

THE ROYAL SOCIETY FOR ASIAN AFFAIRS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

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TRUSTEES:
C Humfrey
F Slevin
V Easlea
R Lamb
D Taylor
A Steger
A M Cartwright
B Omrani

CHARITY OFFICES:
1a St Martins House
Polygon Road
London
NW1 1QB

CHARITY REGISTRATION NUMBER: 1179300

CIO NUMBER: CE014710

INDEPENDENT EXAMINER:
Ian W Shipley FCCA
For and on behalf of:
Prentis & Co LLP
Chartered Accountants & Independent Examiners
115c Milton Road
Cambridge
CB4 1XE

BANKERS:
Lloyds Bank
Pall Mall
St James Branch
8-10 Waterloo Place
London
SW1Y 1BE

INVESTMENT MANAGERS:
CCLA Investment Management
Senator House
85 Queen Victoria Street
London
EC4V 4ET

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

REPORT OF THE TRUSTEES

The Trustees present their annual report and financial statements of the charity for the year ended 31st December 2018. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015).

STRUCTURE GOVERNANCE AND MANAGEMENT

The Royal Society for Asian Affairs was reconstituted as a Charitable Incorporated Organisation (CIO) on 23rd July 2018 reference 1179300. The Society was originally established as the Central Asian Society in 1901 and in 1931 received its Royal Patronage. In 1975 the charity changed its name to The Royal Society for Asian Affairs (known also as RSAA).

The Society is now governed by its trust deed following conversion to CIO status.

Trustees are appointed at the Annual General Meeting for a three year term and are eligible for re-election.

On appointment all trustees received an induction pack, and are informed of their duties as trustees.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The Charity's objectives are to promote learning and advance education in the subject of and with regard to all the countries of Asia.

The Charity aims to achieve this through publishing material arranging events, tours and courses, maintaining a library and collaboration with other organisations.

The trustees have referred to the guidance contained in the Charity Commission general guidance on public benefit and continue to do so. The trustees believe public benefit is satisfied by the advancement of education the charity undertakes.

ACHIEVEMENTS AND PERFORMANCE

The Society continued to pursue its educational objectives and to promote interest in Asia through a programme of eighteen lectures and four dinner events in London. A sixth-form schools' day was held, as in previous years, at SOAS in November 2018 with the generous support of the Mosawi Foundation. The Society's journal, *Asian Affairs*, was published four times, including a special edition devoted to the proceedings of a conference held in Washington DC jointly with the Woodrow Wilson Center. The Society secured the collaboration of the Wilson Center and King's College London for a further conference in early 2019. Downloads of articles from the journal showed encouraging growth. The Society awarded five JPT Family Trust scholarships for travel in support of medical study and research. The Society organised a tour to Sri Lanka. A new online catalogue of the Society's library and archive collections was implemented accessible for the first time to the general public. This has led to an increase in enquiries about the Society's holdings and of purchases of images from the archive and licences to reproduce them. The Society's lectures are now almost all filmed and their online availability is being more widely promoted.

The Society completed the transition of its constitution from an unincorporated charity to a Charitable Incorporated Organisation and a new Board of Trustees took over the governance responsibilities that had previously been exercised by the Council. The Board has since met quarterly. A number of surveys of members' interests and priorities were conducted and changes to the Society's programme and venues were implemented in the light of the results of the consultation.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

REPORT OF THE TRUSTEESCONT

Direct Debit was introduced as a method of payment of subscriptions. A new accounts system and new membership database were implemented, along with the use of online booking systems for the Society's events. These changes and continuous analysis of the Society's internal procedures and processes have resulted in more efficient working, more accurate records and improved ability to control and effectively use the Society's data. The Society implemented the relevant requirements of the General Data Protection Regulation by the required date.

FINANCIAL REVIEW

The Society had a surplus of £79952 for the year (£3742 for 2017), following the receipt of a large legacy. Investments showed unrealised losses of £15462 (unrealised gains of £37427 in 2017). Reserves currently stand at £764663 (£700173 in 2017) and the trustees consider the financial situation of the charity satisfactory.

RESERVE POLICY

The Society has no permanent endowment, but has a policy of retaining funds in reserves to support future growth, to allow for future expenditure and to generate ongoing income to support the Society's charitable activities. The trustees consider the current level of reserves at £770000 appropriate to these purposes.

PLANS FOR FUTURE PERIODS

Since the transition of the Society to a CIO, the Board has begun a process of strategic review and this will extend through much of 2019. In the short term it is anticipated that the Society's activities will continue on broadly on the same basis as at present. The Society will continue to seek to attract new members, recognising that in order to do so some changes to its priorities may be entailed. The Society will be seeking to extend its collaboration with other institutions, including building on its established relationships with the Wilson Center, KCL and SOAS. The Society hopes to deepen its collaboration with Haileybury in relation to the library. The promotion of the Archive through the new online catalogue will be pursued, both to make the collection better known and to generate an income stream from sale of images. The Board has agreed that in future items from the Society's archives will not be sold and a policy formally articulating this will be adopted in the coming year.

KEY PERSONNEL AND PAY POLICY

The charity is directed and controlled on a day to day basis by a Chief Executive Officer and two assistants, together with support from volunteers. The trustees are responsible for the strategic direction of the charity and are not remunerated for their duties as trustees. The CEO is accountable to the Trustees.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity's Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

REPORT OF THE TRUSTEESCONT

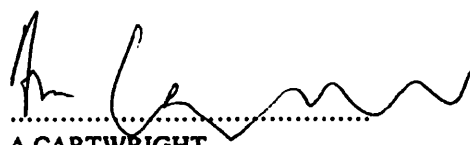
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL

This report was approved by the Trustees on 11th June 2019 and signed on their behalf.



F SLEVIN
CHAIRMAN



A CARTWRIGHT
HONORARY TREASURER

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE ROYAL SOCIETY FOR ASIAN AFFAIRS

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended 31st December 2018, which are set out on pages 5 to 11.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees of the charity you are responsible for the preparation of the accounts in accordance with with the requirements of the Charities Act 2011 ('the 2011 Act').

Having been satisfied that the accounts of the charity are not required to be audited under the 2011 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts are carried out under s.145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under s.145(5)(b) of the 2011 Act.

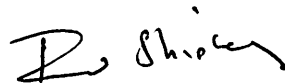
INDEPENDENT EXAMINERS' STATEMENT

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in s.145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am member of Association of Chartered Certified Accountants which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the charity as required by s.310 of the 2011 Act;
- (2) the accounts do not accord with those accounting records;
- (3) the accounts do not comply with the applicable requirements concerning the form and contents of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or;
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement Recommended practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



IAN W SHIPLEY FCCA
FOR AND ON BEHALF OF:
PRENTIS & CO LLP
CHARTERED ACCOUNTANTS &
INDEPENDENT EXAMINERS

115c Milton Road
Cambridge
CB4 1XE

11th June 2019

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

STATEMENT OF FINANCIAL ACTIVITIES

	Note	2018 £	2017 £
INCOME			
Subscriptions, donations and legacies	2	170303	72069
Charitable Activities	3	89373	108868
Investment Income	4	26709	21272
TOTAL INCOME		<u>286385</u>	<u>202209</u>
EXPENDITURE			
Charitable Activities	5	206433	198467
TOTAL EXPENDITURE		<u>206433</u>	<u>198467</u>
NET INCOME BEFORE (LOSSES)/GAINS ON INVESTMENTS		79952	3742
Net (losses)/gains on investment assets	10	(15462)	37427
NET MOVEMENT IN FUNDS		<u>64490</u>	<u>41169</u>
RECONCILIATION OF FUNDS			
Total Funds brought forward		700173	659004
Total Funds carried forward		<u>764663</u>	<u>700173</u>

The notes on pages 7 to 11 form part of these financial statements.

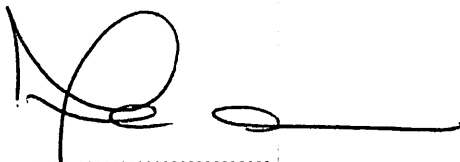
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018


BALANCE SHEET

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Library	8		1		1
Office equipment	9		4735		4755
Investments	10		723950		648194
			<u>728686</u>		<u>652950</u>
CURRENT ASSETS					
Stock	11	1134		1235	
Debtors	12	47509		25667	
Cash at bank and in hand		5606		35687	
		<u>54249</u>		<u>62589</u>	
LIABILITIES					
Creditors falling due within one year	13		18272		15366
			<u>18272</u>		<u>15366</u>
Net Current Assets			35977		47223
NET ASSETS			<u>764663</u>		<u>700173</u>
THE FUNDS OF THE CHARITY					
Unrestricted funds	16		763177		697587
Designated funds			1486		2586
			<u>764663</u>		<u>700173</u>

The financial statements were approved by the Trustees on
and signed on their behalf.

11th June 2019


.....
F SLEVIN
CHAIRMAN


.....
A CARTWRIGHT
HONORARY TREASURER

The notes on pages 7 to 11 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) BASIS OF PREPARATION AND ASSESSMENT OF GOING CONCERN

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets.

(b) INCOME RECOGNITION

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

(c) EXPENDITURE RECOGNITION

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 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, its income, is exempt from Corporation tax as it is applied for charitable purposes.

(g) DEPRECIATION

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

Office equipment and fittings - 25%

(h) FIXED ASSETS INVESTMENTS

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the gains and losses arising on the revaluation and disposal throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors and sub sectors.

(i) REALISED GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(j) FUND ACCOUNTING

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

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

Designated funds are unrestricted general funds designated by the trustees to be set aside and expended on a specific purpose.

(k) STOCK

Stock is valued at the lower of cost or net realisable value.

(l) CASH FLOW STATEMENT EXEMPTION

The Charity has taken advantage of exemptions under Charities SORP and Section 7 of FRS 102 to not produce a Statement of Cash Flows.

2.	SUBSCRIPTIONS, DONATIONS AND LEGACIES	2018	2017
	- Unrestricted	£	£
	Grants	3250	-
	Subscriptions	63609	62689
	Donations and legacies	96207	1868
	Gift Aid	7237	7712
		<u>170303</u>	<u>72269</u>
3.	INCOME FROM CHARITABLE ACTIVITIES	2018	2017
	- Unrestricted	£	£
	Secretarial services	3176	4130
	Lectures	1464	926
	Library services	50	45
	Publications/royalties	72610	70508
	Presentations and events	10485	30783
	Tours	1200	2100
	Society shields/ties/notelets	281	240
	Sale of images of archive material	107	136
		<u>89373</u>	<u>108868</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

4.	INVESTMENT INCOME		2018	2017
			£	£
	Dividends on listed investments		26707	21268
	Interest receivable on cash deposits		2	4
			<u>26709</u>	<u>21272</u>
5.	COST OF CHARITABLE ACTIVITIES		2018	2017
			£	£
	Lectures		3626	8593
	Library services		2953	2141
	Publications		23914	18423
	Presentations and events		38065	37421
	Tours		216	-
	Ties/shields/notelets		156	195
	Support costs (note 6)		137503	131694
			<u>206433</u>	<u>198467</u>
6.	SUPPORT COSTS	Charitable Activities	Governance	2018 Total
		£	£	£
	Staff costs	78406	-	78406
	IT support and consumables	3907	-	3907
	Cleaning	1608	-	1608
	Rent, rates and utilities	32544	-	32544
	Insurance	2327	-	2327
	Repairs to property	1417	-	1417
	Printing, stationery, postage and advertising	4176	-	4176
	Other office costs	1096	-	1096
	Telephone	1314	-	1314
	Bank charges	782	-	782
	Depreciation	1472	-	1472
	Governance (note 7)	-	8454	8454
		<u>129049</u>	<u>8454</u>	<u>137503</u>
7.	GOVERNANCE COSTS		2018	2017
			£	£
	Legal and professional costs		4404	-
	Independent Examiners fee		1800	2760
	Bookkeeping		2250	732
			<u>8454</u>	<u>3492</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

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		40564
	Additions		1452
	At end of year		<u>42016</u>
	ACCUMULATED DEPRECIATION		
	At beginning of year		35809
	Charge for year		1472
	At end of year		<u>37281</u>
	NET BOOK VALUE		
	At 31st December 2018		<u>4735</u>
	At 31st December 2017		<u>4755</u>
10.	INVESTMENTS	2018	2017
	Listed Investments	£	£
	Market value at beginning of year	646595	609168
	Additions	92817	-
	Net unrealised investment (losses)/gains	(15462)	37427
	Market value at end of year	<u>723950</u>	<u>646595</u>
	Cash Deposits		
	At beginning of year	1599	1595
	Additions	2	4
	Withdrawals	(1601)	-
	At end of year	<u>-</u>	<u>1599</u>
	Total Investments	<u>723950</u>	<u>648194</u>
	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 £590,583 (2017: £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 £NIL (2017: £1599).		
11.	STOCK	2018	2017
		£	£
	Inventory	<u>1134</u>	<u>1235</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

12.	DEBTORS	2018	2017
		£	£
	Trade receivables	4963	-
	Other debtors	29190	17571
	Prepayments	13356	8096
		<u>47509</u>	<u>25667</u>

13.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2018	2017
		£	£
	Social security and other taxes	2032	1753
	Accruals and deferred income	15891	13613
	Trade creditors	349	-
		<u>18272</u>	<u>15366</u>

14. RESTRICTED AND UNRESTRICTED FUNDS
The total accumulated funds are all unrestricted and designated as at 31st December 2018.

15. RELATED PARTY DISCLOSURES
During the year no expenses were reimbursed to the trustee.

B Omrani, a trustee was paid £11214 during the year for services in relation to editing.

The Royal Asiatic Society a charity of which D Taylor is also a trustee was paid £1918.

16.	RESERVES	Balance at 1st January 2018	Income	Expenditure	Gains/ (losses)	Transfers	Balance at 31st December 2018
		£	£	£	£	£	£
	Designated	2586	-	-	-	(1100)	1486
	Unrestricted	697587	286385	206433	(15462)	1100	763177
		<u>700173</u>	<u>286385</u>	<u>206433</u>	<u>(15462)</u>	<u>-</u>	<u>764663</u>

17.	NET ASSETS BY FUND	£
	Tangible fixed assets	4736
	Investments	723950
	Current assets	54249
	Current liabilities	(18272)
	Net Assets	<u>764663</u>

18. LEASE COMMITMENTS
The total lease commitments for land and property amount to £418500. The lease is in excess of 5 years.