
Burney Yeo Bequest	35,498	544,620	(141)	544,479	504,585
Dr H.E. Durham Bequest	-	-	-	-	3,910
Lilla Rose Fund	3,002	46,056	8,494	54,550	49,671
The Job Trust	10,314	158,246	15,812	174,058	161,272
Essex and Herts Benevolent Fund	13,709	210,327	(10)	210,317	194,882
Devon and Exeter Benevolent Medical Society Fund	3,721	57,088	(2,188)	54,900	48,852
Henry Francis Burdett Memorial Fund	-	-	19,803	19,803	19,803
Eastes Permanent Endowment Fund *	7,969	122,258	(206)	122,052	113,216
Tod Endowment Trust **	-	-	61,806	61,806	62,065
Mrs EMM Paton's Trust ***	-	-	1,369	1,369	-
	98,134	£1,505,591	£104,712	£1,610,303	£1,498,419

NOTES FORMING PART OF THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

16. RESTRICTED FUNDS (Continued)

MOVEMENT IN FUNDS

	At 1 st April 2018 £	Movement in market value of investments £	Incoming resources £	Resources expended £	At 31 st March 2019 £
Bessie Jane Giffen Bequest	340,163	26,841	12,037	(12,072)	366,969
Burney Yeo Bequest	504,585	39,833	17,863	(17,802)	544,479
Dr H.E. Durham Bequest	3,910	-	-	(3,910)	-
Lilla Rose Fund	49,671	3,368	1,511	-	54,550
The Job Trust	161,272	11,574	5,212	(4,000)	174,058
Essex and Herts Benevolent Fund	194,882	15,383	6,905	(6,853)	210,317
Devon and Exeter Benevolent Medical Society Fund	48,852	4,175	1,873	-	54,900
Henry Francis Burdett Memorial Fund	19,803	-	-	-	19,803
Eastes Permanent Endowment Fund *	113,216	8,942	4,014	(4,120)	122,052
Tod Endowment Trust **	62,065	-	7,500	(7,759)	61,806
Mrs EMM Paton's Trust ***	-	-	1,369	-	1,369
	£1,498,419	£110,116	£58,284	£(56,516)	£1,610,303

* This fund was a separate charity with its own trustees who chose to donate funds to the RMBF for restricted purposes. With Charity Commission consent, the Eastes Trust was wound up and part of its net assets transferred to the RMBF and these are designated as the Eastes Permanent Endowment Fund above.

** This fund is a Scottish charity with its own trustees which donates funds to the RMBF for restricted purposes.

***This is a separate trust which owns seven properties in St. Andrews, which are let at reduced rents to retired General Medical Practitioners or their widows or dependants. The terms of the Trust Deed state that if there is a surplus of rental income in any year this will be divided equally among the RMBF, the Episcopal Church and the Church of Scotland.

The income of the Bessie Jane Giffen Bequest, the Burney Yeo Bequest and the Lilla Rose Fund consists entirely of dividends on COIF Charities Investment Fund income units. The income of the Job Trust, the Essex and Herts Benevolent Fund, the Devon and Exeter Benevolent Medical Society Fund and the Eastes Permanent Endowment Fund includes dividends on COIF units and small amounts of bank interest. The income from the Tod Endowment Trust and Mrs EMM Paton's Trust comes from donations.

The expenditure charged against each restricted fund consists of grants paid to beneficiaries, money advice given and other expenditure made in accordance with the restrictions imposed by the terms of the gift or bequest.

OBJECTS

Bessie Jane Giffen Bequest

The fund was established under the will of Bessie Jane Giffen in 1948 and may be applied to provide relief of indigent doctors in such ways as the Trustees think fit.

NOTES FORMING PART OF THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

16. RESTRICTED FUNDS (Continued)

Burney Yeo Bequest

This fund was established under the will of Burney Yeo in 1915 and may be applied to provide annuities for necessitous, aged or disabled persons who are or have been members of the medical profession, their wives, widows, children or dependants.

Dr H.E. Durham Bequest

The fund was established under the will of Dr H.E. Durham in 1946 and may be applied to provide assistance to persons of professional class and status who in the course of their career have been afflicted with total or partial loss of vision. The money has now been spent so there is no balance to carry forward.

Lilla Rose Fund

The fund was established by donations. The income arising on the fund may be applied to the payment of nursing home fees.

The Job Trust

Income from the trust may be applied to assist the daughters of doctors with professional or vocational education.

Essex and Herts Benevolent Fund

Income from the fund can be applied to assist medical practitioners and their widows who practised in Essex and Hertfordshire.

Devon and Exeter Benevolent Medical Society Fund

Income from the fund can be applied to assist medical practitioners and their widows who practised in Devon and Exeter.

Henry Francis Burdett Memorial Fund

Income from the fund can be applied to assist widows and daughters of medical men who have practised either in Warwickshire or Leicestershire.

Eastes Permanent Endowment Fund

The Eastes Trust Fund represents restricted income donated by the Eastes Trust to the RMBF and can be applied to assist registered members of the medical profession of any age, born of English or Scottish parents, or widows, children and/or full orphans of a member of the profession.

Tod Endowment Trust

Income from the fund can be applied to allow doctors who have been resident in Scotland and have worked in medicine for at least two years to obtain rest and recuperation in Scotland.

Mrs EMM Paton's Trust

Income from the fund can be applied to assist retired General Medical Practitioners or their widows or dependants, with a preference for those resident in Scotland.

NOTES FORMING PART OF THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31st MARCH 2019

16. RESTRICTED FUNDS (Continued)

COMPARATIVE MOVEMENT IN FUNDS

	At 1 st April 2017 £	Movement in market value of investments £	Incoming resources £	Resources expended £	At 31 st March 2018 £
Bessie Jane Giffen Bequest	334,131	5,964	11,800	(11,732)	340,163
Burney Yeo Bequest	495,940	8,850	17,511	(17,716)	504,585
Dr H.E. Durham Bequest	6,996	-	-	(3,086)	3,910
Lilla Rose Fund	47,442	748	1,481	-	49,671
The Job Trust	155,609	2,571	5,092	(2,000)	161,272
Essex and Herts Benevolent Fund	191,576	3,418	6,764	(6,876)	194,882
Devon and Exeter Benevolent Medical Society Fund	51,836	928	1,836	(5,748)	48,852
Henry Francis Burdett Memorial Fund	19,803	-	-	-	19,803
Eastes Permanent Endowment Fund	111,006	1,986	3,932	(3,708)	113,216
Tod Endowment Trust	59,694	-	7,500	(5,129)	62,065
British Medical Association CMP Fund	-	-	20,000	(20,000)	-
	£1,474,033	£24,465	£75,916	£(75,995)	£1,498,419

17. PENSION SCHEME

The RMBF operates a defined contribution plan for all eligible employees who do not opt out of the pension scheme. Contributions are made by both employer (at 15% of pensionable salary) and employees at variable levels. Once the contributions have been paid the RMBF has no further payment obligations.

The assets of the scheme are held separately from those of the RMBF in an independently administered pension trust.

18. TAXATION STATUS

The RMBF is a registered charity and is exempt from corporation tax on income applied to charitable activities.

19. RELATED PARTY TRANSACTIONS

Five trustees made unrestricted donations to the RMBF during the year totalling **£750** (2018: three trustees made unrestricted donations totalling £275).

During the year the RMBF made a payment of **£40,000** (2018: £33,300) to Doctor Health Limited ("DocHealth"), as a contribution to their work providing confidential, specialist-led support for doctors experiencing mental health issues. One of the RMBF trustees, Heather Mellows, and the RMBF Chief Executive, Steve Crone, are both directors of DocHealth. Neither Miss Mellows nor Mr Crone receives any remuneration from DocHealth.

20. CAPITAL COMMITMENTS

There were no capital commitments at 31st March 2019 (2018: £ Nil).