

Registered Charity Number: 212152

The Royal Society for Asian Affairs

Report and Financial Statements
for the year ended 31 December 2017

The Royal Society for Asian Affairs

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The Royal Society for Asian Affairs

References and Administrative Information

Registered Charity Number 212152

Patron

HRH The Duke of York KG, GCVO, CD, ADC(P)

President

The Lord Davies of Abersoch CBE

Honorary Officers

Mr Neville Green OBE FCIB

Sir David John KCMG

Mr Bill Norton

Mr Michael Pollock MA MCILIP

Sir Harold Walker KCMG

Honorary Vice President

Honorary Vice President

Honorary Secretary

Honorary Librarian

Honorary Vice President

Members of Council and Trustees

Mr Frank Slevin

Mr Andrew Cartwright

Mr Christopher Clarke

Mr Sean A Collins

Mr Roger Croston

Ms Vanessa Easlea

Mr Charles Humfrey CMG

Miss Sophie Ibbotson

Mr Robin Lamb

Mr James McNeish

Mr Shaun McPhee

Mrs Zeenat Rous

Mr Andrew Sparkes CMG

Mr Adrian Steger FRCS

Mr David Stern

Dr David Taylor

Chairman

Honorary Treasurer

until 7 June 2017

until 7 June 2017

from 7 June 2017

until 7 June 2017

Representatives to the Society

Professor Lawrence Saez, SOAS Representative

Mr Michael Thomas, Foreign & Commonwealth Office Representative

Asian Affairs

Mr Christopher Lascelles, Chairman of the Editorial Board

Mr Bijan Omrani, Editor

Mr Richard Fell CVO, Book Review Editor

Mr Michael Ryder CMG, Secretary

Miss Morven Hutchison MBE, Assistant Secretary

Miss Briony Watson, Assistant Secretary

Dr Rosie Llewellyn-Jones MBE, Archivist

Miss Marilyn Arnott, Librarian

The Royal Society for Asian Affairs

References and Administrative Information

(continued)

Principal Office	1A St. Martin's House Polygon Road London, NW1 1QB
Independent Examiners	Anova Chartered Accountants Wickhurst Lane Broadbridge Heath Horsham RH12 3LZ
Bankers	Lloyds Bank 8-10 Waterloo Place London SW1Y 1BE
	COIF Charity Funds 85 Queen Victoria Street London EC4V 4ET
Investment Advisors	CCLA Investment Management 85 Queen Victoria Street London EC4V 4ET
Solicitors	Thrings 6 Drakes Meadow Swindon SN3 3LL
Insurers	Hiscox Event Assured PO Box 501 25-29 London Road Sittingbourne TN2 5TE
	Towergate Insurance 5 Airport West Lancaster Way Leeds LS19 7ZA
	AXA Art Insurance SE 1a Lloyd's Avenue London EC3N 3AA

The Royal Society for Asian Affairs

Report of the Members of the Council for the year ended 31 December 2017

The Members of the Council present their report and the financial statements of the Charity for the year ended 31 December 2017. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with the Charity's rules, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2015.

Structure, governance and management

The Royal Society for Asian Affairs is a learned society and educational charity registered with the Charity Commissioners under Registration number 212152. The Society is also known by the initials RSAA.

The Society was established as the Central Asian Society in 1901. In 1931 it changed its name to the Royal Central Asian Society in acknowledgment of Royal patronage. It became the Royal Society for Asian Affairs in 1975, expanding its area of interest to the whole continent of Asia.

The Society is governed by its Rules as agreed at the Extraordinary General Meeting of the Society on 2 July 1997, with amendments approved by subsequent Annual General Meetings. The objectives of the Society, as laid out in the Rules, include the aim 'to advance the study of languages, literature, art, history, religions, antiquities, usages, institutions, customs and matters of all the countries of Asia'.

The management of the Society is vested in the Council and implemented by staff, currently a Secretary and two Assistant Secretaries. The Council is responsible for the Society's governance, including legal compliance and risk management, and for taking strategic decisions relating to the Society's affairs. The Secretary is responsible for running the Society under the Council's overall direction.

Members of the Council are trustees of the Society for the purpose of the Charities Acts. The trustees receive no remuneration in their capacity as trustees of the Society. They may, but in practice do not, receive expenses.

Members of the Council are elected at the Annual General Meeting for a three-year term and are eligible for re-election for a further three years.

On 10 May 2017 the Council decided to apply to the Charity Commission to change the status of the RSAA from an unincorporated charity to a Charitable Incorporated Organisation (CIO). The Council subsequently decided on 11 October 2018 that its own role, after creation of the CIO, would become advisory with governance of the Society in the hands of the new CIO board. It is anticipated that the change of status will be completed in the first half of 2018.

Mr Michael Ryder CMG was appointed Secretary in July 2017 following the retirement of Mr Alan Attyde.

Risk management

The charity's trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The Society was obliged to close its offices to members and the public for several weeks in the summer of 2017 when it became apparent that important fire safety measures were either not in place or were defective. These were rectified at the landlord's expense.

Achievements and Performance

The Society broke even in 2017 for the first time after many years of large deficits, significantly exceeding the goal set in the 2016 Annual Report of closing the gap between income and expenditure.

The Society's new publishing agreement with Taylor and Francis (see below) and increased investment income contributed to the improvement in the Society's financial performance. The publishing agreement, membership subscriptions and investment income now each contribute around one third of the Society's revenue.

Containing costs remains, nevertheless, a high priority and will be challenging as the costs of London venues for the lecture programme continue to rise. Securing sponsorship for the lectures remains an objective, but one that in the current economic uncertainty is difficult to achieve.

Membership remained stable in 2017 at about 970. The age profile of the membership remains strongly tilted to those in retirement, with more than fifty per-cent of members above the age of seventy.

Asian Affairs continued to develop its international impact and presence. The circulation figures to November 2017 (the latest available) showed nearly 42,000 downloads of *Asian Affairs* articles internationally, continuing a long-term upward trend.

The publishing agreement for *Asian Affairs* was renewed for a further five years following renegotiation. The new agreement offers a number of long-term enhanced benefits for the Society and increases the number of issues from three to four annually. The additional issue is intended to be dedicated to a particular subject.

The first such issue will be devoted to articles from a day-long conference on religious freedom in South Asia in early 2018 at the Woodrow Wilson Center for Scholars in Washington DC and sponsored jointly by the RSAA and Taylor and Francis. It is intended that this partnership with the Woodrow Wilson Center, acknowledged to be one of the world's top foreign policy think-tanks, will increase the visibility of *Asian Affairs* in the US in particular, and lead to a fruitful collaboration on further events.

The move to Haileybury of the bulk of the Society's Library was successfully completed. It is now shelved and is again accessible to members and others.

The Society's Archive took temporary possession of a collection of some 1,600 surplus maps from the University of Edinburgh. Volunteers have been listing the maps and identifying those that the Society might wish to retain in the long term. The intention is to dispose of the remainder, in the first instance to other learned societies. The Society's Archivist, Dr Llewellyn-Jones, has been working with Haslund Films, a Danish company producing a documentary film about RCF Schomberg, that is expected to make significant use of images from the Society's collections.

The Society continued to promote interest in Asian affairs through a programme of nineteen lectures at a range of central London locations. The majority of the lectures were also filmed and made available for members to watch online through the Society's website.

The Denman Memorial Lecture entitled 'Is this Russia's moment in the Middle-East?' was delivered in June 2017 by Sir Jeremy Greenstock GCMG, former UK Ambassador to the United Nations in New York.

The second Hugh Leach Memorial Lecture was held in November 2017 when Mr David Barchard spoke on the topic "From the 'Old Turkey' to the 'New Turkey': How did it happen and how much does it matter?"

Two evenings of Younger Members' talks were held in March and October 2017, each attended by around 40 people. Each occasion consisted of four presentations of 10-15 minutes by recipients of the Society's Travel and Adventure Award and the JPT Family Trust scholarship.

Sixth Form Schools' Days were held in Edinburgh in October 2017 and in London in November 2017. The Edinburgh event attracted some 130 students from twelve schools. The London event had 250 students from nineteen schools. The London event was, as in previous years, organised jointly with SOAS. The Edinburgh event was run in conjunction with Edinburgh University and the Confucius Institute with financial support from the Scottish Government. The event was opened by the Scottish Minister for International Development and Europe, Dr Alasdair Allan.

The annual House of Lords Tea party was held on Wednesday 17 July 2017 with 65 attendees.

The Society promoted three tours for members during 2017 to India (Gujarat and Rajasthan), Sumatra and Jordan.

In 2017 the Society implemented new financial management systems including new accounting software, simplified payment authorisations and the replacement of cheques by online transactions. This has provided more accurate, timely and transparent information for trustees at lower cost. The new accounting system became fully operational at the end of the Society's 2017 financial year.

The Society began preparations for the implementation in 2018 of the General Data Protection Regulation.

Financial Review and Reserve Policy

The Society does not set out to accumulate funds but follows a policy and plan for contingencies to ensure that its reserves amount to at least the equivalent of 18 months operating costs, hopefully exceeding this amount. The Trustees consider that the current level of reserves, none of which is held in restricted funds, is appropriate at £697,587 (2016: £656,418).

Grant making policy

The RSAA Travel and Adventure Award was again open to young people between the ages of 18 and 25 for travel in Asia and had funding of £5,000. There were only nine applications in 2017. From this small field, three awards were made totalling £2,500 to support travel projects in Pakistan, Mongolia and Indonesia. A fourth successful applicant for funding of a project in Hong Kong was unable to take up the offer of an award.

The JPT Family Trust Scholarship aimed at medical students aged 21 to 30, administered again by the RSAA, attracted an unprecedented twenty-nine applications. The JPT panel made five awards of £400 each for elective medical projects in Bhutan, China, India, Malaysia and the Palestine Occupied Territories.

Future Plans

A broad strategic review will be conducted after the new CIO governance structure is in place, but the RSAA expects to maintain its programme of lectures and other activities on generally similar lines to those described in the review above.

Recruiting new, particularly younger, members will be important. A legacy fundraising campaign will also have a high priority, as will developing the role of *Asian Affairs* and the new relationship with the Wilson Center.

The Society's archive is an asset that remains under-developed. It is intended to introduce online cataloguing of the archive with a view both to making the Society's holdings more accessible to scholars and to generating a modest revenue stream from the provision and licensing of reproductions of items from the collection.

A new online catalogue of the entire library will be implemented, making the collection more easily available to search. Reading facilities will be available both at Haileybury and at the Society's offices. Members will continue to be able to borrow most books.

It is intended to introduce the option of paying membership subscriptions by Direct Debit to reduce administrative costs and the incidence of wrong payments.

In order to offer tours that are better directed to members' interests and priorities, it is intended to conduct a survey of members in the early part of 2018.

Approved by the trustees on 3 July 2018 and signed on their behalf:

Mr Frank Slevin
Chairman of the Council

The Royal Society for Asian Affairs

Statement of Responsibilities of the Members of the Council for the year ended 31 December 2017

Under the trust deed and rules of the charity and charity law, the Members of the Council are required to prepare financial statements for each financial year which properly present the state of affairs of the charity and of the balance between income and expenditure. In preparing those financial statements, generally accepted accounting practice entails that the Members of the Council:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 charity will continue its activities.

The Members of the Council are required to act in accordance with the rules of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time and enable the Members of the Council to ensure that, where any statements of accounts are prepared by them under Section 42(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Royal Society for Asian Affairs

Independent Examiners' Report to the Members of the Council of The Royal Society for Asian Affairs for the year ended 31 December 2017

I report on the accounts for the year ended 31 December 2017 set out on pages 11 to 18.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which give me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Simon Hoy CA
Anova
Chartered Accountants**

Anova House
Wickhurst Lane
Broadbridge Heath
Horsham
West Sussex RH12 3LZ

The Royal Society for Asian Affairs

Statement of Financial Activities for the year ended 31 December 2017

	Note	Total Funds 2017 £	Total Funds 2016 £
Incoming resources			
Incoming resources from generated funds:			
Voluntary income	2	72,069	300,857
Activities for generating funds	3	108,868	122,925
Investment Income	4	<u>21,272</u>	<u>13,872</u>
Total incoming resources		<u>202,209</u>	<u>437,654</u>
Resources expended			
Costs of generating funds:			
Costs of generating voluntary income	2	95,270	97,744
Fundraising trading	3	98,529	81,320
Governance costs	5	<u>4,668</u>	<u>13,690</u>
Total resources expended		<u>198,467</u>	<u>192,754</u>
Net incoming/(outgoing) resources before other recognised gains and losses		3,742	244,900
Other recognised gains/(losses):			
Unrealised gains/(losses) on investments	10	37,427	32,079
Realised (losses)/gains on investments		<u>-</u>	<u>-</u>
Net movement in funds		41,169	276,979
Fund balances as at 31 December 2016		<u>656,418</u>	<u>379,439</u>
Fund balances as at 31 December 2017		<u>697,587</u>	<u>656,418</u>

The Royal Society for Asian Affairs

Balance Sheet as at 31 December 2017

	Note	2017 Total Funds £	2016 Total Funds £
Fixed Assets			
Library	8	1	1
Tangible fixed assets	9	4,755	2,947
Investments	10	<u>648,194</u>	<u>610,763</u>
		<u>652,950</u>	<u>613,711</u>
Current Assets			
Stock		1,235	1,430
Debtors: amounts falling due within one year	11	25,667	16,075
Cash at bank and in hand		<u>35,687</u>	<u>36,715</u>
		62,589	54,220
Current Liabilities			
Creditors: amounts falling due within one year	12	<u>17,952</u>	<u>11,513</u>
Net current assets		<u>44,637</u>	<u>42,707</u>
Total assets less current liabilities		<u>697,587</u>	<u>656,418</u>
The funds of the charity			
Unrestricted funds	13/16	697,587	656,418
Restricted funds	13/15-16	<u>-</u>	<u>-</u>
Total charity funds		<u>697,587</u>	<u>656,418</u>

These financial statements were approved by the Council on 3 July 2018 and were signed on its behalf by:

Mr Frank Slevin
Chairman

Mr Andrew Cartwright
Honorary Treasurer

The Royal Society for Asian Affairs

Notes to the Financial Statements for the year ended 31 December 2017

1. Accounting Policies

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

a) Basis of Preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)", and the Charities Act 2011. The financial statements have been prepared under the historical cost convention except for the revaluation of investments to Market value.

b) Incoming Resources

Incoming Resources are included when receivable, with the exception of subscriptions which are recognised as income when received; subscriptions in advance are however deferred.

c) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

d) Governance Costs

These costs relate to central management and administration costs, management of the charity's assets, organisational management and administration and compliance with constitutional and statutory requirements.

e) Support Costs

Overheads and support costs have been apportioned on an appropriate basis, e.g. staff time.

f) Taxation

The Society is a registered charity and, as such, is exempt from taxes under the provision of the Income and Corporation Tax Act 2003.

g) Depreciation

Depreciation is provided to write off the cost of tangible fixed assets on a reducing balance basis over their useful economic lives at the following rates:

Office equipment and fittings - 25%

h) Valuation of Investments

Investments are valued at their market value at the balance sheet date. Realised and unrealised gains are recognised in the accumulated fund and note through the income and expenditure account.

i) Fund Accounting

Funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are to be used for specific purposes as laid down by the donor.

The Royal Society for Asian Affairs

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

	Note	2017 Total Funds £	2016 Total Funds £
2. Voluntary Income and related expenditure			
Incoming resources			
Subscriptions		62,689	66,461
Donations and Legacies		1,668	225,335
Gift Aid		<u>7,712</u>	<u>9,061</u>
Total incoming resources		<u><u>72,069</u></u>	<u><u>300,857</u></u>
Costs of generating funds			
Support costs allocated to activities	6	<u>95,270</u>	<u>97,744</u>
Total costs of generating voluntary funds		<u><u>95,270</u></u>	<u><u>97,744</u></u>
3. Activities for generating funds and related fundraising trading costs			
Incoming resources			
Secretarial services		4,130	3,491
Lectures		926	2,506
Library services		45	154
Publications		70,508	35,360
Presentations and events		30,783	18,151
Tours		2,100	3,900
Society shields/ties/notelets		240	209
Sale of archive material		<u>136</u>	<u>59,154</u>
Total incoming resources		<u><u>108,868</u></u>	<u><u>122,925</u></u>
Cost of fundraising trading			
Lectures		8,593	10,642
Library services		2,141	4,456
Publications		18,423	17,292
Presentations and events		37,421	16,244
Secretarial services		-	-
Tours		-	-
Ties/shields/notelets		195	110
Support costs allocated to activities	6	<u>31,756</u>	<u>32,576</u>
Total cost of activities		<u><u>98,529</u></u>	<u><u>81,320</u></u>

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Notes to the Financial Statements for the year ended 31 December 2017 (continued)

				2017	2016
				Total	Total
				Funds	Funds
				£	£
4. Investment Income					
Arising on listed investments				21,268	13,860
Interest receivable on cash deposits				<u>4</u>	<u>13</u>
				<u>21,272</u>	<u>13,873</u>
5. Governance Costs					
Insurance				1,176	1,890
Legal and professional				<u>3,492</u>	<u>11,800</u>
				<u>4,668</u>	<u>13,690</u>
			Costs of		
	Basis of	Generating	Fundraising	2017	2016
	allocation	Vol Funds	Trading	Total	Total
		£	£	£	£
6. Support Costs					
Salaries and national insurance	staff time	53,679	17,893	71,572	71,296
Rent, light and heat	staff time	26,808	8,936	35,744	34,233
Telephone	staff time	1,084	361	1,445	1,673
Postage and stationery	staff time	9,884	3,295	13,179	15,285
Bank charges	staff time	707	235	942	956
Depreciation	staff time	993	331	1,324	982
Office move	staff time	<u>2,115</u>	<u>705</u>	<u>2,820</u>	<u>5,895</u>
		<u>95,270</u>	<u>31,756</u>	<u>127,026</u>	<u>130,320</u>
		2017	2016		
		£	£		
7. Staff Costs					
Wages and salaries		68,282	68,238		
Social security		<u>3,290</u>	<u>3,058</u>		
		<u>71,572</u>	<u>71,296</u>		

The average number of persons employed by the charity during the year was 3 (2016: 3).

The number of employees whose emoluments are more than £60,000 is nil (2016: nil).

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Notes to the Financial Statements for the year ended 31 December 2017 (continued)

8. Library

Library assets have not been capitalised other than their inclusion in the balance sheet at a written down net book value of £1.

	£	
9. Office equipment and fittings		
Cost:		
At beginning of year	37,432	
Additions	<u>3,132</u>	
At end of year	<u>40,564</u>	
Accumulated depreciation		
At beginning of year	34,485	
Charge for year	<u>1,324</u>	
At end of year	<u>35,809</u>	
Net book value		
At 31 December 2017	<u>4,755</u>	
At 31 December 2016	<u>2,947</u>	
	2017	2016
	£	£
10. Investments		
Listed Investments		
Market value at beginning of year	609,168	357,089
Additions	-	280,000
Withdrawals	-	(60,000)
Net unrealised investment gains/(losses)	37,427	32,079
Net realised investment gains	<u>-</u>	<u>-</u>
Market value at end of year	<u>646,595</u>	<u>609,168</u>
Cash Deposits		
At beginning of year	1,595	4,983
Additions	4	12
Withdrawals	<u>-</u>	<u>(3400)</u>
At end of year	<u>1,599</u>	<u>1,595</u>
Total Investments	<u>648,194</u>	<u>610,763</u>

The Royal Society for Asian Affairs

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

Listed investments are revalued at the year end to their market value. The listed investments are held indirectly on behalf of the Society.

The historical cost of listed investments is £497,766 (2016: £497,766). The majority of investment assets are held in the UK and there are no restrictions on the realisation of these investments.

Unrestricted cash deposits amounted to £1,599 (2016: £1,595).

	2017 £	2016 £
11. Debtors		
Other debtors	17,571	15,531
Prepayments	<u>8,096</u>	<u>544</u>
	<u>25,667</u>	<u>16,075</u>
	2017 £	2016 £
12. Creditors: amounts falling due within one year		
Social security and other taxes	1,753	-
Accruals	360	490
Deferred income and other creditors	<u>15,839</u>	<u>11,023</u>
	<u>17,952</u>	<u>11,513</u>

Deferred income primarily relates to subscriptions. During the year, cash received in respect of subscriptions was £62,227 (2016: £65,257) and the income recorded in the Statement of Financial Activities was £62,389 (2016: £66,461).

13. Restricted and Unrestricted Funds

The total accumulated funds are all unrestricted as at 31 December 2017.

14. Related Party Disclosures

No trustee, nor any person connected to them, has received remuneration, directly or indirectly, from the Charity.

The Royal Society for Asian Affairs

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

15. Sir Peter Holmes Memorial Award

In 2004, the Society established an award fund in the name of the former member Sir Peter Holmes in order to provide an annual award to encourage purposeful travel in Asia by young people.

No donations have been received for several years and the Members of the Council have agreed that the fund should be treated as a designated fund within the unrestricted funds.

No awards were paid in 2017, (2016 - £2,400).

	£
16. Net Assets by Fund	
Tangible fixed assets	4,756
Investments	648,194
Current assets	62,589
Current liabilities	<u>(17,952)</u>
Net Assets	<u>697,587</u>