

FINANCIAL STATEMENTS

2019/20

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

Report to the Members of the Board of Trustees

1. Constitution and Organisation

The Liverpool School of Tropical Medicine (LSTM) was formally inaugurated on 22 April 1898 and incorporated on 30 January 1905 as the Incorporated Liverpool School of Tropical Medicine. LSTM was registered as a charity on 11 October 1963. LSTM is a company limited by guarantee and holds no share capital and is governed by a Board of Trustees.

The incorporated Liverpool School of Tropical Medicine changed its name on 30 November 1992 to Liverpool School of Tropical Medicine.

The Secretary of State for Business, Innovation and Skills, by an Order of Parliament, under section 129 of the Education Reform Act 1988, designated LSTM as a Higher Education Institute (HEI) on 19 July 2013. LSTM receives direct funding from the Office for Students (OfS) and UK Research and Innovation (including Research England).

2. Memorandum of Association

LSTM's Memorandum and Articles of Association was amended by special resolution and adopted at the AGM on 24 November 2017. Its main objects are:

To engage in, promote and encourage research, study and instruction in connection with the origin, character, alleviation, prevention and cure of every or any type of tropical disease which is now or may hereafter become known in any part of the world where such disease either manifests itself or has effects; and to advance and encourage learning and the practice of all sciences and arts allied with or which may be usefully studied in connection with the matters aforesaid, and to collect and circulate information with regard to such diseases, sciences and arts.

3. Statement of Public Benefit

LSTM is a registered charity subject to regulation by the OfS and the Charity Commission under the Charities Act 2016. LSTM reports annually on the ways in which it has delivered charitable purposes for public benefit.

The Board of Trustees, in reviewing LSTM's activities in this regard, has taken into account the Charity Commission's guidance on public benefit. The Board is satisfied that the activities of LSTM as described in these Reports and Financial Statements, and detailed in the Annual Report, fully meet the public benefit requirements.

4. Vision and Mission

VISION: To save lives in resource poor countries through research, education and capacity strengthening.

MISSION: To reduce the burden of sickness and mortality in disease endemic countries through the delivery of effective interventions which improve human health and are relevant to the poorest communities.

5. Objectives

The year ending 31 July 2020 completes the 3rd year, and halfway period of the LSTM strategic plan 2017-2023. This 6-year strategic plan to 31 July 2023 takes LSTM up to its 125th anniversary in 2023. LSTM continues to experience an ongoing transformation and growth, much of it over the past 20 years. LSTM's future success is dependent on the quality, commitment, and ability of its staff as well as a continued favourable research climate for global health issues. Broad successes across the organisation have been noted within LSTM by the Board of

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

Trustees, senior leaders, partners, students, staff and the global health community, and much work continues to take forward achievements into ongoing strategic goals beyond this year.

During 2020, however, LSTM has also recognised the relentless deep global impact of Covid-19 locally, nationally and upon many of the communities who work directly with us. LSTM's ambition and readiness has been at the forefront of our response. The Liverpool City Region has the largest concentration of infectious diseases research in the UK and has focused and mobilised its resources to address COVID-19 fast and effectively. Additionally, Liverpool has over 25 laboratories that operate to Category Level 3 (CL3) standard, the level needed to handle the COVID-19 virus safely, which is the highest concentration of CL3 laboratories in an academic setting in the UK.

LSTM has managed a central role in the response to COVID-19 and has partnered with multiple institutions and industrial organisations to target the virus from several angles across the whole research pipeline, from the development and validation of effective diagnostics to the discovery of new treatments and vaccines. The LSTM COVID-19 multi-faceted response is bringing our researchers together from across all disciplines, such as the pharmacologists, virologists, immunologists, and health systems researchers. We are part of national and international research studies to develop new treatments and share our knowledge of the virus.

LSTM has had an exceptionally productive and stable cohort of senior academic and administrative staff leading the sustainable growth of the organisation over the last two decades. Further strategic appointments continue to enhance the exceptional research community within LSTM.

Our major strategic goals for the 2017-2023 period are:

- Strengthen the translational impact of our activities
- Expand our teaching portfolio
- Plan for growth

These 3 goals are expanded into 10 actions throughout this strategic cycle. We will:

1. Expand significantly our teaching portfolio in line with market demand
2. Identify, attract, retain and develop internationally competitive leaders in translational research
3. Align our research portfolio with global infection priorities
4. Ensure that our research focus covers the T1-T4 translational continuum
5. Ensure that our learning and teaching developments and research activities are aligned and integrated
6. Accelerate transition of research outputs into health impact
7. Enable genuine interdisciplinary activity
8. Enable effective global partnerships with multiple stakeholders in teaching and research
9. Consolidate and enhance our relationships with major funders
10. Provide the environment that supports the above

LSTM management undertakes regular monitoring and evaluation under the supervision of the Board of Trustees to ensure that the items are contemporary and are followed up each year. LSTM does not expect COVID-19 to negatively impact these goals.

Operating and Financial Review

6. The Nature, Objectives and Strategies of the Charity

LSTM continues to focus itself as a global leader in its field. Through the added strength and reach of its partnership working, both in the UK and overseas, our group turnover has achieved £228m in 2019/20 (£123m excluding gifts in kind). The organisation focuses on providing high quality scientific evidence and translating our scientific discovery into policies and practices and working collaboratively in over 70 countries to fulfil our mission of improving the health of the world's poorest people. Supporting the Millennium Development Goals for malaria, TB, HIV, neglected tropical diseases (NTDs) and maternal and neonatal health remains central to LSTM's mission.

LSTM is a centre of excellence in research and postgraduate teaching. Our multidisciplinary approach to global health research allows us to translate research innovation and scientific breakthroughs from laboratory research into effective interventions for those most in need, working in partnership with researchers and academic organisations in Low- and Middle-Income Countries. LSTM's research portfolio has now reached £620.5 million and staff numbers and the estate continues to grow, without accessing any borrowing.

We intend to remain at the cutting edge of innovation in research and intervention by attracting the best researchers from around the world to address some of the biggest problems in global health today and to attempt to break the cycle of poor health and poverty. Providing unrivalled, relevant, learning opportunities to students within the UK and across the world is also key, offering students the opportunity to excel in their careers in public health, medicine and academia and to set them on their paths to be global health leaders.

LSTM is now three years into the strategic planning period 2017-2023, and leading up to the celebration of the 125th anniversary of LSTM, the mission, and the values to which LSTM aspires, remain unchanged. LSTM, and its subsidiary companies, are an increasingly visible part of the local economy around which new initiatives can be seeded, benefitting both LSTM and the region in which it is embedded.

LSTM has always had a strong translational element to its activities and translational research is well embedded in many parts of LSTM. Our focus continues in this area to ensure our activities are relevant and have an increased beneficial impact on global health. Because of our focus on the whole translational research trajectory, LSTM is ideally placed to work with partners to support the implementation of effective knowledge innovations across a broad range of disease areas. We excel in a co-ordinated and multi-disciplinary approach to strengthen capacity for delivering large scale operational and translational research and operate as a centre of excellence in research synthesis for evidence-informed policy and practice. In terms of demographic changes in resource poor setting, there is now an overlap between non-communicable diseases and infectious diseases, and it is important for LSTM to adapt to this changing environment.

The granting of HEI status, has allowed LSTM to operate more freely within the sector to achieve greater ambition and the direct funding status allows the continued growth and development of postgraduate and CPD courses to meet the needs of our academic community. The launch of the LSTM Global Health MSc programme most recently joins the portfolio of programmes that continue to focus on education for medical, public health and humanitarian students and professionals, alongside globally renowned courses in tropical and infectious diseases. The successful development of online platforms have enabled LSTM to provide a blended learning approach to meet the flexible demand for the course. LSTM will further grow and align our offer to meet market needs. This will be realised further during the new strategic planning period with an ambitious ten-year teaching and learning growth plan.

Whilst being an international organisation a local focus is essential for the continued growth and health of LSTM. Multi-sectoral partnerships are already a major part of our activity and these will be strengthened and increased. LSTM engages successfully with the largest number of funders and industrial partners and is a key player in the local Knowledge Quarter initiative. There are wider stakeholder partnerships with The Liverpool University

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

Hospitals NHS Foundation Trust, Liverpool Health Partners, Liverpool City Region Local Enterprise Partnership and local, national, and international education partners.

As LSTM continues to prepare for the upcoming Research Excellence Framework (REF) 2021 assessment, LSTM is aiming to improve upon the results achieved from the 2014 return where LSTM took overall 24th place out of 128 institutions, per the Times Higher Education (THE) analysis and 6th place out of 128 on impact. These achievements are testament to the high quality and impact of research undertaken at LSTM.

LSTM has undergone a cultural transformation during 2019/20 with issues such as equality and diversity and the gender pay gap being addressed. LSTM also recognises its role in safeguarding and protecting beneficiaries, research participants, patients and communities with whom we have contact through our work and in protecting any vulnerable staff, students, volunteers and other representatives. A tremendous amount of progress has been made in this area during the year and LSTM now has a designated safeguarding officer who is the first point of contact for safeguarding enquiries or for raising concerns. We endorse and support the principles of the Universal Declaration of Human Rights, (UN, 1948); the UN Convention on the Rights of The Child, (UNICEF, 1989); the Declaration on the Elimination of Violence Against Women, (UN, 1993) and the UN Global Compact (UN, 1997).

7. Financial Performance

Principal Risks and Uncertainties

The full scope of principal risks is monitored and mitigated within the institution's risk register and include measured and mitigated risk around sources of income, particularly : Financial growth targets, student numbers/income, grant income overhead contribution and over dependency on specific funders/major clients.

LSTM group has reported a surplus of £9.7m (2019 : £11.4m deficit). The deficit in the previous year was primarily due to the need to expense £15.2m to increase the Universities Superannuation Scheme (USS) pension deficit provision based in the 2017 scheme valuation. In the current year, following updated actuarial results in the subsequent 2018 valuation, LSTM has been able to release £12.6m of the provision. This positive impact on the surplus was partially offset by a £3.0m of unrealised deficit on revaluation of investments and endowments, which was largely due to the COVID-19 pandemic.

Other key financial risks include the following:

- **Exposure to foreign exchange fluctuations on US\$ or Euro denominated grant income:** this is mitigated through hedging receipts in US\$ and Euros through forward exchange contracts. Hedge accounting is used where it can make a significant impact to reduce fluctuations in unrealised foreign exchange gains and losses.
- **Brexit:** LSTM continues to monitor the progress of Brexit legislation, and to update the related risk register which is monitored by a Brexit Committee. In the run up to the exit of the UK from the EU at 31 December 2020, this Committee is meeting monthly. The key risks are a fall in EU students/ staff/ research grants, supply chain interruption and the impact of fluctuating exchange rates. The financial impact on LSTM is not anticipated to be severe given the small net impact on the surplus of such grants, and a fall in sterling can actually boost grant revenues received in foreign currencies.
- **Failure to maintain the pipeline of research grants and consultancy:** Research grants and consultancy income of £96.9m (excluding gifts in kind, see notes 7 and 8) is 3.9% lower than in 2018/19, following considerable growth in previous years, the fall this year being largely due to COVID-19. This income represents 78.4% of the total LSTM Group income (excluding gifts in kind) of £123.6m. The principal risk

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

to research income growth is the accessibility and success of research grant applications and this is mitigated through risk monitoring. Whilst Brexit may impact accessibility to EU grants, LSTM has demonstrated success in applying for COVID-19 grants since the pandemic started, and this can only help in increasing LSTM's prominence and reputation in this field. The unexpended balance at 31 July 2020 was £279m of live grants and applications of £118m, compared to £272m and £165m respectively at 31 July 2019.

- **Research turnover growth:** This is fundamental to the organisation with a target to increase income by over 30% (excluding subsidiary companies) within the strategic plan period ending in 2022/23. Sensitivity analysis shows that a reduction of 20% on the turnover from major funders has little effect on the bottom line of LSTM if sensibly managed due to a related reduction in expenses. However, any significant change in funding policy from LSTM's major donors could have a major effect. Following significant increases in recent years, LSTM has seen a fall in research grant and consultancy income this year (excluding the impact of gifts in kind), partly due to a slowdown during the last 4 months of the year due to COVID-19.
- **Improvement to the research infrastructure:** This is perceived as a direct contributor to the quality and timescale for achieving high quality scientific results and attracting additional funding to LSTM. In fact, quality of facilities separates LSTM from other UK institutions and contextualises LSTM as a global player. Investment in laboratories is fully supported by the Board of Trustees. This investment is enabled by the generation of surpluses and capital funding from Research England/Office for Students, the Wolfson Foundation and others.

Financial Performance in the year

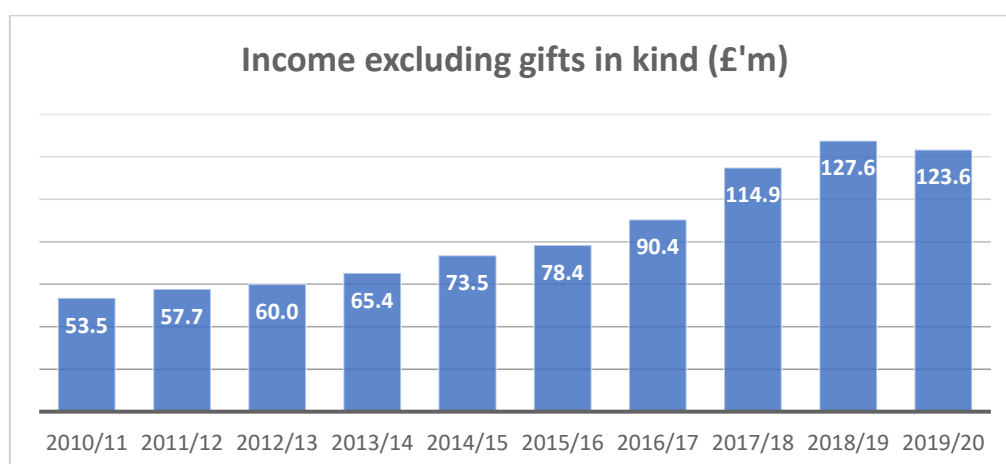
These financial statements report the results of LSTM's activities for the year ended 31 July 2020 and have been produced in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (2019 SORP) and in accordance with Financial Reporting Standards (FRS102). The results for the year include a number of accounting entries both positive and negative which influence the final comprehensive income of £9.7m in 2019/20. The key influence continues to be the movement on the USS pension provision : in 2018/19 it was the driver in the group deficit, in 2019/20 it has contributed to the large surplus. Stripping out these adjustments LSTM made an underlying operating deficit of £1.7m in the year, and the Group an operating deficit of £0.4m in the year, as shown in the table below.

	LSTM	Group
	£'000	£'000
Total comprehensive income for the year	7,871	9,685
USS pension deficit funding credit	(12,591)	(12,591)
Unrealised deficit on revaluation of investments and endowments	2,958	2,958
Foreign exchange movements in relation to hedged currencies	10	(480)
Underlying operating deficit for the year	(1,752)	(428)

Income

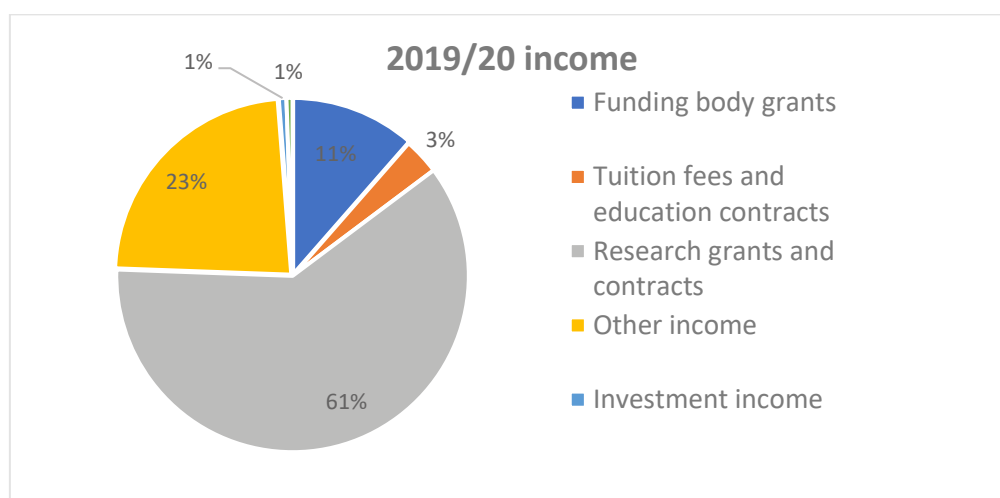
LSTM's Group income fell by 6% in the year and excluding gift in kind income the fall was 3%.

Liverpool School of Tropical Medicine
Financial Statements for the year ended 31 July 2020



The main contributing factors to the fall in income are:

- A reduction in income from research grants and contracts (4% and 6% lower in LSTM and group respectively). This is partly due to the impact of COVID-19, which delayed activity on some projects for the last 4 months of the year.
- Reductions in investment, endowment and donations income, reflecting the impact of COVID-19 for the last 4 months of the year but also due to donations income having been particularly high in previous years.
- A drop in other income generating activities, particularly relating to travel health services.



Operating expenditure

LSTM's and the Group's reported total operating expenditure fell by 18% and 15% respectively (excluding gift in kind expense the falls were 28% and 20% respectively), again impacted by COVID-19. The main elements of the change in operating expenditure are:

- The release of £12.6m in relation to the USS Pension deficit provision (2019: expense of £15.2m). This was partially offset by:
- A 9% increase in LSTM and group staff costs. Whilst FTEs have fallen slightly salary costs have gone up by 5%, the largest increase being the 20% increase in pension contributions. This reflects the increase in contribution rates for the USS pension scheme, to which most staff belong.

Capital expenditure

Capital investment expenditure for the year was £0.7m (2019: £1.2m). Of this total, the largest components were IT capital projects and research equipment.

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

These investments have been funded through capital grants from Research England and OfS and internal funding and exclude other grant funded purchases bought as part of ongoing research projects.

Cash flow, financing and balance sheet

During the year LSTM generated net cash outflows from operating activities of £4.2m (2019: £4.2m outflow). These net outflows reflect mainly:

- A £1.9m increase in debtors, and
- A £0.5m decrease in creditors

In addition, there was a net inflow of £4.7m (2019: £1.9m inflow) from investing activities. This is higher than in prior years and reflects LSTM's decision early on during the COVID-19 lockdown to realise cash on sale of some investments from the large portfolio held by LSTM to ensure sufficient working capital. Further realisation of investments has not been necessary since as LSTM's net cashflows have not been significantly impacted by the pandemic.

The net overall change in cash for LSTM for the year was an inflow of £0.1m (2019: £2.7m outflow).

Group net cash outflows from operating activities was £15.2m (2019: £15.9m inflow). The outflow is primarily a result of working capital movements, particularly a large decrease in creditors in IVCC, from a relatively high position at July 2019, primarily as a result of expenditure against pre-funded grants. The inflow from investing activities of £8.5m (2019: £3.6m inflow) largely reflects receipts on sale of investments.

The overall net change in cash for the year for the group was a reduction of £7.1m (2019: £19.0m increase).

Cash and cash equivalents at the year-end were £46.3m, representing 4 ½ months of operating expenditure (excluding pension provision movement, depreciation and gifts in kind expense). The majority of this cash represents research project working capital and is therefore not available for non-research operational or capital investment purposes.

Total Group net assets increased by £9.6m from £39.0m to £48.6m. This increase was principally driven by the £12.6m change in the pension provision.

Group Investments and endowments decreased by £9.5m in the year due to £3.0m of short term money market deposits being recalled on maturity, some sale of investments to increase working capital at the start of the COVID-19 pandemic, but mainly due to the reduction in market valuations as a result of the pandemic.

Group Creditors due within one year decreased by £16.8m in the year mainly due to expenditure with partners on research grants. This follows large grant receipts in advance in the prior year.

Key Performance Indicators

In order to measure performance and progress against the 6 year strategic plan LSTM uses a range of key performance indicators (KPIs), some of which are also part of LSTM's statutory reporting to Office for Students (OfS).

Underlying operating (deficit)/surplus in the year

£'000	2019/20	2018/19	2017/18	2016/17	2015/16
Underlying operating (deficit)/surplus	(428)	3,882	4,392	1,827	2,831

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

LSTM monitors the underlying operating surplus or deficit after excluding accounting entries, as calculated further in the section below on financial performance. Having achieved surpluses the last few years, 2019/20's results were negatively impacted by COVID-19, with the impact in LSTM being £879k from the impact on research and teaching. During the year there was also a restructure of the academic units.

Overall financial health

%	2019/20	2018/19	2017/18	2016/17	2015/16
General reserves as a % of income (excluding gifts in kind)	20.4%	12.6%	26.7%	29.5%	32.6%

In recent years general reserves have been impacted by movements on the USS pension provision in particular. However, general reserves have remained strong over the last few years, under-pinned by a strong balance sheet.

Research income growth

£'m/%	2019/20	2018/19	2017/18	2016/17	2015/16
Research and consultancy income £'m (excluding gifts in kind)	96.9	100.9	93.2	71.1	60.0
% change	-3.9%	8.2%	31.1%	18.5%	

8. Student Numbers

LSTM's education revenue is directly linked to the number of postgraduate taught and postgraduate research students recruited each academic year. In 2019/20, 81 home and EU students and 44 overseas students attended the School's Masters programmes. This represents an overall 10% increase in student numbers from the previous year, which is due to the introduction of the online Global Health Masters.

LSTM also teaches two professional diplomas, the Diploma in Tropical Medicine and Hygiene and Diploma in Tropical Nursing, which are not credit bearing but like the Masters programmes do attract Office for Students (OfS) funding. In 2019/20 a total of 127 home and EU and 47 overseas students attended these diplomas, making a total of 174 students. This does represent a 25% decrease in number from 2018/19, however this drop can be accounted for by the cancellation of the May 2020 DTN due to the lock-down instituted by the UK government in response to COVID-19.

LSTM also delivers a portfolio of non-credit bearing short CPD courses that do not attract OfS funding. The courses vary in length from three month professional diplomas to an afternoon vocational CPD course and are delivered on the Liverpool campus and overseas. In 2019/20, 128 students attended non-credit bearing courses compared to 198 in 2018/2019. This reduction can again be accounted for by the cancellation of a number of courses in response to the COVID pandemic.

In 2019/20 108 students were registered on postgraduate research degrees (PhD, MPhil and MD), of these 27 completed their studies and graduated with a degree during the course of the year.

9. Curriculum Developments

The existing teaching expansion plan (TEP) has been replaced by a new education development plan (EDP). The EDP allows for a more modest increase in student FTEs whilst still generating the £3 million increase in contribution by 2023 set out in the School's 2023 strategy.

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

The growth in student numbers will be achieved by modest expansion of the existing Masters programmes following a full redesign and updating of the delivery format. Combined with the introduction of two new Liverpool based programmes, an MRes in 2021/22 and a MSc in Innovation and enterprise in 2022/23, and two new online masters in 2022/23 and 2023/24, focused on respiratory health and maternal and newborn health.

Presently Education is undertaking full curriculum mapping of the existing programmes to ensure key employability skills and discipline specific competencies are embedded and refined during the course of each programme. In addition, the very traditional face to face delivery formats are being redesigned to encompass a more blended pedagogical approach consisting of interactive online elements combined with scenario based face to face learning. This new approach will provide students a high quality education whilst students gain key digital literacy skills. The aim is to create an LSTM education 'brand' which will provide the School a competitive advantage over universities in an ever more crowded PGT market place.

10. Transparency Arrangements

The Board of Trustees conducts its business through a number of committees. Each committee has terms of reference, which have been approved by the Board. Full minutes of all meetings are available from the Secretary to the Board at: Liverpool School of Tropical Medicine, Pembroke Place, Liverpool, L3 5QA

The Secretary to the Board maintains a register of financial and personal interests of the Board members. The register is available for inspection at the above address.

11. Staff and Student Involvement

An e-newsletter is regularly distributed to all members of staff. Monthly Staff Forum meetings are held at which management reports any significant developments within LSTM. Staff representatives nominated through the Staff Forum sit on the School's Management Committee and there is a student representative on the Board of Trustees. New this year were Town Hall meetings used to discuss specific issues concerning LSTM employees.

With regard to the 'student voice', there are two elected student representatives for each Masters and Diploma programme. Two student representatives sit on the Quality Management Committee, which oversees the quality assurance of LSTM's taught provision. The representatives for each programme sit on the Boards of Studies for both taught postgraduate programmes and for the postgraduate research degrees. The student body can also feedback through module questionnaires and via the Staff Student Liaison Committees. All teaching staff are encouraged to have an 'open door' policy for students and during the year the Dean has met groups and individual of PGT and PGR students to discuss welfare and academic issues.

12. Fundraising

Approach to fundraising

Our fundraising efforts are focussed on relationship-based fundraising with trusts, foundations, corporates, high net worth and ultra-high net worth individuals. For 2019/20 we have also undertaken our first public fundraising appeal via a crowdfunding platform in support of the FEPOW (Far Eastern Prisoners of War) project and have done a direct mail/email campaign to alumni and friends in support of a COVID-19 Response and Resilience Fund.

We undertake thorough research (in line with GDPR) and manage all donor records on a secure, dedicated database. Alumni and friends who have been asked for funding this year had all opted in to receiving fundraising communications.

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

We undertake detailed due diligence which is overseen by the Fundraising Steering Group and is then reported to Management Committee and the Trustees. High risk or high value donations are referred to the Trustees for a decision, ensuring that we manage risk as much as possible.

Work with, and oversight of, any commercial participators/professional fundraisers

Over the last year, we have engaged a consultancy firm to support the creation of a fundraising case for support and brand toolkit, reflecting the institutional vision.

The consultants reported to the Director of Fundraising on a regular basis and worked to pre-agreed Terms of Reference and specific aims.

Fundraising conforming to recognised standards

All members of the fundraising team are members of the Institute of Fundraising, and the Director of Fundraising holds the Advanced Diploma in Fundraising, the highest qualification awarded by the Institute. LSTM has also signed up and paid the levy to the Fundraising Regulator, by virtue of which we also sign up to their Fundraising Code of Practice.

Monitoring of fundraising carried out on our behalf

We don't currently actively encourage volunteer fundraising on behalf of LSTM but do occasionally have a number of individuals who wish to undertake sponsorship events on our behalf. This year, more than 160 members of staff participated in a virtual 'Race to Malawi' to raise funds for the LSTM COVID-19 Response & Resilience Fund. Additionally, several of the Trustees have been very supportive in engaging their contacts on behalf of LSTM (although fundraising asks and follow up is undertaken by the Fundraising team). In all these cases, we liaise with the individuals involved, and ensure that donations can be collected in a secure and compliant way.

Fundraising complaints

Fundraising complaints made to the Fundraising Regulator will be referred to the Director of Fundraising. Any complaints received by the Regulator, or directly to LSTM, will be immediately referred to the Director and the Chair of the Board of Trustees, and an action plan promptly developed in responding to them. Safeguarding issues can be referred to LSTM's Safeguarding Lead.

Protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate

LSTM does not currently undertake any public (cold/non-opt-in) campaigns utilising telephone, door-to-door or 'chugging' (street fundraising). Any mass-participation fundraising campaigns are marketed through reputable platforms such as JustGiving and Crowdfunder.co.uk. Contacts who have opted in to receive fundraising communications may be included in email or direct mail campaigns, based on their communications preferences.

All donors on the database have opted in to receiving our communications and their data is stored in line with GDPR 2018.

13. Taxation

LSTM's activities do not fall to be charged to corporation tax, given that income and gains are applied for and used exclusively for charitable purposes. LSTM's subsidiaries fall under the scope of corporation tax, except for IVCC, which has charity status. Due to the continued growth of LSTM, a tax strategy is updated and issued annually (available on the website) and LSTM have an appointed customer compliance manager within HMRC.

LSTM has regular meetings with HMRC to keep them informed of tax processes and compliance to regulations.

14. Employment of Disabled Persons

LSTM welcomes applications for employment from disabled persons and appoints on the basis of merit alone. The organisation works to the social model of disability and provides adjustments and additional support in the workplace so that all staff can operate effectively in their roles. We work to ensure all staff have opportunities for progression and development. Where an existing employee becomes disabled, every effort is made to ensure that the necessary support mechanisms are put in place to assist continued employment.

15. Disability Statement

In accordance with the Equality Act 2010 and Public-Sector Equality Duty, LSTM is committed to creating an inclusive and accessible environment. This includes making improvements to physical environment such as installing lifts, ramps, wheelchair-accessible toilets and clear signage, as well as providing disability awareness for staff. In addition, we take care to ensure that internal and external communications are inclusive and accessible.

We have committed to accepting the accessibility regulations as good practice, and as part of our commitment to the Public Sector Equality Duty. We are working on ensuring that our external pages are all accessible and are building capacity to ensure that internal documents are all checked for accessibility before publication.

16. Equality at LSTM

LSTM's vision is based on fostering an inclusive culture for staff and students which goes above and beyond the specific legal responsibilities we have towards those employees with protected characteristics. We are guided by an inclusion framework, which identifies a set of guiding principles, as we work to develop and publish our equality and diversity strategy later this year.

Athena SWAN is a charter mark for Higher Education Institutions, aimed at progressing gender equality within academia and academic institutions. We have an active Athena SWAN Self-Assessment team who are responsible for looking at barriers to gender equality at LSTM; we currently hold a bronze award and we are preparing a submission for the silver award by April 2022. The assessment will also look at the intersectionality of gender with other protected characteristics, such as ethnicity, and provide an action plan that the Institution will look to progress over the next few years.

The #blacklivesmatter movement gave the School an important opportunity to reflect on work to progress race equality at LSTM. The Director received a letter from the emerging BAME Staff Network outlining reflections on the movement, in response to which we are seeking to engage in a dialogue with colleagues across LSTM. We acknowledge that LSTM, like many organisations, has a lot of work to do in this area and we are committed to taking action to tackle racial inequality. We will establish a BAME equality taskforce to help identify areas of concern within the School and take action guided by external support as required.

An LGBTQ+ Staff and Student Network has been established, which provides peer to peer support in a safe confidential environment, ensures issues of LGBTQ+ inclusion are integrated into policies within LSTM, raises awareness to promote positive attitudes and raises the profile of LGBTQ+ equality.

17. Planned Maintenance Programme

LSTM's management, through the Building Steering Group, review the funding available for maintenance and identify an appropriate budget to deliver a prioritised planned maintenance programme for the year. All buildings are maintained to a high standard and LSTM scores highly in the sector in this regard.

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

18. Endowments

LSTM holds endowment funds from the following:

Andrew Campbell Prize, Corlett Prize, David Haddock Prize, John Hay Prize, Jephcott Prize, Jervis Prize, Toosey Prize, White Waller Prize, W. Glynn Williams Prize, Blacklock Medal, Holt Medal, Milne Medal, Cicely Williams Medal, Yorke Medal, William Hesketh Leverhulme Scholarship, Joseph P. Caplan Bursary, Jean Clayton Fellowship, Mildred Ellerker Award, Gatsby, Sir Eric Griffith-Jones Memorial Fellowship Fund, Thomas Mark Fund, Kenneth Newell Bursary, Rhodes-Gilles Fund, Gwendolen Clayton Memorial Scholarships, David Smith Fund, A. M. Browne Bursary, Katherine Elliot Fund, Annie Evans Fund, Mamco Selab Scholarship Fund, Professorial Fund.

19. Impact of decision to leave the European Union

On 23 June 2016 the UK voted to leave the European Union which will take effect on 1 January 2021. Factors likely to be specifically relevant to LSTM include the following:

- Currency volatility
- Stock prices and valuations
- Ability to apply for EU research and capital funding
- Attracting EU students and staff to LSTM
- Restrictions on the movement of labour across borders
- The general macro-economic position and consumer confidence
- GDPR data risks

A Brexit committee meets throughout the year to discuss risks to LSTM and to co-ordinate the implementation of mitigating actions. Brexit is a standing item at monthly management committee meetings.

20. Post balance sheet events

The impact on the Group from the COVID-19 pandemic has been considered by the Trustees and there are no related adjusting or non-adjusting events since 31 July 2020.

Since 31 July 2020 the NGO registrar in Tanzania has confirmed acceptance of the request to close the entity with effect from 31 July 2020.

21. Professional Advisers

LSTM's current professional advisors are:

Financial Statement & Funding Auditors:

Grant Thornton UK LLP
Royal Liver Building
Liverpool, L3 1PS

Bankers:

The Royal Bank of Scotland plc
1, Dale Street
Liverpool, L2 2PP

Internal Auditors:

RSM Risk Assurance Services LLP
3, Hardman Street
Manchester, M3 3HF

Solicitors:

Brabners LLP
Exchange Flags
Liverpool, L2 3YL

Liverpool School of Tropical Medicine
Financial Statements for the year ended 31 July 2020

22. Members

The Board of Trustees are also the nominated directors under the Companies Act 2006 and their term of office is for three years. The members who served on the Board during the year were as follows :

Name	Date of appointment retirement* re-appointment **	Status of appointment	Capacity and Committees Served
James Ross, OBE	March 2020* (Retired)	Elected	Chairman of the Board of Trustees Nominations & Governance Remuneration
Sue Russell LLB (Hons)	November 2019** March 2020 Elected Acting Chair	Elected	Acting Chair of the Board of Trustees Nominations & Governance Remuneration
Jonathan Schofield BA, ACA	November 2019* (Retired)	Elected	Hon Treasurer Vice Chairman of the Board of Trustees Chairman of Finance & Investment Nominations & Governance Remuneration
John O'Brien, B.Comm, FCA	March 2017 November 2019 Elected Hon Treasurer	Elected	Hon Treasurer Chairman of Finance & Investment Nominations & Governance Remuneration
Professor David Laloo MB, BS, MD, FRCP, FFM, RCPS (Glasg)	January 2019	Ex Officio/staff	Director of LSTM Nominations & Governance Finance & Investment
Mark Allanson	November 2019**	Elected	Trustee Remuneration
Joanne Dodd	August 2019	Elected	Trustee Deputy Treasurer (from Nov 2019)
Jeremy Lefroy MP	November 2018** November 2019 elected Vice Chair	Elected	Vice Chairman of the Board of Trustees IVCC Board Member
Dr Julian Lob-Levyt CBE	November 2018**	Elected	Trustee Remuneration
Prof Nyovani Madise	August 2019	Elected	Trustee
Rebecca Nightingale MSc, MRes, BSc	July 2020* (Retired)	Elected	Trustee (Student Rep)
Eileen Thornton, CBE, MEd, BA, FCSP, DipTP	July 2017	Elected	Trustee Audit Committee (Interim Chair from March 2020) Nominations & Governance to Nov 19
Professor Stephen Ward BSc, PhD	November 2018**	Ex Officio / staff	Deputy Director of LSTM
Andrew Wright	March 2019	Elected	Trustee
Robert Einion Holland FCCA, MBA	June 2001	Non- member	Secretary to the Board

On 1 August 2020, 1 new member of the Board was appointed: Lynne Elliot (Student Rep Trustee)

23. Statement of Corporate Governance and Internal Controls

The Liverpool School of Tropical Medicine is a company limited by guarantee and currently has 64 members, 12 of whom make up the Board of Trustees. Members meet at the Annual General Meeting where they elect the Board of Trustees, effectively the company board of directors. It is the Board's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct.

LSTM operates under the following principal governance arrangements:

- LSTM Memorandum of Articles of Association, incorporating the instrument and articles of government.
- Committee of University Chairs – The Higher Education Code of Governance Dec 2014, revised Jun 2018.
- UK Charity Legislation
- Equality Challenge Unit – Governing bodies, Equality and Diversity and the Equality Act 2010.

And with due regard to best practice within - The UK Corporate Governance Code.

The Board of Trustees conducts its business through a number of formal committees, delegating the day-to-day management of LSTM to the Director of LSTM. The Trustees comply with the requirements of the Companies Act and of the Charities Act as to keeping financial records, the audit of accounts and the preparation and transmission to the Register of Companies. The Trustees also ensure that annual reports, annual returns and annual statements of account are completed by LSTM. Proper records of all proceedings at general meetings, meetings of Trustees, committees and all professional advice obtained are kept by the Secretary to the Board for the Chairman of the Board.

The Board is provided with regular and timely information on the overall financial performance of LSTM together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel related matters such as health and safety and environmental issues. The Board of Trustees meet on a termly basis and retain authority to request and conduct extraordinary meetings.

All Board members are able to take independent professional advice in furtherance of their duties at LSTM's expense and have access to the Secretary to the Board who is responsible to the Board of Trustees for ensuring compliance with all applicable procedures and regulations. The appointment, evaluation and removal of the Secretary are matters for the Board of Trustees as a whole. Formal agendas, papers and reports are supplied to members in a timely manner prior to Board meetings. Briefings are also supplied on an ad-hoc basis.

The Board has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Board considers that each of its non-executive members is independent of management and free from any business relationships, which could materially interfere with the exercise of the independent judgement. There is a clear division of responsibility in that the roles of the Chair and Director are separate.

Each committee chair and members receive delegated responsibility from the Board of Trustees. The Board of Trustees has also approved terms of reference for each committee.

- Audit Committee
- Finance and Investment Committee
- Nomination & Governance Committee
- Remuneration Committee

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

Collectively, these set out governance principles and arrangements for ensuring that LSTM is committed to maintaining the highest standards of corporate governance and are appropriate for the size and complexity of our organisation.

The outbreak of COVID-19 within the UK and globally has clearly illustrated the role that the Board of Trustees has in its vigilance around ensuring good governance practice and financial sustainability. LSTM has been at the forefront of the front-line response through clinical and research activity. This impact has led to an enhanced Board / Management engagement during the latter half of 2019/20 and robust conversation has been sought to increase timely communication and financial projections.

Appointments to the Board of Trustees

Any new appointments to the Board are a matter for consideration of the Board as a whole. The Board of Trustees has a Nominations & Governance Committee comprised of 4 members which is responsible for the selection and nomination of any new member for the Board's consideration. Ahead of, and during appointment, it is incumbent upon LSTM to ensure that "fit and proper persons" checks are in place to notify LSTM and the Chair of the Board of Trustees if there are any declarations that may require intervention.

Members of the Board of Trustees are appointed for a term of office of three years. Retiring Trustees shall be eligible for re-election subject to paragraph 5.5, 5.5.1 and paragraph 5.5.2 of the Articles (November 2017).

The Board of Trustees appoint four members as "Board Champions" who have career experience in Equality and Diversity, PREVENT duty, GDPR and Safeguarding and these act as conduits across the organisation and lead on engagement activity. The Board is responsible for ensuring that appropriate training is provided as required to its members.

Members are expected to promote LSTM's values and protect its reputation by discharging their duties and principles set out in the code of conduct. The code of conduct provides clear guidance on what is expected of staff, students, volunteers, trustees and other representatives, as well as providing examples of conduct that will always be unacceptable.

Patron

LSTM is honoured to have Her Royal Highness The Princess Royal KG KT GCVO as Patron. She succeeded her father, HRH the Duke of Edinburgh, in 1991. LSTM has enjoyed Royal Patronage since 1932 when HM King George VI became LSTM's first Patron.

President & Vice-Presidents

LSTM's President and Vice-Presidents are distinguished individuals drawn from the field of academia, business and politics and are committed to assisting LSTM in fulfilling its mission. They willingly give their help and advice and support in approaches for charitable donations.

Audit Committee

The Audit Committee has a maximum of 7 members and is comprised of at least 2 members of the Board, 1 IVCC Board member and at least 1 co-opted independent member. The Committee operates in accordance with written terms of reference approved by the Board of Trustees. The Committee is comfortable that the Board representation is sufficient given the additional expertise of the co-opted members.

The Audit Committee meets on a termly basis and provides a forum for reporting by LSTM's internal and financial statements auditors who have access to the Committee for independent discussion without the presence of LSTM management.

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

LSTM's internal auditor team provide LSTM with independent advice and assurance in regard to the adequacy of systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input and report their findings to management and the Audit Committee. Management is responsible for the implementation of the agreed recommendations and internal auditors undertake periodic follow up reviews. LSTM is able to ensure that such recommendations have been implemented. Management actions are reported to Management Committee alongside a summary of all reports received. The Audit Committee also advises the Board of Trustees on the appointment of internal and financial statements auditors and their remuneration for both audit and non-audit work.

Finance and Investment Committee

The Finance and Investment Committee has a maximum of 7 members and is comprised of at least 2 members of the Board. The Committee operates in accordance with written terms of reference approved by the Board of Trustees.

The Finance and Investment Committee advise the Board on financial policy, provide oversight, monitor and approve relevant returns to OfS/UKRI, HESA and other stakeholders and review in depth annual financial statements, management accounts, cashflows, budgets and the performance of the investment portfolio.

Remuneration Committee

Throughout the year ended 31 July 2020, LSTM's Remuneration Committee comprised the Chairman, Treasurer, and 2 other Board members. The committee's responsibility is to review the remuneration policy for all staff and to make recommendations on the remuneration and benefits of the Director, the Director of Strategic Operations and other senior members of staff in LSTM.

Internal Control

The Board of Trustees is ultimately responsible for LSTM's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives & can provide only reasonable, not absolute, assurance against material misstatement or loss.

The Board of Trustees has delegated to the Director of LSTM as Accountable Officer, the day-to-day responsibility for reviewing the adequacy of the system of internal control and making any appropriate amendments. The Director is also responsible for reporting to the Board any material weaknesses or breakdowns in internal financial control.

The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing LSTM's significant risks that have been in place and operational for the year ended 31 July 2020. The Board regularly review this risk framework and the approach to internal control is risk-based. The process continues to be embedded with the adoption of a prioritised corporate risk register to include timescales and responsible officers. The process is now embedded within all levels of LSTM and covers business, operational, compliance and financial risk procedures.

Value for Money

LSTM strives to apply value for money considerations to all its processes and activities, and this is supported by strong awareness and vigilance across the senior management team. The Audit Committee receives an annual report on LSTM's value for money activity from a dedicated committee established several years' ago. The committee is made up from a cross section of the organisation. In addition, each internal audit review undertaken and submitted to the Audit Committee makes specific observations and judgements concerning the value for money demonstrated. The report for the year ended 31 July 2020 detailed the progress made against the 7 Value for money objectives for the year and sets out the objectives for the year to 31 July 2021.

Risk Management

A comprehensive risk management framework, defined in LSTM's Risk Management Policy, assists the management of LSTM in the identification of the key risks inherent in the delivery of its strategy. This is overseen by the Audit Committee in order to gain the necessary assurances on the efficacy of the framework and relay them to the Board of Trustees.

The Board of Trustees, through the Audit Committee, evaluates the risks inherent in all major plans and proposals, including the identification of the steps that would be required to mitigate, eliminate and control such risks. The Risk Register is reviewed by the Audit Committee on a routine basis and is presented to the Board of Trustees at each meeting.

The impact of COVID-19 upon the sector and in the areas of Business Continuity and disruption has led to the Board seeking increased assurance of its key strategic risks. The Board's assurance oversight and increased access to strategic risk reviews provides insight into the response from the Management team to the outbreak of COVID-19. The Board has seen that Management have implemented enhanced internal management controls around Business Continuity and Recovery and it continues to mitigate COVID-19 impact through the Emergency Management Team, where response and recovery planning provide further assurance to the Board that responsible and timely management of stakeholder funding and investment continues to provide sustainable operations.

Duty to promote the success of the company

The LSTM Board of Trustees comprises largely non-executive members but also several executive directors and a student representative. There are 3 full board meetings each year plus meetings of several sub-committees, which are also attended by various senior staff. The AGM is open to all staff and students.

Other than the executive members of the Board, trustees are not remunerated, and they join the LSTM Board to contribute their skill and expertise to help LSTM to achieve its vision and mission, as detailed in section 4 of this report. The Board of Trustees has a terms of reference that is reviewed annually and Board members receive regular external training on the duties of trustees of a charity. There is also a code of conduct and members are required to declare any conflicts of interest at every meeting.

The Board's key stakeholders have been identified as the following :

- Members
- Students
- Employees
- Funders
- Local, national and international governments
- Research partners

The Board engage with each of these groups throughout the year through face-to-face meetings, surveys, seminars and written correspondence to promote LSTM's mission

Key decisions made by the Board this year include:

Approval of the 2020/21 annual budget : This year's budget was approved by the board following a comprehensive review of our strategic priorities and risks to our business. Due to COVID-19 the budget has been reworked to take account of the impact on next year. A working group was also set up comprising senior management and several Board members to analyse the immediate impact on LSTM and in particular working capital.

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

Approval of Revised Teaching Plan: Extensive changes to the teaching expansion plan have been made following wide consultation with stakeholders, including a review of all course modules and move to a blended teaching approach.

Divestment from fossil fuels: Board engagement with LSTM's investment brokers has led to a policy change focused on divesting in fossil fuel companies over the next 12 months. This is part of a wider step change around environmental issues pertinent to LSTM's mission of improving health.

Capital approvals: The Board approved 2 major projects this year; the renovation of Pembroke House into a major teaching resource hub with state-of-the-art facilities. Quality teaching facilities are critical to LSTM's future success and the Board took into account the future financial returns from this expansion and the part external funding to approve this renovation; investment in a major overseas research and teaching facility in Blantyre, Malawi which will complement the existing buildings at the Malawi, Liverpool Wellcome Trust Centre.

Employee engagement statement

Board engagement with employees is largely through the senior management group, through school wide communications and discussions, and involvement of staff in particular focus task groups and projects.

There is also engagement by many staff through the various Board committees. Employees make presentations to Board members on their research at the start of Board of Trustee meetings. The Audit Committee works with HR staff in relation to equality and diversity and the effectiveness of the HR processes. The Remuneration Committee, in addition to considering the remuneration of senior staff, received information and discusses overall reward policy and strategy including the gender and ethnicity pay gap.

School wide engagement includes a monthly staff forum, attended by the Director. During COVID-19 lockdown these have continued online. Staff can also apply to work on a variety of projects/working groups addressing issues of gender equality, LGBTQ+, and as LSTM addresses the Black lives matter movement, staff have had the opportunity to give input to how LSTM should address this subject. Board champions sit on each of these working groups. LSTM regularly runs staff engagement surveys, the results of which are presented to the Board.

Statement on business relationships

The LSTM Board of Trustees and its committees comprise people with a variety of skills and backgrounds. Through their networks Board members are able to foster relationships by direct contact with relevant suppliers, customers and others, particularly in relation to key decisions made by the Board.

Delivering our strategy requires strong mutually beneficial relationships with suppliers, customers and governments. LSTM continuously assesses its priorities related to its major funding partners, and the Board engages on this through regular strategy updates through the committees structure in place.

Carbon reporting

LSTM is fully committed to operating in an environmentally friendly and sustainable manner and has introduced a new Environmental Policy and established an Environmental Working Group. The group will provide coordination and guidance to LSTM for the integration of sustainability principles and practices throughout teaching, research and operational activities.

All refurbishment and capital projects incorporate environmental and or energy efficiency improvements whenever practicable such as replacement windows, improved insulation, LED lighting and improvements to the automated Building Management Systems. Forty solar panels were installed in 2015 and last financial year LSTM produced 9128KwH of electricity which equates to 3209 CO₂e saved.

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

There has been an improvement in recent years as a result of the energy efficiency improvements which has seen a reduction in the independently assessed energy ratings and this is evidenced in the Display Energy Certificates.

During 2019/20 LSTM Group has used 2,557,067 Kwh of electricity in owned buildings.

All calculations are based on National Energy Foundation simple carbon calculation.

24. Going Concern

As detailed in the accounting policies, these financial statements are prepared on a going concern basis. Since the outbreak of the COVID-19 pandemic LSTM has taken measures to mitigate the risk and the Trustees have assessed the period to November 2021, 1 year beyond the date these financial statements are signed. The reviews were based on updated budget forecasts and weekly cash flows, which were regularly assessed by senior management and the board. These measures are continuing at the time these financial statements are signed. The forecasts show that the group has sufficient cashflows to continue to settle liabilities as they fall due.

As a result of these measures and the strong balance sheet of the group and LSTM the Trustees are satisfied that the use of the going concern accounting principle remains applicable.

25. Strategic Reporting

As a registered charity, the strategic report is contained in the following sections:

- 4 Vision and Mission
- 5 Objectives
- 6 The Nature, Objectives and Strategies of the Charity
- 7 Principal risks and uncertainties, financial performance in the year & key performance indicators (KPIs)

26. Responsibilities of the Governing Body

In accordance with LSTM's Memorandum and Articles of Association, the Governing Body is responsible for the administration and management of the affairs of LSTM and are required to present audited financial statements for each financial year.

The Governing Body (the Governors, also referred to as the Trustees are also the directors of LSTM for the purposes of company law) is responsible for preparing the Report of the Members of the Board of Trustees including the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees are required to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. In addition, the Trustees are required to prepare the financial statements in accordance with Office for Student's ('OfS') terms & conditions of funding for higher education institutions (issued March 2019) & the terms & conditions of its funding agreement with Research England through its accountable officer. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true & fair view of the state of affairs of LSTM and the Group and of the surplus or deficit, gains & losses, changes in reserves & cash flows of LSTM & the Group for that year.

In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain LSTM's transactions and disclose with reasonable accuracy at any time the financial position of LSTM and enable it to ensure that the financial statements comply with the OfS terms and conditions of funding for higher education institutions (issued March 2019), the Statement of Recommended Practice - Accounting for Further and Higher Education, OfS terms and conditions of funding for higher education institutions (issued March 2019), the Office for Students Accounts Direction (issued October 2019) and the Companies Act 2006. They are also responsible for safeguarding the assets of LSTM and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees have taken reasonable steps to:

- ensure that funds from OfS, Research England and other funding bodies are used only for the purposes for which they have been given and seek to achieve value for money in accordance with OfS' terms and conditions of funding for higher education institutions (issued March 2019) and the funding agreement with Research England and any other conditions which the funding body may from time to time prescribe;
- ensure that LSTM has a robust and comprehensive system of risk management, control and corporate governance, which includes the prevention and detection of corruption, fraud, bribery and irregularities;
- ensure that there is regular, reliable, timely and adequate information to monitor performance and track the use of public funds;
- plan and manage LSTM's activities to remain sustainable and financially viable;
- ensure that it informs the OfS of any material change in its circumstances, including any significant developments that could impact on the mutual interests of LSTM and OfS;
- ensure there are adequate and effective arrangements for the management and quality assurance of data submitted to HESA, the Student Loans Company, the OfS, Research England & other funding or regulatory bodies;
- ensure an effective framework – overseen by LSTM's academic board or equivalent – to manage the quality of learning and teaching and to maintain academic standards; and
- consider and act on the OfS' assessment of LSTM's risks specifically in relation to these funding purposes.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on LSTM's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which LSTM's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that LSTM's auditor is aware of that information.

A resolution to reappoint Grant Thornton UK LLP will be proposed at the Annual General Meeting, under the heading "Independent Auditors".

Signed on behalf of the Board of Trustees

Sue Russell
Acting Chair – 2 November 2020

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

Statement on the System of Internal Financial Control to 31 July 2020

As HEI Accountable Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by Liverpool School of Tropical Medicine.

The system can provide only reasonable and not absolute, assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

The system of internal financial control is based on a framework of regular management information, administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting systems with an annual budget which is reviewed and agreed by the Board of Trustees;
- regular reviews by the Board of periodic and annual financial reports which indicate financial performance against forecasts;
- setting targets to measure financial and other performance;
- clearly defined capital investment control guidelines; and
- the adoption of formal project management disciplines, where appropriate.

Liverpool School of Tropical Medicine has an internal audit service, which operates in accordance with the requirements of the Audit Code of Practice. The work of the internal audit service is informed by an analysis of the risks to which LSTM is exposed and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Board of Trustees on the recommendation of the Audit Committee. The Chair of the Audit Committee provides the Board with a report on internal audit activity in LSTM at a minimum annually. The report includes the financial statement, grant and internal auditors' independent opinions on the adequacy and effectiveness of LSTM's system of internal control, risk management controls and governance processes, including internal financial control. The role of the external auditors is specifically to audit the year end financial statements, but they also report on the control environment and on any control issues identified during the annual audit, and report to the Finance and Investment Committee and the Audit Committee in that regard. No significant control weaknesses or failures were reported in relation to the year ended 31 July 2020.

My review of the effectiveness of the system of internal financial control is informed by the work of the internal auditors, the Audit Committee which oversees the work of the internal auditor, the executive managers within LSTM who have responsibility for the development and maintenance of the financial control framework and comments made by LSTM's financial statement and grant auditors in their management letters and other reports. The audit committee report annually to the Board in November regarding any control weaknesses or failures during the past financial year; there have been no significant control weaknesses or failures in the year ended 31 July 2020.

Professor David Lalloo

MB, BS, MD, FRCP, FRCM, RCPS (Glasg)

Director

2 November 2020

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

Independent auditor's report to the governing body of Liverpool School of Tropical Medicine

Opinion

We have audited the financial statements of Liverpool School of Tropical Medicine ('LSTM') and its subsidiaries (the 'group') for the year ended 31 July 2020, which comprise the group and LSTM's Statement of comprehensive income, the group and LSTM's Statement of changes in reserves, the group and LSTM's Balance sheet, the group and LSTM's 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 group's and the LSTM's affairs as at 31 July 2020 and of the group's and LSTM's surplus, and its income and expenditure, gains and losses, changes in reserves and LSTM's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting for Further and Higher Education published in October 2018; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under those Acts. 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.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as COVID-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the Governing Body and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the group and LSTM's future prospects and performance.

COVID-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the group and LSTM's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for the group and LSTM associated with these particular events.

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 Governing Body's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governing Body has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group and LSTM'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.

In our evaluation of the Governing Body's conclusions, we considered the risks associated with the group and LSTM's business, including effects arising from macro-economic uncertainties such as COVID-19 and Brexit, and analysed how those risks might affect the group and LSTM's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group and LSTM will continue in operation.

Other information

The Governing Body are responsible for the other information. The other information comprises the information included in the Report of the Members of the Board of Trustees set out on pages 1-20 other than the financial statements and our auditor's report thereon. 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 strategic report and the directors' report, prepared for the purposes of company law, included in the Report of the Members of the Board of Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included in the Report of the Members of the Board of Trustees has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and LSTM and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included in the Report of the Members of the Board of Trustees.

Opinion on other matters prescribed by the Office for Student's ('OfS') accounts direction (issued October 2019)

In our opinion, in all material respects:

- funds from whatever source administered by LSTM for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by the OfS and Research England have been applied in accordance with the relevant terms and conditions, and any other terms and conditions attached to them, and
- the requirements of the OfS's accounts direction (issued October 2019) have been met.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by LSTM, or returns adequate for our audit have not been received from branches not visited by us; or
- LSTM's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the Governing Body's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of the following matters where the OfS accounts direction (issued October 2019) requires us to report to you where:

- LSTM's grant and fee income, as disclosed in the note to the accounts, has been materially misstated; or
- LSTM's expenditure on access and participation activities for the financial year, as disclosed in the note to the accounts, has been materially misstated.

Responsibilities of Governing Body for the financial statements

As explained more fully in the Statement of responsibilities of the Governing Body set out on pages 19-20, the governing body (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 governing 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 governing body are responsible for assessing the group's and LSTM'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 governing body either intend to liquidate the group or LSTM 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.

Liverpool School of Tropical Medicine

Financial Statements for the year ended 31 July 2020

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 LSTM's Governing Body, 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 LSTM's Governing Body those matters we are required to state to it 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 LSTM and LSTM's Governing Body, for our audit work, for this report, or for the opinions we have formed.

Gareth Hitchmough
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Liverpool

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

Statement of Comprehensive Income

	Notes	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Income					
Funding body grants	5	14,117	14,117	11,385	11,385
Tuition fees and education contracts	6	4,101	4,101	4,337	4,337
Research grants and contracts	7	78,274	56,970	80,996	56,628
Other income	8	130,049	110,907	143,366	125,214
Investment income	9	848	289	1,178	963
Donations and endowment income	10	680	680	1,412	1,412
Total income		228,069	187,064	242,674	199,939
Staff costs	11	38,560	32,442	35,387	29,776
Pension deficit funding costs	23	(12,591)	(12,591)	15,226	15,226
Other operating expenses	13	188,570	154,849	202,088	168,056
Surplus on disposal of investments		(372)	(372)	(16)	(16)
Depreciation	17	1,911	1,893	2,201	2,188
Interest payable	14	14	14	30	30
Total expenditure		216,092	176,235	254,916	215,260
Surplus/(deficit) on continuing operations before other gains/(losses)		11,977	10,829	(12,242)	(15,321)
Unrealised (deficit)/ surplus on revaluation of investments and endowments		(2,958)	(2,958)	1,675	1,462
Surplus/(deficit) on continuing operations before taxation		9,019	7,871	(10,567)	(13,859)
Taxation	15	24	-	(5)	(15)
Surplus/(deficit) for the year	16	9,043	7,871	(10,572)	(13,874)
Other comprehensive income/(expense) :					
Change in fair value of hedging financial instruments		642	-	(801)	123
Total Comprehensive Income/(Expense) for the year		9,685	7,871	(11,373)	(13,751)
<i>Represented by :</i>					
Restricted endowment comprehensive (expense)/ income for the year		(307)	(307)	184	184
Unrestricted endowment comprehensive (expense)/ income for the year		(843)	(843)	154	154
Expendable restricted endowment comprehensive (expense)/income for the year		(98)	(98)	17	17
Unrestricted comprehensive income/(expense) for the year		8,494	9,284	(14,666)	(14,848)
Restricted comprehensive income/(expense) for the year		1,797	(165)	3,739	619
Unrestricted hedging reserve comprehensive income/(expense) for the year		642	-	(801)	123
Total Comprehensive Income/(Expense) in the year		9,685	7,871	(11,373)	(13,751)

The income and expenditure account is in respect of continuing activities and there were no operations that were acquired or discontinued by the Liverpool School of Tropical Medicine Group during the year or in the previous year.

The surplus for the year and total comprehensive income for the year is attributable to the Liverpool School of Tropical Medicine. There are no non-controlling interests.

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

Statement of Changes in Reserves

GROUP	Unrestricted General Reserve £'000	Restricted General Reserve £'000	Unrestricted Hedging Reserve £'000	Permanent Unrestricted Endowments £'000	Permanent Restricted Endowments £'000	Expendable Restricted Endowments £'000	TOTAL £'000
Balance at 1 August 2018	30,713	2,469	50	8,169	8,120	662	50,183
(Deficit)/surplus from statement of comprehensive income	(14,666)	3,739	(801)	154	184	17	(11,373)
Movement between reserves	-	-	-	331	(331)	-	-
Movement of cash in reserves	(3)	-	-	219	46	(86)	176
	<u>(14,669)</u>	<u>3,739</u>	<u>(801)</u>	<u>704</u>	<u>(101)</u>	<u>(69)</u>	<u>(11,197)</u>
Balance at 31 July 2019	16,044	6,208	(751)	8,873	8,019	593	38,986
(Deficit)/surplus from statement of comprehensive income	8,494	1,797	642	(843)	(307)	(98)	9,685
Movement between reserves	678	(678)	-	-	-	-	-
Movement of cash in reserves	(63)	-	-	-	-	-	(63)
	<u>9,109</u>	<u>1,119</u>	<u>642</u>	<u>(843)</u>	<u>(307)</u>	<u>(98)</u>	<u>9,622</u>
Balance at 31 July 2020	<u>25,153</u>	<u>7,327</u>	<u>(109)</u>	<u>8,030</u>	<u>7,712</u>	<u>495</u>	<u>48,608</u>

LSTM	Unrestricted General Reserve £'000	Restricted General Reserve £'000	Unrestricted Hedging Reserve £'000	Permanent Unrestricted Endowments £'000	Permanent Restricted Endowments £'000	Expendable Restricted Endowments £'000	TOTAL £'000
Balance at 1 August 2018	30,502	-	(123)	8,169	8,120	662	47,330
(Deficit)/surplus from statement of comprehensive income	(14,848)	619	123	154	184	17	(13,751)
Movement between reserves	-	-	-	331	(331)	-	-
Movement of cash in reserves	-	-	-	219	46	(86)	179
	<u>(14,848)</u>	<u>619</u>	<u>123</u>	<u>704</u>	<u>(101)</u>	<u>(69)</u>	<u>(13,572)</u>
Balance at 31 July 2019	15,654	619	-	8,873	8,019	593	33,758
Surplus/(deficit) from statement of comprehensive income	9,284	(165)	-	(843)	(307)	(98)	7,871
Movement of cash in reserves	(55)	-	-	-	-	-	(55)
	<u>9,229</u>	<u>(165)</u>	<u>-</u>	<u>(843)</u>	<u>(307)</u>	<u>(98)</u>	<u>7,816</u>
Balance at 31 July 2020	<u>24,883</u>	<u>454</u>	<u>-</u>	<u>8,030</u>	<u>7,712</u>	<u>495</u>	<u>41,574</u>

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

Company registration number : 00083405

Balance Sheets as at 31 July

	Notes	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Fixed Assets					
Tangible fixed assets	17	58,691	58,385	59,855	59,531
Investments in subsidiaries	18	-	54	-	54
		58,691	58,439	59,855	59,585
Current Assets					
Stock		94	32	96	36
Debtors	19	23,787	17,341	26,082	15,472
Investments and endowments	20	31,100	31,100	40,585	37,311
Cash at bank and in hand	29	46,250	6,842	53,308	6,749
		101,231	55,315	120,071	59,568
Creditors : amounts falling due within 1 year	21	65,933	26,819	82,777	27,237
Net Current Assets		35,298	28,496	37,294	32,331
Total Assets less Current Liabilities		93,989	86,935	97,149	91,916
Creditors : amounts falling due after 1 year	22	34,296	34,296	35,141	35,141
Provisions : pension provisions	23	9,258	9,258	21,849	21,849
Provisions : other provisions	24	1,827	1,807	1,173	1,168
NET ASSETS		48,608	41,574	38,986	33,758
Endowment Reserves					
Permanent restricted endowments	26	7,712	7,712	8,019	8,019
Permanent unrestricted endowments	26	8,030	8,030	8,873	8,873
Expendable restricted endowments	26	495	495	593	593
		16,237	16,237	17,485	17,485
Restricted general reserve	27	7,327	454	6,208	619
Unrestricted Reserves					
Unrestricted general reserve		25,153	24,883	16,044	15,654
Unrestricted Hedging reserve		(109)	-	(751)	-
		25,044	24,883	15,293	15,654
TOTAL FUNDS		48,608	41,574	38,986	33,758

The Financial Statements were approved by the Board of Trustees on 2 November 2020 and were signed on behalf of the Directors by :

J O'Brien - Honorary Treasurer

Professor D Laloo - Director

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

Statement of Cash Flows

		Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
	Notes				
Surplus/(deficit) for the year		9,043	7,871	(10,572)	(13,874)
Adjustment for non-cash items :					
Depreciation	17	1,911	1,893	2,201	2,188
Deferred capital grants released to income	25	(1,912)	(1,912)	(852)	(852)
(Surplus) on disposal of investments		(372)	(372)	(16)	(16)
Deficit/(surplus) on disposal of endowments		190	190	(418)	(418)
Movement on hedging reserve		642	-	(801)	123
Decrease in stock		2	4	10	5
Decrease/(Increase) in debtors		2,295	(1,869)	2,702	5,218
Increase/(decrease) in creditors		(16,911)	(477)	6,735	(10,789)
Increase in other provisions		654	639	1,173	1,168
(Decrease)/increase in USS pension provision		(12,591)	(12,591)	15,226	15,226
Unrealised revaluation losses/(gains) on investments and endowments	20	2,958	2,958	(1,675)	(1,462)
Unwinding of interest on finance lease	14	14	14	30	30
Interest receivable		(1,075)	(516)	(1,470)	(1,255)
Taxation	15	(24)	-	5	15
		<u>(24,218)</u>	<u>(12,038)</u>	<u>26,447</u>	<u>9,657</u>
Cash flow from operating activities		(15,176)	(4,167)	15,874	(4,217)
Taxation paid		24	-	(15)	(15)
Net cash generated/(utilised) from operating activities		(15,152)	(4,167)	15,859	(4,232)
Cash flows from investing activities :					
Income from long term investments and unrestricted permanent endowments		953	394	1,145	1,145
Net expenditure from restricted permanent endowments		(5)	(5)	(50)	(50)
Other interest received	9	122	122	325	110
Decrease/(increase) in investments		-	-	-	5
Cash acquired with subsidiary		-	-	5	-
Purchase of tangible fixed assets	17	(747)	(747)	(1,233)	(1,199)
Payments to acquire endowment assets	20	(2,448)	(2,448)	(1,803)	(1,803)
Payments to acquire investments	20	(97)	(97)	(125)	(125)
Receipt from sale of investments		7,411	4,137	1,642	132
Receipt from sale of endowment assets		2,032	2,032	2,172	2,172
Deferred capital grants received	25	1,483	1,483	1,137	1,137
Movement in endowment assets (cash)		(185)	(185)	373	373
Net cash generated from investing activities		8,520	4,687	3,588	1,897
Cashflows from financing activities :					
Interest element of finance lease rental payment		(14)	(14)	(30)	(30)
Capital element of finance lease rental payment		(412)	(412)	(384)	(384)
Net cash used in financing activities		(426)	(426)	(414)	(414)
(Decrease)/Increase in cash in the year		(7,058)	93	19,033	(2,749)

Liverpool School of Tropical Medicine

Financial Statements for year ended 31 July 2020

Notes to the Accounts

1 Company Information

The Liverpool School of Tropical Medicine (LSTM) was formally inaugurated on 22 April 1898 and incorporated on 30 January 1905 as the Incorporated Liverpool School of Tropical Medicine. LSTM was registered as a charity on 11 October 1963. LSTM is a company limited by guarantee and holds no share capital and is governed by a Board of Trustees.

The Incorporated Liverpool School of Tropical Medicine changed its name on 30 November 1992 to Liverpool School of Tropical Medicine. The registered office is at Pembroke Place, Liverpool, L3 5QA, UK.

The Secretary of State for Business, Innovation and Skills, by an Order of Parliament, under section 129 of the Education Reform Act 1988, designated LSTM as a Higher Education Institute (HEI) on 19 July 2013. LSTM receives direct funding from the Office for Students (OfS) and UK Research and Innovation (including Research England).

2 Basis of Preparation

i) Basis of Preparation

These financial statements have been prepared in accordance with the Statements of Recommended Practice (SORP) : Accounting for Further and Higher Education 2019, and in accordance with applicable United Kingdom accounting standards including Financial Reporting Standard 102 (FRS 102), 'the Financial Reporting Standard applicable to the United Kingdom and the Republic of Ireland' and the Companies Act 2006. LSTM is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of current asset investments and derivative financial instruments).

Certain reclassifications have been made in the prior year comparative results, to conform to classifications used in the current year. These reclassifications have had no effect on the reported results in either the current or the prior year.

These financial statements have been prepared on a going concern basis. In light of the COVID-19 pandemic LSTM put in place measures to monitor the ongoing impact of the pandemic on the financial position and also the continued use of the going concern basis for accounting. These measures included weekly cash flow forecasts at the height of the lockdown (compared to monthly cashflow forecasts), weekly Pandemic Emergency Management Team meetings which cover both practical and financial issues, regular briefing for Board Trustees on the pandemic as it impacts LSTM, and adjustment to Tuition schedules, presentation and student numbers to continue to offer courses where practical on-line. With regard to research the 50 largest projects were reviewed with regard to covid risk and specific discussions were held with key funders around continuation of projects and related funding as the pandemic has developed.

The Financial statements are presented in Sterling (£).

ii) Basis of Consolidation

The Consolidated financial statements include LSTM and entities controlled, both unilaterally and jointly, by LSTM, for the financial year to 31 July 2020. Where LSTM does not exercise control over an entity and is not in a position to extract economic benefits, the results of that entity are not consolidated. A full list of subsidiaries and NGOs in which LSTM has an interest is shown in note 18.

3 Significant Judgements and Estimates

Preparation of the Financial statements requires management to make significant judgements and estimates. The items in the Financial statements where these judgements and estimates have been made include :

Judgements

i) Deferral of balances

Due to the nature of research grants, which in the majority of cases span over several years, judgement is exercised in the decision over deferral of these balances to ensure income and expenditure are accounted for in the appropriate and matching period or when performance conditions have been met.

ii) Accounting for the Liverpool Life Science Accelerator (LLSA) building

LSTM signed a lease for occupation of research space in autumn 2017 and took occupation in September 2017. The lease is for 25 years, at £400,000 a year (excluding inflationary increases) and would ordinarily be considered as an operating lease. However, LSTM has an option to purchase its share of the building within 10 years of the start of the lease, which it intends to exercise and given this option LSTM has treated the building as a finance lease since the start of this lease.

Liverpool School of Tropical Medicine

Financial Statements for year ended 31 July 2020

Notes to the Accounts

Estimates

iii) Provisions

Provisions have been set up in relation to operational receipts and to the deficit on the University Superannuation Scheme (USS) which involve management making estimates.

a) Operational provisions : Provisions have been made where cash receipts have a possibility that an element may have to be repaid or where a liability has been incurred prior to 31 July 2020 and where the amount can be reasonably calculated or estimated.

b) USS Pension Provision : In accordance with the requirements of the Statement of Recommended Practice : Accounting for Further and Higher Education, LSTM currently recognises a provision for its obligation to fund past deficits arising within the University Superannuation Scheme (USS). The USS provision is calculated using an approved consistent methodology used by all members, with estimates made regarding discount rate, growth of staff numbers and increase in staff salaries. LSTM's discount rate is based on advice to the USS members from Mercer. Estimates regarding growth in staff numbers and salaries reflect the new LSTM 6 year strategic plan which runs from 2017 to 2023, updated for the impact of COVID-19.

Estimates made in the year are as follows :

Discount rate : 1.71% based on Mercer HEI sector analysis

Salary growth : 1.5% the first 6 years, 2.5% thereafter

Staff numbers growth : 3.0% first 6 years, 5.0% thereafter

The recovery plan following the 2018 actuarial valuation requires employers to contribute 2% of salaries for the first 2 years, and 6% of salaries thereafter, towards repaying the deficit over a period of 10 years, of which 8 remain. The current total contribution rate, including this element, is 21.1% (from 1 October 2019, previously 19.5%). Details of this provision are included in note 23 to the financial statements.

iv) Financial Instruments

All derivatives are measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at a measurement date. Where a market for a financial instrument is not active, fair value is established using a valuation technique. The Group has applied hedge accounting in the year. These valuation techniques involve a degree of estimation, the extent of which depends on the instrument's complexity and the availability of market based data.

The COVID-19 pandemic has impacted the timing of delivery of some research projects. Where these projects have forward foreign exchange contracts which are hedge accounted, changes in timing of cashflows due to the pandemic could impact the future effectiveness of these hedges.

v) Gifts in Kind

Gifts in kind include 2 items :

a) pharmaceutical drugs gifted for mass drug administration (MDA) in several countries in Africa of £101,486,000 (2019 : £114,351,000). Given the nature of the activity this has been treated as implementation consultancy income. The valuation of the gifts is based on an estimate of the purchase cost of the drugs had LSTM had to purchase the drugs directly for the MDA programme multiplied by an estimate of the number of drugs required to treat patients. Income and expense are recorded at the point at which reliable figures are available for the number of patients treated, which is on the publication of the annual report to the funder.

b) Mosquito nets gifted for an effectiveness study in Uganda of £3,092,000 (2019 : £Nil). The valuation of the gifts is based on the purchase cost of the nets had LSTM had to purchase the nets directly for the study. The quantification of the number of nets included at the purchase cost as a gift in kind was based on the number of nets distributed during the financial year under the control and direction of LSTM.

Notes to the Accounts

4 Statement of Principal Accounting Policies

i) Income Recognition

Student fee income is stated gross of any expenditure which is not a discount and credited to the Statement of comprehensive income over the period in which students are studying. Where the amount of the tuition fee is reduced by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Income from contracts and other services rendered is credited to the Statement of comprehensive income when the goods or services are supplied to the external customers or the terms of the contract, including performance related conditions, have been satisfied. This is generally equivalent to the sum of the relevant expenditure incurred during the year and any related contributions to overhead costs. Any payments received in advance of such performance are recognised on the balance sheet as liabilities.

Investment income is credited to the Statement of comprehensive income on a receivable basis.

Funds LSTM receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of LSTM where it is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by LSTM; this is normally upon notification of the interest paid or payable by the Bank.

ii) Grant Funding

Government revenue grants including recurrent teaching and research grants from Office for Students (OfS) and UK Research and Innovation (UKRI), including Research England, are recognised in income over the periods in which LSTM recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Government capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when LSTM is entitled to the funds subject to any performance related conditions being met.

Grants (including research grants) from non-government sources are recognised in income when LSTM is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

iii) Expenditure and Irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources. Grants are reflected in the Balance sheet when a constructive obligation exists, notwithstanding that they may be paid in future accounting periods.

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

iv) Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when LSTM is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when LSTM is entitled to the funds.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms or other restrictions applied to the individual endowment fund.

There are four main types of donations and endowments identified within reserves:

1. Restricted donations - the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of LSTM.

Liverpool School of Tropical Medicine

Financial Statements for year ended 31 July 2020

Notes to the Accounts

3. Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets and LSTM has the power to use the capital.
4. Restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

v) Gifts in Kind

Gifts in kind are recognised within research grant income and other income, and within operating expenses, where performance conditions have been met and when a fair value can be reasonably estimated. Fair value is estimated using market values at the date of the gift but where the date of the gift cannot be accurately determined it is estimated when information has been collected and verified.

vi) Accounting for Retirement Benefits

The two principal pension schemes for LSTM's staff are the Universities Superannuation Scheme (USS) and the University of Liverpool Pension Fund (ULPF). ULPF is a defined benefit scheme and USS changed from a defined benefit scheme to a hybrid scheme on 1 October 2016, providing defined benefits (for all members) as well as contribution benefits. LSTM also participates in the National Health Service Pension Fund, which is a defined benefit scheme. All three schemes are externally funded and contracted out of the State Second Pension (S2P). Each fund is valued every three years by professionally qualified independent actuaries.

Both the USS and ULPF are multi-employer schemes for which it is not possible to identify the assets and liabilities related to LSTM's members due to the mutual nature of the scheme and therefore these schemes are accounted for as defined contribution retirement benefit schemes.

LSTM participates in the USS which is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. LSTM is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", LSTM therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Statement of comprehensive income represents the contributions payable to the scheme. Since LSTM has entered into an agreement (the recovery plan) that determines how each employer within the scheme will fund the overall deficit, LSTM recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

vii) Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which LSTM pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions in defined contribution pension plans are recognised as an expense in the Statement of comprehensive income in the periods during which services are rendered by employees.

The assets of the three main LSTM pension schemes are held in separate trustee-administered funds. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. LSTM is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS 102 "employee benefits", LSTM therefore accounts for the schemes as if they were a wholly defined contribution scheme. As a result, the amount charged to the Statement of comprehensive income represents the contributions payable to the schemes.

viii) Employment Benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to LSTM and the Group. Any unused benefits are accrued and measured as the additional amount LSTM and the Group expects to pay as a result of the unused entitlement.

ix) Holiday Pay Accrual

The liability for untaken staff holiday entitlement at 31 July 2020 is accrued. The accrual is based on actual hours untaken at 31 July and valued using an estimate made of average salaries within LSTM. A 50% weighting factor is applied to acknowledge the limited probability that such a pay-out would be required for 100% of staff - LSTM is a going concern and 100% pay-out would only likely be required in the event of a wind up of an organisation.

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

Notes to the Accounts

x) Foreign Currency

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date. Foreign exchange differences arising on translation are recognised in the Statement of comprehensive income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated at the exchange rate ruling at the dates the fair value was determined.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are reported as an item of Other Comprehensive Income. Exchange differences arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in Reserves.

xi) Finance Leases

Leases in which LSTM assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of a finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

xii) Operating Leases

Rentals under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

xiii) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Land and Buildings

Costs incurred in relation to land and buildings after initial purchase or construction are capitalised to the extent that they increase the expected future benefits to LSTM.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over a period of 50 years.

Leasehold buildings are depreciated on a straight line basis over 50 years.

No depreciation is charged on assets in the course of construction.

Fixtures and Equipment

Fixtures and equipment, including computers and software, costing less than the de minimus per individual item is recognised as expenditure. All other equipment is capitalised.

Capitalised equipment (including computer and other equipment) is stated at cost and depreciated over 4 years.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

Liverpool School of Tropical Medicine

Financial Statements for year ended 31 July 2020

Notes to the Accounts

xiv) Investments

Endowment asset investments and current asset investments are included in the Balance sheet at market value. Investments in the subsidiary undertakings are stated at cost, adjusted by any necessary impairment.

LSTM's treasury management policy is for all endowments to be invested in a portfolio of long term investments, while working capital balances and revenue reserves are invested short term with interest received credited to the Statement of comprehensive income. The investment objective is to achieve maximum return with minimum risk.

Non-endowment investments are held as current assets as they are available to be drawn down on demand.

xv) Stock

Stock is held at the lower of cost and net realisable value, and is measured using an average cost formula. Where necessary provision is made for obsolete, slow moving and defective stocks.

xvi) Cash and Cash Equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

xvii) Debtors

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

xviii) Creditors

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

xix) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised in the Financial Statements when:

- (a) LSTM and the Group has a present obligation (legal or constructive) as a result of a past event;
- (b) it is probable that an outflow of economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives LSTM a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of LSTM. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives LSTM and the Group a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of LSTM and the Group.

Contingent assets and liabilities are not recognised in the Balance sheet but are disclosed in the notes.

xx) Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Derivative financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in the Statement of comprehensive income. Outstanding derivatives at the reporting date are included under the appropriate category depending on the nature of the derivative.

Liverpool School of Tropical Medicine

Financial Statements for year ended 31 July 2020

Notes to the Accounts

LSTM and the Group hold derivative financial instruments in the form of foreign currency sterling forward currency contracts. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value at the balance sheet date. Changes in the fair value of derivatives are recognised in the surplus or deficit as appropriate, unless they are included in a hedging arrangement.

The Group applies hedge accounting for certain transactions entered into to manage the cash flow exposures of foreign currency research income. Forward currency contracts are held to manage the cash flow exposure to fluctuations in exchange rates and are designed as cash flow hedges.

Changes in the fair value of derivatives designated as cash flow hedges, and which are effective, are recognised directly in total funds. Any ineffectiveness in the hedging relationship (being excess of cumulative change in fair value of the hedging instrument since inception of the hedge over the cumulative change in the fair value of the hedged item since inception of the hedge) is recognised in the surplus or deficit.

The gain or loss recognised in Other comprehensive income is reclassified to the Statement of comprehensive income when the hedge relationship ends. Hedge accounting is discontinued when the hedging instrument expires, no longer meets the hedging criteria, the forecast transaction is no longer highly probable, the hedged debt instrument is derecognised or the hedging instrument is terminated.

xxi) Taxation

LSTM and IVCC are non-exempt charities within the meaning of Part 3 of the Charities Act 2011, therefore are charities within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, LSTM is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

LSTM is registered for VAT. Irrecoverable VAT on inputs is included in the costs of such inputs. Irrecoverable VAT allocated to fixed assets is included in their cost.

Some of LSTM's subsidiary entities are trading companies and are liable to Corporation Tax in the same way as any other commercial organisation.

xxii) Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to LSTM are held as a permanently restricted fund which LSTM must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore LSTM is restricted in the use of these funds.

The Board of Trustees approved a strategic plan covering a six year period to 31 July 2023. This plan anticipates LSTM's general reserves being augmented by the end of the period. The Board has targeted, at the end of the six year period of the strategic plan, for cash reserves to represent a minimum of 6 months pay expenditure.

xxiii) Going Concern

Despite the COVID-19 pandemic, having set up monitoring procedures as per note 2i) which will be ongoing, the Board of Trustees considers that the group and LSTM have sufficient financial resources and is confident that its future income streams will maintain these resources.

The Board of Trustees has a reasonable expectation that LSTM has adequate resources to continue in operation for the foreseeable future. Therefore it continues to adopt the going concern basis in preparing the financial statements.

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

5 Funding Body Grants

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Recurrent teaching grants	1,502	1,502	1,570	1,570
Recurrent research grants	8,271	8,271	6,643	6,643
Specific grants	2,962	2,962	2,850	2,850
Release of deferred capital grants (note 25) :				
Buildings	711	711	117	117
Equipment	671	671	205	205
	14,117	14,117	11,385	11,385

6 Tuition Fees and Education Contracts

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Masters fee income	1,322	1,322	1,342	1,342
PhD fee income	559	559	668	668
Fee income from diplomas	974	974	1,071	1,071
Fee income from short courses	43	43	115	115
Training and other courses	824	824	690	690
Fee income from University of Liverpool	379	379	451	451
	4,101	4,101	4,337	4,337

Total grant and fee income is also split as shown below :

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Grant income from the OfS	1,502	1,502	1,570	1,570
Grant income from other bodies	12,615	12,615	9,815	9,815
	14,117	14,117	11,385	11,385
Fee income for taught awards (exclusive of VAT)	2,684	2,684	2,930	2,930
Fee income for research awards (exclusive of VAT)	1,350	1,350	679	679
Fee income for non-qualifying courses (exclusive of VAT)	67	67	728	728
	4,101	4,101	4,337	4,337
	18,218	18,218	15,722	15,722

7 Research Grants and Contracts

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Research Councils	10,313	10,313	9,056	9,056
UK based charities	15,199	16,363	10,314	11,731
UK Central Government and other bodies	21,444	12,940	21,970	12,396
UK industry and commerce	814	694	1,667	733
European Union	5,409	5,313	9,772	9,772
Other overseas bodies	24,748	11,171	27,354	12,332
Research & development expenditure credits	-	-	62	62
Other	347	176	801	546
	78,274	56,970	80,996	56,628

Liverpool School of Tropical Medicine

Financial Statements for year ended 31 July 2020

Included within LSTM - UK based charities income is £1,164,000 (2019 : £1,307,000) allocated to LSTM by IVCC, a UK registered charity under the control of LSTM. This income has been recognised as UK based charity income by being matched against the related charitable expenditure incurred by the Group. IVCC allocates funding to research institutions on a competitive basis as validated by its External Scientific Advisory Committees.

Also included in UK based charities income are amounts relating to gifts of mosquito nets of £3,092,000 (2019 : £Nil). In 2019 £710,000 relating to gifts of experimental pharmaceutical drugs for a different study were included in Research councils income, no amounts are reported in 2020. In accordance with FRS 102 the income has been shown above and offsetting costs are included in Other Operating Expenses (note 13).

Details of the estimates and judgements made in relation to these gifts are given in note 3 iv.

8 Other Income

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Diagnostic lab	302	302	344	344
Travel health related activities	847	-	1,093	-
Implementation research consultancy	21,633	4,538	20,568	5,805
Gifts in kind : Pharmaceutical drugs for MDA programme	101,486	101,486	114,351	114,351
Forward currency contracts	669	669	-	-
Health authority contracts	185	185	186	186
Health authority funded posts	370	370	337	337
Non-funding council releases of deferred capital grants (Note 25)	530	530	530	530
Other	4,027	2,827	5,957	3,546
Gift aid from subsidiary	-	-	-	115
	130,049	110,907	143,366	125,214

Gifts in kind relate to gifts of pharmaceutical drugs for a mass drug administration programme (MDA) in various countries in Africa. In accordance with FRS 102 the income has been shown above and offsetting costs are included in Other Operating Expenses (note 13).

Details of the estimates and judgements made in relation to these gifts are given in note 3 iv.

9 Investment Income

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Dividend income and interest receivable	726	167	853	853
Other interest receivable	122	122	325	110
	848	289	1,178	963

10 Donations and Endowment Income

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Endowment income	227	227	292	292
Unrestricted donations	111	111	65	65
Restricted donations	342	342	1,055	1,055
	680	680	1,412	1,412

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

11 Staff Costs

	Group Year ended 31 July 2020 Number	LSTM Year ended 31 July 2020 Number	Group Year ended 31 July 2019 Number	LSTM Year ended 31 July 2019 Number
The number of persons (including senior post holders) employed at 31 July each year, expressed as full-time equivalents, was :				
<i>Academic contracts</i>				
Teaching staff	11	11	12	12
Research staff	129	129	131	131
Teaching and research staff	64	64	67	67
Clinicians	15	15	14	14
<i>Non-academic contracts</i>				
Other	431	310	443	332
	650	529	667	556
	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Staff costs for the above persons were :				
Salaries	30,461	24,992	28,816	23,796
Social security costs	2,783	2,482	2,768	2,499
Pension costs	4,768	4,420	3,987	3,665
Restructuring costs	226	226	62	62
Accrued but untaken holiday costs	322	322	(246)	(246)
Staff costs before adjusting for pension provision costs	38,560	32,442	35,387	29,776
Pension deficit funding costs	(12,945)	(12,945)	15,081	15,081
Total staff costs	25,615	19,497	50,468	44,857

The pension provision costs represent the commitment by LSTM to fund the underlying deficit on the USS hybrid pension scheme. Under FRS 102 these amounts need to be provided for. The total provision at 31 July 2020 is £9,258,000 (see note 23).

Salaries of the higher paid staff, excluding employer's pension contributions were within the following ranges :

	Group Year ended 31 July 2020		Restated Group Year ended 31 July 2019	
	Number of Key Management Personnel	Number of Other Staff	Number of Key Management Personnel	Number of Other Staff
£100,000 - £105,000	1	3	-	6
£105,001 - £110,000	2	7	1	4
£110,001 - £115,000	-	2	-	6
£115,001 - £120,000	-	6	-	2
£120,001 - £125,000	-	2	-	-
£125,001 - £130,000	1	1	1	1
£130,001 - £135,000	-	2	-	2
£135,001 - £140,000	1	-	-	1
£140,001 - £145,000	-	2	-	2
£145,001 - £150,000	-	2	-	1
£155,001 - £160,000	-	-	-	1
£160,001 - £165,000	-	1	-	1
£170,001 - £175,000	1	1	-	-
£180,001 - £185,000	-	1	-	-
£205,001 - £210,000	1	-	1	-
£220,001 - £225,000	-	-	1	-
£230,001 - £235,000	-	-	1	1
£240,001 - £245,000	1	-	-	1
£255,001 - £260,000	1	-	-	-
£270,001 - £275,000	-	1	-	-
	9	31	5	29

The prior year figures have been restated to include 4 persons omitted in the prior year.

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

12 Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the school. The figures below include compensation paid to key management personnel.

	Group/LSTM Year ended 31 July 2020 Number	Group/LSTM Year ended 31 July 2019 Number
--	--	--

The number of key management personnel including the director was :	<u>9</u>	<u>7</u>
---	----------	----------

Key management personnel include the Director - only 5 of the key management personnel earned a salary over £100,000 in 2018/19. In 2019/20 all key management personnel earned a salary of over £100,000 (see salary bandings note 11).

Key management personnel's total emoluments were made up as follows:

	31 July 2020 £'000	31 July 2019 £'000
Salaries	1,387	1,079
Social security costs	167	141
Pension Contributions	167	108
Total emoluments	<u>1,721</u>	<u>1,328</u>

During the prior year there was a change in Director of LSTM

- Janet Hemingway resigned as Director on 31 December 2018, but continued to work for LSTM in another capacity
- David Laloo, previously Dean of Clinical Sciences and International Public Health, was appointed Director on 1 January 2019

The above comparative amounts for 2018/19 include the actual remuneration paid to David Laloo who was Director at 31 July 2019, in both of his roles in the year. Remuneration for both Janet Hemingway and David Laloo, in all roles is as follows :

	31 July 2020 £'000 D Laloo	31 July 2019 £'000 D Laloo	£'000 J Hemingway
Salaries during period as Director	256	147	128
Salaries during period in another role	-	76	103
Social security costs during period as Director	34	20	18
Social security costs during period in another role	-	10	13
Pension Contributions during period as Director	37	21	-
Pension Contributions during period in another role	-	9	-
Total Salaries during the financial year, in both roles	<u>256</u>	<u>223</u>	<u>231</u>
Total social security costs during the financial year	<u>34</u>	<u>30</u>	<u>31</u>
Total Pension contributions during financial year	<u>37</u>	<u>30</u>	<u>-</u>
Total emoluments	<u>327</u>	<u>283</u>	<u>262</u>
Total emoluments pro rata if Director for full year	<u>327</u>	<u>322</u>	<u>356</u>

During 2019/20 Janet Hemingway received total remuneration of £198,000, including £175,000 salary and £23,000 social security contributions.

The pension contributions of the Director and key management personnel are in respect of employer's contributions to the USS and NHS pension schemes and are paid at the same rate as for other employees.

The members of the Board other than the Director and the staff members did not receive any payment from LSTM other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

The total expenses paid to or on behalf of trustees was £1,961 (2019 : £4,559). This represents travel and subsistence expenses incurred in attending meetings and events in their official capacity.

Senior staff pay

LSTM is a world leading research institution. We benchmark our rates of pay and HR practices against the higher education sector in general, and our key comparator group is Russell Group institutions. This reflects where we need to be in order to attract and retain the most talented people in our predominantly research field, particularly against global and national competition.

Liverpool School of Tropical Medicine

Financial Statements for year ended 31 July 2020

Average earnings in higher education are higher than the average for both the public and private sector and have grown faster than in the wider economy.

The Director's pay is linked to a pay scale. Incremental progression is not automatic, however any pay awards are based on consideration of an individual's contribution, supported by evidence of exceptional performance. Determinations of pay for senior executive staff are made by the Remuneration Committee, the members of which are Board trustees, and which is chaired by the Chair of the Board; however, the Deputy Chair presides over discussions of the director's pay. The remuneration Committee adopts the CUC's Higher Education Senior Staff Remuneration Code and publishes a separate annual report. Due to COVID-19 the Remuneration Committee did not meet in July 2020 as the decision was made for there to be no increase in salaries in August 2020 for senior staff as a result of the pandemic.

David Laloo's level of remuneration since he became director was determined taking account of the analysis of benchmark information to reflect the relevant market position. He took office in January 2019 and the first determination of contribution and his reward was due to take place before the end of the 2019/20 financial year. However, as the decision was made for there to be no annual increase in senior staff salaries at August 2020, this review has been delayed.

Median salary info

The FTE salary of David Laloo as Director, expressed as a multiple of the median salary of all LSTM UK staff is 6.96 (2019 : 7.08).

The FTE total remuneration of David Laloo as Director, expressed as a multiple of the median total remuneration of all LSTM UK staff is 6.73 (2019 : 6.96).

The basis of the calculation is as follows:

All staff costs are grossed up to reflect amounts payable on a full time equivalent basis.

Total remuneration includes employer pension payments, bonus payments and allowances.

Salary details for atypical and agency staff have been excluded due to difficulties in obtaining the data from third parties.

Overseas activities

LSTM's business is such that a substantial amount of overseas activities are carried out by all staff, which includes senior post-holders and higher paid staff. It is not believed appropriate to account for this expenditure in a separate note.

13 Other Operating Expenses

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Research grants and contracts	58,583	39,928	61,853	41,721
Implementation research consultancy	18,875	3,457	17,498	3,944
Gifts in kind : Pharmaceutical drugs for MDA programme	101,486	101,486	114,351	114,351
Gifts in kind : LF Drug efficacy programme	-	-	710	710
Gifts in kind : Mosquito nets	3,092	3,092	-	-
Forward currency contracts	152	-	781	630
Premises costs	3,071	3,071	3,305	3,305
Academic and related expenditure	1,930	2,082	1,785	1,785
Administrative and central services	1,381	1,733	1,805	1,610
	188,570	154,849	202,088	168,056

Other operating expenses include :

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Financial statements auditor's remuneration				
Financial statements audit	84	41	68	30
Audit related assurance services	7	7	-	-
Taxation compliance services	9	2	9	2
Taxation advisory services	11	7	37	16
Other auditor's remuneration				
Internal audit	26	26	43	43
Component auditors	26	-	23	-

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

14 Interest Payable

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Finance lease interest for Accelerator Building	14	14	30	30
	14	14	30	30

15 Taxation

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Tax on RDEC claim	-	-	15	15
Deferred tax asset	-	-	(10)	-
Tax credit in year	(24)	-	-	-
	(24)	-	5	15

16 Surplus/(Deficit) on Continuing Operations for the Year

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Surplus/(deficit) for the year before gift aid	9,043	7,871	(10,572)	(13,989)
Surplus generated by subsidiary undertakings and transferred to LSTM under gift aid	-	-	-	115
Surplus/(deficit) for the year	9,043	7,871	(10,572)	(13,874)

17 Tangible Fixed Assets

	Leasehold Buildings £'000	Freehold land and buildings £'000	Fixtures & Equipment £'000	TOTAL £'000
Group				
Cost or valuation				
At 1 August 2019	14,126	56,906	4,994	76,026
Additions	97	363	287	747
Disposals	-	-	-	-
At 31 July 2020	14,223	57,269	5,281	76,773
Depreciation				
At 1 August 2019	690	11,813	3,668	16,171
Charge for the year	343	1,064	504	1,911
Eliminated in respect of disposals	-	-	-	-
At 31 July 2020	1,033	12,877	4,172	18,082
Net book value at 31 July 2020	13,190	44,392	1,109	58,691
Net book value at 31 July 2019	13,436	45,093	1,326	59,855
Financed by Funding body capital grants	-	5,607	476	6,083
Financed by government capital grants	1,575	17,836	-	19,411
Financed by other grants and LSTM	11,615	20,949	633	33,197
	13,190	44,392	1,109	58,691

The amount for freehold land and buildings includes a value for land of £3,907,000 which is not depreciated.

The net book value of tangible fixed assets includes £8,772,000 (2019 : £8,961,000) in respect of assets held under finance lease. Depreciation of the finance lease asset was £189,000 (2019 : £189,000).

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

LSTM	Leasehold Buildings £'000	Freehold land and buildings £'000	Fixtures & Equipment £'000	TOTAL £'000
Cost or valuation				
At 1 August 2019	13,774	56,906	4,904	75,584
Additions	97	363	287	747
Disposals	-	-	-	-
At 31 July 2020	13,871	57,269	5,191	76,331
Depreciation				
At 1 August 2019	618	11,813	3,622	16,053
Charge for the year	336	1,064	493	1,893
Eliminated in respect of disposals	-	-	-	-
At 31 July 2020	954	12,877	4,115	17,946
Net book value at 31 July 2020	12,917	44,392	1,076	58,385
Net book value at 31 July 2019	13,156	45,093	1,282	59,531
Financed by Funding body capital grants	-	5,607	476	6,083
Financed by government capital grants	1,575	17,836	-	19,411
Financed by other grants and LSTM	11,342	20,949	600	32,891
	12,917	44,392	1,076	58,385

The amount for freehold land and buildings includes a value for land of £3,907,000 which is not depreciated.

The net book value of tangible fixed assets includes £8,772,000 (2019 : £8,961,000) in respect of assets held under finance lease. Depreciation of the finance lease asset was £189,000 (2019 : £189,000).

18 Investments in Subsidiaries

	LSTM Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2019 £'000
Investments in subsidiary companies	54	54

LSTM owns 100% of the issued ordinary £1 shares of LSTM Consulting Limited, a company incorporated in England and Wales. Its principal business activity is carrying out technical assistance on health issues in tropical countries. LSTM Consulting Limited has interests in the following companies and NGOs :

- LATH Nigeria (Dormant NGO)
- LATH Umoyo, Malawi (Dormant) - 50%
- LSTM Kenya - 100%
- LSTM Consulting USA - 100%
- LMS (Dormant) - 100%
- LATH South Sudan (NGO)

LSTM owns 100% of the issued ordinary £1 shares of Liverpool International Health Ventures Limited, a company incorporated in England and Wales. Its principal business activity is being a vehicle to remunerate employees of fellow group companies and a holding company for the following :

- Well Travelled Clinics Limited (WTC)
- Liverpool International Health I.P. Limited (LIHIP)

LSTM owns 100% of the issued ordinary £1 shares of EchiTab Study Group (UK) Limited, a company incorporated in England and Wales (Dormant).

LSTM is the sole member of IVCC, a company and registered charity incorporated in England and Wales. IVCC is a company limited by guarantee and holds no share capital. Its principal business activity is to carry out research into controlling vector-borne diseases such as malaria and dengue.

LSTM owns 99% of the issued ordinary 10 Rupee shares of Liverpool School of Tropical Medicine Foundation India, a company incorporated in India. In 2017/18 £5,000 was transferred to India as paid up share capital. In 2018/19 this amount was returned following clarification regarding Indian company law.

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

LSTM also has an interest in the following, which are all NGOs apart from LSTM Tanzania which is a limited company :

- LSTM Malawi	}	Consolidated in LSTM Group Financial Statements
- LSTM Tanzania (Ltd Company)	}	
- CeSHHAR Zimbabwe (Charity)	}	
- LSTM DRC	}	Not consolidated due to negligible activity
- Liverpool Initiative for Health Development (Nigeria)	}	
- LSTM Sierra Leone	}	
- LSTM Uganda	}	

19 Debtors : Amounts falling due within 1 year

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Trade debtors	1,419	1,315	1,641	1,532
Amounts owed by subsidiary undertakings	-	120	-	-
Other taxation and social security	34	-	10	-
Balances due on research grants and contracts	20,494	14,320	23,226	13,039
Prepayments and accrued income	1,553	1,483	955	901
Forward currency contracts	287	103	250	-
	23,787	17,341	26,082	15,472

A bad debt provision of £270,000 (2019 : £224,000) has been recognised against debtors of LSTM and the Group.

20 Investments and Endowments

	Group Investments Year ended 31 July 2020 £'000	Group Endowments Year ended 31 July 2020 £'000	Group TOTAL Year ended 31 July 2020 £'000	Group TOTAL Year ended 31 July 2019 £'000
Cost at 1 August 2019/2018	20,116	12,084	32,200	33,652
Additions	97	2,448	2,545	1,928
Disposals	(7,040)	(2,032)	(9,072)	(3,380)
Cost at 31 July 2020/2019	13,173	12,500	25,673	32,200
Unrealised revaluation reserve at 1 August 2019/2018	4,529	3,856	8,385	6,710
Unrealised revaluation in the year	(1,480)	(1,478)	(2,958)	1,675
Unrealised revaluation reserve at 31 July 2020/2019	3,049	2,378	5,427	8,385
Market value at 31 July 2020/2019	16,222	14,878	31,100	40,585
<i>Represented by :</i>				
Fixed interest stocks (listed)	12,141	2,160	14,301	16,602
Equities (listed)	2,812	10,761	13,573	15,550
Other	1,269	1,957	3,226	8,433
	16,222	14,878	31,100	40,585
<i>Represented by :</i>				
Fellowships and scholarship funds	-	7,531	7,531	7,511
Prize funds	-	131	131	131
Other funds	16,222	7,216	23,438	32,943
	16,222	14,878	31,100	40,585

Investments include bank deposits of greater than 3 months duration of £72,000 (2019 : £5,530,000).

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

	LSTM Investments Year ended 31 July 2020 £'000	LSTM Endowments Year ended 31 July 2020 £'000	LSTM TOTAL Year ended 31 July 2020 £'000	LSTM TOTAL Year ended 31 July 2019 £'000
Cost at 1 August 2019/2018	17,055	12,084	29,139	29,081
Additions	97	2,448	2,545	1,928
Disposals	(3,765)	(2,032)	(5,797)	(1,870)
Cost at 31 July 2020/2019	13,387	12,500	25,887	29,139
Unrealised revaluation reserve at 1 August 2019/2018	4,315	3,856	8,171	6,710
Unrealised revaluation in the year	(1,480)	(1,478)	(2,958)	1,462
Unrealised revaluation reserve at 31 July 2020/2019	2,835	2,378	5,213	8,172
Market value at 31 July 2020/2019	16,222	14,878	31,100	37,311
<i>Represented by :</i>				
Fixed interest stocks (listed)	12,141	2,160	14,301	16,602
Equities (listed)	2,812	10,761	13,573	15,550
Other	1,269	1,957	3,226	5,159
	16,222	14,878	31,100	37,311
<i>Represented by :</i>				
Fellowships and scholarship funds	-	7,531	7,531	7,511
Prize funds	-	131	131	131
Other funds	16,222	7,216	23,438	29,669
	16,222	14,878	31,100	37,311

Investments include bank deposits of greater than 3 months duration of £72,000 (2019 : £2,056,000).

21 Creditors : Amounts falling due within 1 year

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Unexpended balances of research grants and contracts	54,221	20,403	68,761	18,939
Trade creditors	287	176	1,337	673
Amounts owed to subsidiary undertakings	-	-	-	3,242
Other taxation and social security	950	896	801	787
Holiday accrual	690	690	367	367
Accruals	8,546	3,548	9,328	1,734
Forward currency contracts	247	114	1,195	507
Short Term element of finance lease liability (note 32)	426	426	412	412
Short term element of deferred capital grants (note 25)	566	566	576	576
	65,933	26,819	82,777	27,237

22 Creditors : Amounts falling due after 1 year

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Long term element of deferred capital grants (note 25)	24,928	24,928	25,347	25,347
Long term element of finance lease liability (note 32)	9,368	9,368	9,794	9,794
	34,296	34,296	35,141	35,141

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

23 Pension Deficit Provision

	Group/LSTM USS Year ended 31 July 2020 £'000
At 31 July 2018	6,623
Increase in provision during the year (staff costs, see note 11)	15,081
Increase in provision during the year (interest costs)	145
Total increase in provision during the year	15,226
At 31 July 2019	21,849
Decrease in provision during the year (staff costs, see note 11)	(12,945)
Increase in provision during the year (interest costs)	354
Total decrease in provision during the year	(12,591)
At 31 July 2020	9,258

The obligation to fund the past deficit on the Universities Superannuation Scheme (USS) arises from the contractual obligation with the USS to fund deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have estimated future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out below.

The provision at 31 July 2020 is based on the sector-mandated model which reflects the latest valuation at 31 March 2018. An updated valuation at 31 March 2020 is still in progress.

Management has assessed future employees within the scheme and salary payment over the period of the contracted obligations to calculate the value of the provision, and has made the following assumptions.

	Group/LSTM Year ended 31 July 2020	Group/LSTM Year ended 31 July 2019
Discount rate	1.71%	1.62%
Salary growth	1.5% 1st 6 years, then 2.5%	2.50%
Staff numbers growth	3.0% 1st 6 years, then 5.0%	6.00%

Sensitivity analysis

As at 31 July 2020 the latest valuation at March 2020 has not been finalised therefore it is not known at this time how this may impact the deficit recovery plan and the LSTM provision.

As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the USS deficit. The sensitivity of the principal assumptions used to measure the USS deficit provision are set out below :

Change in assumptions at 31 July 2020	Approximate impact £'000	
0.5% pa decrease in discount rate	223	Increase in provision
0.5% pa increase in salary inflation over duration	222	Increase in provision
0.5% pa increase in salary inflation year 1 only	44	Increase in provision
0.5% increase in staff changes over duration	219	Increase in provision
0.5% increase in staff changes year 1 only	44	Increase in provision
1% increase in deficit contributions from April 2020	1,614	Increase in provision

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

24 Other Provisions

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000
At 31 July 2018	-	-
Transfer from creditors to provisions in year	1,173	1,168
At 31 July 2019	1,173	1,168
Net movement of provisions in the year	654	639
At 31 July 2020	1,827	1,807

Other provisions comprise primarily provisions for issues in meeting project deliverables on research grants, partly due to COVID-19 (£1,106,000), and a provision for the negative assets for the subsidiary IP company (£293,000)

Information regarding settlement of the amounts provided for is anticipated in the next year.

25 Deferred Capital Grants

	Group/LSTM Funding Council Year ended 31 July 2020 £'000	Group/LSTM Other Funding Year ended 31 July 2020 £'000	Group/LSTM TOTAL Year ended 31 July 2020 £'000
At 1 August 2019			
Buildings	5,445	19,941	25,386
Equipment	537	-	537
Cash received			
Buildings	871	-	871
Equipment	612	-	612
Released to Statement of comprehensive income			
Buildings	(711)	(530)	(1,241)
Equipment	(671)	-	(671)
At 31 July 2020	6,083	19,411	25,494

Deferred capital grants are shown in Creditors and are split between Creditors : < 1 year and Creditors : > 1 year as follows :

Creditors < 1 year			566
Creditors > 1 year			24,928
			25,494
At 1 August 2018			
Buildings	4,925	20,471	25,396
Equipment	242	-	242
Cash received			
Buildings	637	-	637
Equipment	500	-	500
Released to Statement of comprehensive income			
Buildings	(117)	(530)	(647)
Equipment	(205)	-	(205)
At 31 July 2019	5,982	19,941	25,923

Deferred capital grants are shown in Creditors and are split between Creditors : < 1 year and Creditors : > 1 year as follows :

Creditors < 1 year	576
Creditors > 1 year	25,347
	25,923

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

26 Endowment Reserves

	Group/LSTM Permanent endowments Restricted Year ended 31 July 2020 £'000	Group/LSTM Unrestricted Year ended 31 July 2020 £'000	Group/LSTM Expendable Restricted Year ended 31 July 2020 £'000	Group/LSTM TOTAL Year ended 31 July 2020 £'000
At 1 August 2019				
- Capital value	7,386	7,557	623	15,566
- Accumulated income	217	202	(44)	375
- TOTAL	7,603	7,759	579	15,941
Reclassification between restricted and unrestricted	553	(559)	-	(6)
Drawdown of endowment capital	-	-	(44)	(44)
Appreciation of endowment assets investments (realised)	268	54	93	415
Depreciation of endowment assets investments (unrealised)	(824)	(525)	(130)	(1,479)
Income for the year	147	128	56	331
Transferred to statement of comprehensive income	(92)	(128)	(61)	(281)
At 31 July 2020				
- Capital value	7,383	6,527	543	14,453
- Accumulated income	272	202	(49)	425
- TOTAL	7,655	6,729	494	14,878
<i>Representing :</i>				
Fellowship and scholarship funds	7,106	-	494	7,600
Prize funds	130	-	-	130
Other funds	419	6,729	-	7,148
Investments	7,655	6,729	494	14,878
Cash relating to endowments	57	1,301	1	1,359
Reserves	7,712	8,030	495	16,237
	Year ended 31 July 2019 £'000	Year ended 31 July 2019 £'000	Year ended 31 July 2019 £'000	Year ended 31 July 2019 £'000
At 1 August 2018				
- Capital value	7,758	6,983	655	15,396
- Accumulated income	176	202	6	384
- TOTAL	7,934	7,185	661	15,780
Reclassification between restricted and unrestricted	(331)	331	-	-
(Depreciation)/Appreciation of endowment assets investments (realise)	(39)	126	(30)	57
(Depreciation)/Appreciation of endowment assets investments (unrealised)	(2)	117	(2)	113
Income for the year	184	154	17	355
Transferred to statement of comprehensive income	(143)	(154)	(67)	(364)
At 31 July 2019				
- Capital value	7,386	7,557	623	15,566
- Accumulated income	217	202	(44)	375
- TOTAL	7,603	7,759	579	15,941
<i>Representing :</i>				
Fellowship and scholarship funds	6,990	-	579	7,569
Prize funds	139	-	-	139
Other funds	474	7,759	-	8,233
Investments	7,603	7,759	579	15,941
Cash relating to endowments	416	1,114	14	1,544
Reserves	8,019	8,873	593	17,485

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

27 Restricted General Reserve

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000
At 31 July 2018	2,469	-
Surplus from Statement of comprehensive income	3,739	619
At 31 July 2019	6,208	619
Surplus/(deficit) from Statement of comprehensive income	1,797	(165)
Transfer from general unrestricted reserve	(678)	-
At 31 July 2020	7,327	454

The reserves of IVCC and CeSHHAR Zimbabwe are considered to be restricted due to their status as charities/Private voluntary organisations (PVOs) and their objects being narrower than those of the group. In addition, at 31 July 2020 donations where there is a restriction over how they are used were transferred to this reserve from the general reserve.

28 Financial Instruments

The carrying value of the Group and LSTM's financial assets and liabilities are summarised by category below :

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Financial assets				
<i>Financial assets at fair value through surplus or deficit :</i>				
Listed investments and endowments	31,100	31,100	40,585	37,311
<i>Financial assets that are debt instruments measured at amortised cost :</i>				
Trade, research and other receivables	22,962	16,734	71,455	14,957
Cash and cash equivalents	46,250	6,842	53,308	6,749
<i>Financial assets measured at fair value through surplus or deficit</i>				
Forward currency contracts	287	103	250	-
	100,599	54,779	165,598	59,017
Financial liabilities				
<i>Financial liabilities measured at amortised cost</i>				
Trade, research and other payables and accruals	63,054	24,127	79,877	24,588
Finance lease liability	9,794	9,794	10,206	10,206
<i>Financial liabilities measured at fair value through surplus or deficit</i>				
Forward currency contracts	247	114	1,195	507
	73,095	34,035	91,278	35,301

The Group applies hedge accounting for certain transactions entered into to manage the cash flow exposures of US dollar research income. Foreign currency forward contracts are held to manage the exposure to fluctuations in US dollar and Euro rates and are designated as cash flow hedges.

Cash flows on both the US dollar and Euro research income and the foreign currency forward contracts are at regular intervals, based on predicted project related cash flows. The forward contracts had a mark to market valuation as at 31 July 2020 amounting to a liability of £40,000 (2019 : £1,117,000 liability). During 2019/20 a gain of £642,000 (2019 : loss of £801,000) was recognised in the cash flow hedge reserve for changes in the fair value of the forward contracts and a gain of £517,000 was recognised in income for the year (2019 : a loss of £781,000). No amounts of ineffectiveness were recognised in the year (2019 : £Nil).

The foreign currency forward contracts are not traded in active markets. These have been fair valued using observable forward exchange rates corresponding to the maturity of the contracts.

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

The Group's income, expense, gains and losses in respect of financial instruments are summarised below :

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Financial assets				
Total interest income for financial assets at amortised cost	122	122	325	110
Fair value gains and (losses)				
On financial assets measured at fair value through income and expenditure	517	669	(781)	(630)
On financial assets measured at fair value through the hedging reserve	642	-	(801)	123

29 Cash and Cash Equivalents

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000
At 1 August 2019	53,308	6,749
Cashflows	(7,058)	93
At 31 July 2020	46,250	6,842

30 Pension and similar obligations

LSTM and the Group's employees belong to two principal pension schemes, the Universities Superannuation Scheme (USS) and University of Liverpool Pension Fund (ULPF) although a small number of staff belong to the National Health Service Superannuation Scheme (NHSSS) and WTC Pension scheme. All schemes apart from the WTC scheme are defined benefit schemes, which are externally funded and contracted out of the State Earnings-Related Pension Scheme.

The defined benefit funds are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by each fund's trustee on the advice of the actuary. In the intervening years the actuary reviews the progress of the scheme. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the institution benefits from the employee's services. The total group pension cost for the year was £4,768,000 (2019 : £3,987,000).

Universities Superannuation Scheme (USS)

LSTM participates in the Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. LSTM is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", LSTM therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the statement of comprehensive income represents the contributions payable to the scheme. Since LSTM has entered into an agreement (the recovery plan) that determines how each employer within the scheme will fund the overall deficit, LSTM recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

The total contributions charged to the Statement of comprehensive income is £3,845,000 (2019 : £3,409,000).

Deficit recovery contributions due within one year are £406,000 (2019 : £331,000)

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete.

Since the institution cannot identify its share of Retirement Income Builder Section of the Scheme assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion, and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

Liverpool School of Tropical Medicine

Financial Statements for year ended 31 July 2020

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principals

Pension increases (CPI) Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.

Discount rate (forward rates) Years 1-10 : CPI + 0.14% reducing linearly to CPI - 0.73%
Years 11-20 : CPI +2.52% reducing linearly to CPI +1.55% by year 21
Years 21+ : CPI +1.55%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2018 Valuation
	Pre retirement
Mortality base table	71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.
	Post retirement
	97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% p.a for males and 1.6% for females

The current life expectancies on retirement at age 65 are :

	2018 valuation	2017 valuation
Males currently aged 65 (years)	24.4	24.6
Females currently aged 65 (years)	25.9	26.1
Males currently aged 45 (years)	26.3	26.6
Females currently aged 45 (years)	27.7	27.9

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2020 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions :

	2020	2019
Discount rate	1.71%	1.62%
Pensionable salary growth	Years 1 - 6 : 1.5%	2.50%
	Years 7 - 16 : 2.5%	

University of Liverpool Pension Fund (ULPF)

LSTM participates in the University of Liverpool Pension Fund (ULPF), a defined benefit scheme in the UK. The final salary section of the Fund is closed to new entrants with effect from 31 July 2011 and from 1 August 2011 new members are eligible to join the CARE section of the Fund. A full actuarial valuation was carried out at 31 July 2018 and the preliminary results have been updated to 31 July 2019 by a qualified actuary, independent of the scheme's sponsoring employer.

The contributions made by the employer over the period have been £211,000 (2019 : £234,000). The employer currently pays contributions at the rate of 16% of pensionable pay. Member contributions are payable in addition at the rate of 7.5% of pensionable pay for Final Salary members and 6.5% of pensionable pay for CARE members.

The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest) and the rates of increase in salary and pensions. In relation to the past service liabilities the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the discount rate would be 1.5% per annum (2019 : 2.10%) and salary increases would be 2.55% per annum (2019 : 2.6%). The valuation was carried out using the projected unit method.

At the valuation date the market value of the assets of the scheme was £533.3m (2019 : £507.0m) and the value of the past service liabilities was £511.2m (2019 : £449.0m) leaving a surplus of £22.2m (2019 : £58.0m).

During the year, LSTM contributed to 52 employees within this scheme (2019 : 52 employees). There was a total of 49 LSTM active members in this scheme at 31 July 2020.

Liverpool School of Tropical Medicine

Financial Statements for year ended 31 July 2020

National Health Service Superannuation Scheme (NHSSS)

LSTM participates in the National Health Service Superannuation Scheme (NHSSS), a defined benefit scheme which is a statutory, unfunded, multi employer, defined benefit scheme in which LSTM is unable to identify its share of the underlying liabilities and assets and is accounted for on a contributions basis.

The contributions made by the employer over the financial year have been £364,000 (2019 : £296,000), equivalent to 14.38% of pensionable salaries.

There were a total of 34 LSTM active members in this scheme at 31 July 2020.

31 Contingent Liability

A composite cross guarantee structure exists between Liverpool School of Tropical Medicine, Well Travelled Clinics Limited, Liverpool International Health Ventures Limited, Liverpool International Health I.P. Limited, IVCC and LSTM Consulting Limited. The aggregate amount outstanding under this agreement at the balance sheet date was £531,361 (2019 : £483,589).

32 Finance Lease Commitments

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Restated Group Year ended 31 July 2019 £'000	Restated LSTM Year ended 31 July 2019 £'000
Amounts due in less than one year	426	426	412	412
Amounts due between one and five years	1,896	1,896	1,841	1,841
Amounts due in more than five years	7,472	7,472	7,953	7,953
	9,794	9,794	10,206	10,206

LSTM signed a lease for occupation of 2 floors of research space in autumn 2017 and took occupation in September 2017. The lease is for 25 years, at £400,000 a year. LSTM has an option to purchase its share of the building within 10 years of the start of the lease, and given this option LSTM has treated the building as a finance lease since 2017/18.

33 Operating Lease Commitments

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2019 £'000
Amounts due in less than one year	125	41	108	23
Amounts due between one and five years	161	114	169	21
Amounts due in more than five years	-	-	-	-
	286	155	277	44

34 Capital Commitments

	Group/LSTM Year ended 31 July 2020 £'000	Group/LSTM Year ended 31 July 2019 £'000
5% retention on building works	233	233
	233	233

Work is continuing regarding building works therefore it is anticipated once this work is completed to LSTM's satisfaction the retention payment will be made during 2020/21.

35 Related Party Transactions

The Group has taken advantage of the exemptions included in FRS 102 section 33 in not disclosing the transactions with other group companies as all such transactions have been eliminated on consolidating the group results for the year.

Due to the nature of LSTM's operations and the composition of the Board of Trustees (being drawn from local public and private sector organisations), it is inevitable that transactions will take place with organisations in which a member of the Board may have an interest. All transactions involving an organisation in which a member of the Board may have an interest are conducted at arm's length and in accordance with LSTM's financial regulations and normal procurement procedures.

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

36 Foreign, Commonwealth and Development Office (FCDO) Funding (Formerly DFID)

Included within UK central government and other bodies income (note 7) and implementation research consultancy income (note 8) are the following DFID funded research projects, together with their income for the year :

	Group Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000
Sustainable Insecticides for Public Health	8,793	9,331
CNTD Global Programmes including Ascend	3,403	3,846
CouNTDown	1,307	1,700
Next generation snakebite therapies	1,104	1,233
Reducing Maternal and Neonatal Deaths in Kenya	1,056	1,069
READ-It	931	902
FIEBRE	548	421
TDDAP	208	32
Monitoring/evaluation services Royal Society-DFID Capacity Building Africa Initiative	110	-
UKPHS	104	-
PBO study : Impact of LLINs	61	466
Implementation/evaluation of novel tools in malaria control programmes.	53	-
ReBuild	49	525
K4D	46	52
Capacity strengthening	7	151
Integrated control of schistosomiasis and intestinal helminths	-	500
HSG research uptake lessons	-	157
MEOR Nepal	-	50
Other smaller funding	73	12
	17,854	20,447

37 Impact of decision to leave the European Union

On 23 June 2016 the UK voted to leave the European Union and this will take effect 1 January 2021. Factors likely to be specifically relevant to LSTM include the following :

- Currency volatility
- Stock prices and valuations
- Ability to apply for EU research and capital funding
- Attracting EU students and staff to LSTM
- Restrictions on the movement of labour across borders
- The general macro-economic position and consumer confidence
- GDPR data risks

Brexit is a standing item at monthly management committee meetings.

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2020

38 Consolidated Reconciliation of Net Funds

	Group Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2020 £'000		
Net funds/(debt) 1 August 2019	42,157	(3,964)		
Movement in cash and cash equivalents	(7,058)	93		
Other non-cash changes	1,397	908		
Net funds/(debt) 31 July 2020	36,496	(2,963)		
Change in net funds	(5,661)	1,001		
Analysis of net funds/(debt):				
	Group Year ended 31 July 2020 £'000	Group Year ended 31 July 2019 £'000	LSTM Year ended 31 July 2020 £'000	LSTM Year ended 31 July 2019 £'000
Cash and cash equivalents	46,250	53,308	6,842	6,749
Borrowings: amounts falling due within one year				
Obligations under finance leases	426	412	426	412
Forward contracts	(40)	945	11	507
	386	1,357	437	919
Borrowings: amounts falling due after more than one year				
Obligations under finance lease	9,368	9,794	9,368	9,794
	9,368	9,794	9,368	9,794
Net funds/(debt)	36,496	42,157	(2,963)	(3,964)

39 Post Balance Sheet Events

The impact on the Group from the COVID-19 pandemic has been considered by the Trustees and there are no related adjusting or non-adjusting events since 31 July 2020.

Since 31 July 2020 the NGO Registrar in Tanzania has confirmed acceptance of the request to close the entity with effect from 31 July 2020.

Adacha Boslam Bello Adam Roberts Zariana Adolfi Agnes Matope Aitor Casa Sanchez Akram Zaman Akramuzzaman Alasdair Hubbard Alastair Breen Ali
Alessandra Romero Ramirez Alex Schade Alexandre Quach Alice Biggane Alicia Wallace Alison Ardrey Alison Derbyshire Alison Lawton Alison Platt Ali
Alison Reynolds Alister Craig Alvaro Acosta-Serrano Amy Guy Amy Lynd Amy Marriott Amy Smith Ana Cubas Atienzar Andrea Collins Andrea Fyfe An
Andrew Bennett Andrew Burns Andrew Carey Andrew Hope Andrew Saibu Andrew Steven Andy Edwards Andy South Angela Hargreaves Angela Hughes Ang
Angela Obasi Angela Towndrow Angela Travis Angelina Peterson Angeline Purcell Anja Terlouw Anna Van Eijk Annabel Murphy Anne Wilson Annmarie Hand A
and Anthony Abbott Anupam Garrib Ariana Alcorlo Arianna Braccioni Arif Khan Armelle Forrer Arwen Bate Ashleigh Howard Austin Johnson Ayo Barley Ba
y Babu Ram Devkota Barbara Madaj Barry Vigus Becky Edge Becky Jones-Phillips Becky Nightingale Ben Dugan Beneth Suwatang Benjamin Morton Ben
n Benjamin Munns Benta Kamire Bertie Squire Beth Hollihead Billy Dean Brent Thomas Brian Slater Britta Urban Carl Colley Carl Henry Carl Robinson Ca
a Carla Solorzano Gonzalez Carmen Maroto Camino Carol Hughes Carol McNally Carole Khairallah Caroline Hercod Caroline Jeffery Cat Anscombe Cath Booth Cat
Cathy Waldron Chakaya Muhwa Charalampos Attipa Charles Ameh Charles Kana Charles Wondji Charlotte Blackburn Charlotte Hemingway Chelsea Morroni
ni Cheryl Giddings Chikondi Mwendera Chol John Thuch Chris Jones Chris Williams Christianne Esparza Christina Berry-Moorcroft Christina Bowers Chri
Christine Bradbury Christopher Larkin Christopher Murray Christopher Myerscough Christos Petichakis Ciara Prunty Claire Barker Claire Lorimer Claire McIntyre
re Clara Burton Clare Bebb Clare Littlewood Clare Maher Clare Mawdsley-Geoghegan Clemens Masesa Craig Crabb Craig Jones Daisy Byrne Daniel Ariop Dan
o Daniel Robinson Daniel Southern Daniela Ferreira Danielle Brennan Danielle Worsley David Ambundo David Callaghan David Horrocks David Jurugo
David Lalloo David Rooke David Simpkin David Weetman David Worrall Debbie Kennett Deborah Edwards Deborah Jenkins Deirdre Walshe Denise Watson
n Denise Wellings Derek Cocker Derric Nimmo Diderik Van Halsema Duncan Preston Duncan Shikuku Duolao Wang Ediri O'Brien Edouard Crittenden Edw
Edward Green Edward Thomsen Efundem Agboraw Einion Holland Eleanor MacPherson Eleanore Sternberg Elena Mitsi Elissavet Nikolaou Elizabeth Wilson Ell
n Ellen Bedson Ellen Marshall Elli Wright Emily Adams Emily Griffiths Emily Hornett Emily Rippon Emma Crickson Emma Reid Enya Anderson Eric Lucas Erik
s Erik Van Widenfelt Esther Wasike Eunice Machocho Euphemia Sibanda Eva Heinz Eve Worrall Ewan Tomeny Faye Moody Federica Guglielmo Feiko Ter Kuil Fe
Felicia Ohl Fiona Davies Fiona Dickinson Fiona Marston Florence Mgawadere Frances Cowan Frances Wood Fraser Colman Freda Sharkey Frederick Yeomans Ga
Garazi Zulaika Gareth Lycett Gary Ward George Parsons Geraldine Foster Ghaith Aljayyousi Giancarlo Biagini Gill Wareing Gillian Kyalo Giorgio Praulins Gra
s Graham Devereux Graham Hughes Graham Small Grant Hughes Grazia Camarda Gregory Harper Hanafy Ismail Mohamed Hannah Betts Hannah Kuspisz Han
Hannah McCauley Hauwa Mohammed Hazel Snell Heather Galloway Helen Allott Helen Bromfield Helen Fletcher Helen Hill Helen Irving Helen McCormack Hel
k Helen Nabwera Helen Piotrowski Helen Williams Helen Wong Helen Woods Heloise Wallis Henry Mwandumba Hilary Ranson Hilary Simons Holly Pelling lai
lain Slack Ian Bebbington Ian Bennet Ian Hastings Ian Patterson Imelda Bates Imri Schattner-Ornan Inaki Tirados Ingrid Cullen Ingrid Etoke Irene Nyaoke Isaa
Isaac Roberts Isabel Saldanha Ismaela Abubakar Isobel Williams Issra Bulgasim Jack Duggan Jack Hearn Jack Jenkins Jacob Kur Aguer Jacqueline Pearce Jaff
a Jaffer Alsolaiss James Court James Diri James Dodd James LaCourse James Maas James McMahon James Milligan Jamie Rylance Jamilah Meghji Jan Randles J
es Jane Ardrey Jane Rowles Jane Warburton Janet Hemingway Janet Storm Janneke Snetselaar Jay Davey Jayne Jones Jed Weightman Jeff Jones Jemma Lunn Je
Jennifer Lord Jennifer Schmidt Jenny Danher Jenny Hill Jeremy Gould Jessica Carson Jessica Lingley Jessica Mason Jessica Quach Jessica Williams Jesu
ms Jesus Reine Gutierrez Jill Davies Jim Briggs Jim Read Joan Fahy Joanna Fisher Joanna Raven Joanne King Joe Nevin Joeseeph Opeiny John Bradley John
y John Deng Tor Bior John Hughes John Kewn John Morrison John Roberts Jonathan Rigby Jonathan Thornton Joseph Okebe Joseph Turner Joseph Valadez Jos
Josephine Oniyama Joy Gilroy Julie Ball Julie Franco Julie Irving Julie Yeates Julie-Anne Tangena Julio Furlong-Silva Justin Pulford Karen Blower Karen Evans Ka
is Karen Eves Karen Johnson Karen Miller Karin Alecock Kate Baines Kate Bradfield Kate Cross Katherine Gleave Kathleen Carroll Kathryn Nott Katie Davies Kati
Katie Owens Katie Reed Keith Steen Kelly Byrne Kelly Convey Kelly Davies Kelly Maddocks Puttock Kelly Smyth Kenyi Isaac Mono Keri Murray Kerry Millington
n Kevin Francis Kevin Mortimer Kevin Stewart Kimberley Ozano Kirsten Duda Kirsty Lowe Kondwani Jambo Kostas Liatsikos Kristoffer Wu Kuir Bul John Dling Ky
Kyle Walker Lana Whittaker Laura Carey Laura Carney Laura Crosby Laura Dean Laura Howard Laura Jeffreys Laura Rosu Lauran Molloy Laura-Oana Albuлесcu
u Lauren Thistlethwaite Lea Muja Ayub Komuri Leah Dempsey Leanne Crowley Lee Haines Lee Walton Leonora Smedley Lesley Bennett Lesley Hands Leslie Choi
Linda Mason Lindsay Troughton Linta Grigoraki Lisa Baldwin Lisa Ford Lisa Hitchins Lisa Reimer Lorelei Silvester Lori Flood Lori Lewis Lororo Mono Loui
o Louis Niessen Louise Harbour Louise Johnson Louise Kelly-Hope Louise Melia Luca Facchinelli Lucas Cunningham Luciene Salas Jennings Lucy Nyaga Lucy
ga Lucy Read Luis Cuevas Luke Burgess Lynn Abernethy Lynn Byrne Lynn Roberts-Maloney Mabior John Aguto Yuang Madi Farrar Magdalena Klimontowska
Maia Lesosky Manuela Bernardi Marc Henrion Margaret Caffrey Maria Power Marie Hatton Marion Morris Mark Fowler Mark Iddon Mark Lutton Mark Paine M
Mark Taylor Mark Wilkinson Markus Gmeiner Marlice Coleman Martha Chinouya Martin Donnelly Martin Eyinda Martina Savio Martyn Stewart Mary - Jo Hoare
e Mary Collins Mary Creegan Mary Lyons Mathias Mondy Matthew Hanlon Maxine Caws Maxine Martin Mel Finley Melissa Taylor Michael Abouyannis Micha
nis Michael Coleman Michael Lurie Michelle Stanton Mike Edwards Miriam Taegtmeyer Mischa Emery Monica Staniek Motto Nganda Muhammad Usman Mur
on Murielle Wondji Nadia Kontogianni Nancy Medley Nancy Vollmer Naomi Walker Nara Tagiyeva-Milne Natalie Lissenden Natalie Saunders Natalie Tate Nata
te Natalie Thompson Natasha Price Neele Wiltgen Georgi Neha Phanse Neil Alexander Necker Argiropoulos Nick Casewell Nick Feasey Nicola Desmond Nicol
ad Nicola Jennion Nicola Pheasant Nina Giannasi Niteen Sharma Onesmus Maina Muchemi Pamela Godia Pat Blundell Patricia McIntosh Patricia Pignatelli Pa
lli Paul Byrne Paul Garner Paul Hill Paul Rowley Paula Harding Paula McCabe Paula Waugh Paula Wright Pauline Ambrose Pauline Carr Penelope Phillips-Howard
d Peter MacPherson Peter Winstanley Philip Crozier Philip McCall Philip Padfield Philippa Tubb Philomena Hinds Pierre Abomo Kele Poni Lubang Poppy
ang Poppy Pescod Priscille Barreaux Pui-Ying Iroh Tam Rachael Milligan Rachael O'Donoghue Rachael Thomson Rachel Clare Rachel Coakley Rache
Rachel Dominguez Rachel Press Rachel Tolhurst Rachelle Harris Rebecca Lester Rebecca Nantanda Rebecca Smith Rebecca Thomas Rhiannon Logan Richard
Logan Richard Baines Richard Burslem Richard King Richard Madden Richard Pleass Richard Selby Rinki Deb Robert Anguyo Robert Harrison Robert Pre
on Robert Prendergast Robert Unziga Lulu Rocio Villacorta Linaza Rohit Patel Ron Plumbeley Rosalind McCollum Roselynn Githinji Rosemary Lees Rosie Steege
nge Rosina Long Ruben Yan Rudra Singh Russell Dacombe Russell Stothard Ruth Cowlshaw Ruth Pollard Ruth Van Zalinge Sade Oladepo Sally Theobald Sam
d Sam Airey Sam Jones Sam Lau Samantha Donnellan Samantha Sheldrake Samuel Prem Ananth Sara Davies Sara Donovan Sara Elg Sara McManus Sarah Conno
r Sarah Doogan Sarah Lewis-Newton Sarah Marsden Sarah Martindale Sarah O'Keeffe Sarah Rees Sarah Roberts Sarah White Sayem Ahmed Scott Davies Sel
ies Selina Keaveney Sepeedeh Saleh Shabbar Jaffar Shahreen Chowdhury Shannon Quek Sharon Glynn Sharon Mullane Shaun Pennington Shaun Stulberg Sh
g Sheila Donegan Sheila Nyarinda-Davis Shelley Lewis Sherin Pojar Shevin Jacob Shiva Hegde Sian Freer Sian Hughes Simon Wagstaff Simone McLaughlin Sind
lin Sindy Chow Somasundari Gopalakrishnan Sophia Akpieyi Sophie Black Sophie Dunkley Stacey Lavery Stacy Murtagh Stefanie Menzies Stefano Colombo
bo Stephanie Herodotou Stephen Allen Stephen Gordon Stephen Torr Steve Patton Steve Ward Steven Butler Stuart Ainsworth Sue Jenkins Sumona Datta Susa
ta Susan Crossman Susan Grice Susan MacKenzie Susan McGinn Svetlana Ryazanskaya Sylvia Gichuru Sylviane Defres Tadje Szeszak Taghreed El Hajj Taline
jj Taline Kazandjian Tamsin Scott Tao Chen Tara Tancred Thais Caprioli Theresa Kana Thomas Cowling Thomas Edwards Thomas McLean Tiago Canelas Ferreira
ra Tim Garner Timothy Martineau Timothy O'Dempsey Tinevimbo Shiri Tom Wingfield Tony Nolan Tracy Owen Tracy Seddon Uzochukwu Egere Vanessa Day Ve
a Day Veneranda Kamanu Victoria Cowley Victoria Ingham Victoria Watson Vida Spaine Webster Mavhu Wesam Mansour Xavier Badia Rius Yan Ding Yang Wu Ya
ng Wu Yangya Nathsharma Yussif Alhassan Zachary Stavrou-Dowd Zelalem Terfa Zena Parker

Thank you to all LSTM staff, volunteers,
ambassadors and contractors who helped with
LSTM's COVID-19 response, and to those who
kept LSTM going while working from home.

www.lstmed.ac.uk

