

Charity number: 1158172



HEALTHCARE INFECTION SOCIETY

**Trustees' report and financial statements
for the year ended 31 March 2017**

HEALTHCARE INFECTION SOCIETY

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HEALTHCARE INFECTION SOCIETY

Reference and Administrative Information

Registered Name: Healthcare Infection Society

Registered Number: 1158172

Registered office address: 162 King's Cross Road
London
WC1X 9DH

Names of Council members	Appointment	Appointed	Term of office completed
Professor Gary French	President	November 2014	Current
Dr Elisabeth Ridgway	Chair	November 2015	Current
Dr Peter Jenks	Secretary	November 2015	Current
Dr Alaric Colville	Treasurer	November 2014	Current
Dr Emma Boldock	Ordinary Council Member	November 2016	Current
Dr Michael Cooper	Chair: Education Co-ordinating Group	November 2015	Current
Dr David Enoch	Ordinary Council Member	April 2016	Current
Dr Mark Garvey	Ordinary Council Member	November 2014	Current
Dr Simon Goldenberg	Ordinary Council Member	November 2014	Current
Dr James Gray	Editor-in-Chief	February 2015	Current
Dr Andrea Guyot	Ordinary Council Member	April 2013	April 2016
Martin Kiernan **	Chair: Education Co-ordinating Group	November 2011	November 2016
Dr Nikunj Mahida **	Trainee Representative	August 2015	December 2016
Dr Manjula Meda	Ordinary Council Member	November 2015	Current
Dr William Newsholme **	Grants Secretary		
Dr James Price **	Chair: Trainee Committee		
Dr Chris Settle	Ordinary Council Member	November 2013	Current
Professor Peter Wilson **	Chair: Scientific Development Committee	November 2013	Current

** co-opted members of the Council

All Council members are Trustees, except for extra members co-opted onto the Council at the discretion of Council as per clause 4(14) of the Constitution. Such extra Council members are not Trustees and may not vote at Council meetings.

Executive Director: Dr Kay Miller

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Reference and Administrative Information

REFERENCE AND ADMINISTRATIVE INFORMATION CONTINUED

Names/addresses of relevant organisations/people:

Bank:	Barclays Plc PO Box 12820 1250 High Road Whetstone London N20 0WE
Accountant/Auditor:	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB
Investment Fund Manager:	Rathbones 1 Curzon Street London W1J 5FB
Solicitors:	Radcliffes Le Brasseur 5 Great College Street London SW1P 3SJ
Human Resources and Health & Safety Advisors:	Peninsula Business Services Ltd. Riverside New Bailey Street Manchester M3 5FS

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Trustees' Report for the year ended 31 March 2017

The Trustees present their annual report and financial statements for the year ended 31 March 2017. The report and 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 (FRS 102) (effective 1 January 2015) (Charities SORP (FRS 102)).

Structure, governance and management

Background

The Healthcare Infection Society (HIS) became a charitable incorporated organization, charity number 1158172, in 2014. It was previously a registered charity, number 286064, originally called the Hospital Infection Society. It was formed by medical microbiologists in the early 1980s as a society that would foster the scientific interests of those hospital doctors who were interested in nosocomial (or hospital acquired) infections. First registered as a charity in January 1983, the name was later changed to the Healthcare Infection Society, as preventable infections associated with healthcare are not limited to the hospital environment. Membership of the Society is open to people interested in furthering its objectives, and falls into the categories of ordinary, trainee, associate and retired members, depending on professional and academic qualifications, and practice in the control of infection.

The objectives of the charity are to advance knowledge of, foster scientific interest in and disseminate information about the prevention and control of hospital and other healthcare associated infection, to medical and allied professionals for the benefit of the public.

The Society publishes the Journal of Hospital Infection (JHI) which is a leading publication in the field of Healthcare-associated infection prevention and control.

Nature of Governing Document and how the charity is constituted

The Society's Governing Document is its Constitution. This incorporates the elements of the previous constitution into the requirements of the Charity Commission for a Charitable Incorporated Organisation.

The Society had previously one trading subsidiary; Hospital Infection Society (Management) Limited, which did not trade during the year. This company was dissolved on 31st May 2016.

Methods adopted for the recruitment and appointment of new Trustees

The ordinary and trainee members of the Society are eligible to be Trustees. There are a maximum of 13 Trustees of the Society, who are members of the Council. They are:

President (an Officer) - elected by Council members for a single term of four years.

Other Officers (Chair, Secretary, and Treasurer) - elected by Council members for a three-year term and may be re-elected for one further term of three years.

Editor-in-Chief of the JHI - appointed by Council for an initial three-year term extendable for two further two-year terms.

Seven Council members - elected by ordinary and trainee members of the Society. The call for nominations and any resulting ballot of the membership (should the number of nominations exceed the number of vacancies) is managed by an election process. Following a Resolution passed on 27th April 2017, the inclusion of a Lay Trustee position was agreed by the Membership.

In addition to Trustee members of Council, there may be members co-opted onto the Council at the discretion of the Trustees as per clause 4(14) of the Constitution. Such individuals serve for one year in the first instance, renewable on an annual basis up to three years. In addition, Trustees will appoint the Chairs of the Society's standing committees, which are the Scientific Development Committee and the Education Coordinating Group.

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The Chairs of standing committees are appointed for three years in the first instance but Trustees could extend this term by a further two years. Neither the Chairs nor co-opted members are Trustees. Council will also appoint the Chair of the HIS Conference Organising Committee, who is a member of Council but not a Trustee.

Policies and procedures for the induction and training of Trustees

Trustees participate in an annual Trustee development and training session and are provided with a Trustee Pack which includes the Society's Constitution, details of Society policies and procedures and information on trusteeship from the Charity Commission. Trustees also have access to on-line training material provided by the National Council for Voluntary Organisations.

A register of interests of Trustees is maintained, and declarations of interests are made at all council and committee meetings.

Organisational structure and decision-making process

The business of the Society is conducted by its Council, which meets quarterly. The Council determines the strategy of the Society and reviews progress against its strategic aims and objectives. Council reports to the members via the Annual General Meeting, by notices on the Society website, by post and by email. The Officers, Executive Director, the Chairs of the standing committees and the Editor-In-Chief meet in person or by teleconference as and when required to discuss key issues, and their proposals and recommendations are taken to Council for discussion and formal decision making.

The Society's Annual General Meeting was held on 5 November 2016, and minutes are available on the Society's website.

Governance reviews

The Society began a governance review in 2016 and since then has refined existing processes, defined new roles and training processes. This review will continue during 2017, and to date the following changes have been agreed and are being implemented:

Recruitment of a Lay trustee

In June 2016 Council agreed in principle to the appointment of a Lay Trustee. A Resolution was passed on 27th April 2017.

Number of Trustees

The number of Trustees was increased from 12 to 13 on 27th April 2017 when a Resolution was passed.

Lapsed members

During the year, following a benchmarking exercise with similar organisations, Council proposed a Constitutional Change regarding the policy on lapsed membership. The current constitution allows a grace period of six months (from the date of membership expiration) before members are considered to be lapsed members of the society. It was agreed the grace period should be reduced to fifty-six days in keeping with the best practice of other organisations. This was unanimously agreed by Council Members and approved at a General Meeting on 27th April 2017.

The Charity Commission confirmed the constitutional changes passed on 27th April 2017 in May 2017.

Land

The title to all land held by or in trust for the Society, which consists of the premises at 162 King's Cross Road, London, WC1X 9DH, is held on behalf of the Society by the Official Custodian of Charities.

Details of related parties and wider networks in which the charity is involved

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The Society is formally represented on the Specialty Advisory Committee (SAC) of the Royal College of Pathologists (RCPATH).

The Society participates with several other organisations in an annual three-day scientific meeting under the title of the Federation of Infection Societies (FIS). It holds other scientific meetings with like-minded groups on an ad hoc basis.

The Society liaises closely with like-minded groups, both national and international, in the production of scientific guidelines and in the provision of educational workshops and other educational opportunities.

An Antimicrobial Resistance and Healthcare Associated Infections Foundation Course on Hospital Infection Control Foundation Course is run in collaboration with Public Health England (PHE).

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Risks and Uncertainties

The Trustees have examined the major risks that the Society faces and confirm that systems have been established so that the necessary steps can be taken to manage any such risks. An extensive risk register is held and reviewed annually.

The Trustees recognise that the activities of the Charity in providing support for scientific research and education are principally reliant on the income it receives from the JHI. Support to ensure the continuing success of the Journal is therefore a critical function of the Council.

The Society maintains a reserve, appropriately invested, to ensure that it is able at any time to fully support all grants and awards that it has made, and to remain a going concern.

The Trustees are aware of the research undertaken by the Fraud Advisory Panel on the extent of fraud in the charity sector and recognise that fraud must be covered in its risk management processes.

The Trustees support health and safety risk management with the intention of providing a modern and safe environment in which to work. The strategy is to identify hazards and risks within the Society's premises and to control, eliminate or reduce to an acceptable level all risks which have an adverse effect on the ability of staff, members and visitors to work within the premises.

The Trustees are aware of additional obligations arising from the Charities (Protection and Social Investment) Act 2016 and are implementing measures to ensure compliance.

The Trustees have appointed an external human resources/health and safety management firm to ensure compliance with legal requirements and good practice.

Objectives

Objects of the Society

The objects of HIS are, for the public benefit, to advance education among the general public and in particular among medical and allied professionals in the prevention and control of hospital and other healthcare associated infections and to promote research in all aspects of that subject and to publish the useful results.

Statements of purpose

Vision

A world in which healthcare-associated infections have been reduced to the lowest possible level.

Mission

To provide healthcare professionals with the information, evidence and skills they need to prevent and control healthcare-associated infections.

Values

We believe that:

- Good science underpins good clinical practice.
- Continual professional learning and development is necessary to reduce the incidence of healthcare-associated infections.
- Many healthcare-associated infections are preventable through effective multidisciplinary teamwork.
- Collaboration within and beyond the Society will help to advance and communicate knowledge.

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Public benefit

The Society has referred to the Charity Commission's guidance on public benefit when reviewing its aims and objectives and in planning its future activities.

The Society provides public benefit through a programme of:

- research grant funding that supports the advancement of the science of healthcare-associated infection prevention and control
- organised educational and training events for healthcare professionals
- support and guidance for healthcare professionals at all stages of their career and speciality
- the publication of the JHI

By providing the evidence and guidance to help healthcare professionals to prevent and control healthcare-associated infections, the public benefits by the advancement of health or the saving of lives.

In this report we demonstrate how our charitable funds for the reported year are distributed and spent, and the benefits and impact that has on the advancement of medical research and clinical practice.

The trustees confirm we have complied with our duty to have regard for the guidance on public benefit published by the Charity Commission on exercising our powers and duties.

Strategic objectives

The Trustees met in February 2016 to review the Society's strategic objectives set in November 2013. They are as follows:

- To ensure that the JHI is the leading journal in its field.
- To promote and develop the science of infection prevention and control and to strive to ensure that clinical practice is consistent with latest scientific knowledge.
- To design and deliver a range of educational activities that will help equip healthcare professionals to prevent and control healthcare-associated infections.
- To retain, enhance engagement with and increase membership.
- To increase the numbers of people and organisations with whom HIS communicates and collaborates, particularly overseas.
- To ensure that the Society is properly resourced to effectively fulfil its strategic objectives and to enhance its existing governance procedures.

It was agreed that the objectives were still valid, and that the Society would focus on resourcing the organisation to ensure the delivery of the objectives.

Achievement against objectives in 2016/17

The Journal of Hospital Infection

The JHI is a monthly publication and continues to be a leading international publication in its field. The Society is committed to make improvements to the quality of the Journal and to widen its international contribution, and works closely with Elsevier, its publisher to promote the journal and to ensure it has a wide penetration in the academic and healthcare environment. This is particularly critical in a publishing environment in which access is changing from a primarily print based to an online electronic format. The JHI is a subscription-based publication, and access is a benefit of HIS membership. Authors whose articles have been accepted for publication can choose to select an open access publication model to ensure their article is made freely available. This is of particular relevance as during 2017 the four UK higher education funding bodies introduced an open-access requirement in the next Research Excellence Framework.

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The Society is committed to making key information widely available and all guidelines developed by HIS are freely available via Open Access, without the need of a subscription to the JHI.

The Editor-in-Chief, Dr Jim Gray continued to work with Editors Dr Beryl Oppenheim and Dr Nikunji Mahida. Over the past year the editorial decision making process has been streamlined, and the average number of editorial pages has increased. In addition the range of article types has broadened, and special editions or special sections are now published. In July 2016 heater-cooler units in cardiac bypass surgery were highlighted, with surgical site infections, MRSA and antibiotic stewardship the focus later in the year.

The Society is pleased to note that the 2015 impact factor for the Journal (published during 2016) has risen from 2.544 (in 2014) to 2.655. The Journal is now regularly publishing special sections:

Other notable measures of success included a decrease in the average time to publication, and an increase in the number of articles being published. In May 2016 articles began to be published on-line in uncorrected proof form (i.e. before copy editing) to reduce the time to online publication. This new system impacted on the workload of the Editors, and the structure and function of the Editorial Advisory Board was reviewed during 2016. An expanded International Editorial Board was recruited in December 2016, with 111 Members from across the globe. In addition, an Executive Editorial Board was formed to ensure integration between the JHI and the Society.

The science of infection prevention and control

The Society promotes and develops the science of infection prevention and control by supporting working parties, either on its own or jointly with other organisations, to produce evidence-based and expert guidelines in all relevant areas. The Society's methodology for the production of guidelines is accredited by the National Institute for Health and Care Excellence (NICE), which provides assurance of high quality guidance.

HIS provides administration for meetings, support for meeting expenses and other direct expenses such as payment for literature reviews and referencing services. HIS members also participate in the working parties of other organisations. In addition, the Society also makes a number of grants and awards. These range from smaller awards such as travel grants to major research grants. All these activities are carried out under the auspices of the Scientific Development Committee (SDC) and the Grants Committee.

The working parties active during this period are:

- Multi-drug resistant Gram-negative bacteria, jointly with the British Society of Antimicrobial Chemotherapy (BSAC) and British Infection Association (BIA).
- Prevention and Control of Infection in Burns Units, jointly with the British Burns Association.
- Neurosurgical Surveillance.
- Commissioning and Monitoring of Operating Theatre Suites.
- Decontamination of breast pump collection kits and associated equipment.
- Meticillin-resistant *Staphylococcus aureus* (MRSA), jointly with BSAC, Infection Prevention Society (IPS) and BIA.
- Final Rinse Water for Endoscope Washer Disinfectors.
- Faecal Microbiota Transplant.

Grants and awards made during this period were:

The Mike Emmerson Young Investigator's Award

This award, with a value of up to £10,000, is made annually and is specifically aimed at encouraging trainees to become more involved in the many issues of infection prevention and control. The recipient in 2016 was Dr George Trafford, a specialist registrar in microbiology and infectious diseases at University Hospital Coventry and Warwickshire, who was awarded £7,200 towards his project entitled *Comparison of mucosal and stool microbiome analysis in patients with recurrent Clostridium difficile infection undergoing faecal transplantation.*

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Small research grants

The following small research grants were made, totalling £30,000:

Dr Matthew Scarborough	<i>Reducing Implant Infection in Orthopaedics (RII0) Pilot Study.</i>
Dr Shanom Ali	<i>Discovery of compounds with the potential to disrupt biofilm-formation on medical devices and surfaces colonised with antimicrobial-resistant bacteria.</i>
Professor Jean-Yves Maillard	<i>Seeking dry surface biofilm in healthcare environments; is this a reservoir for multi drug resistant pathogens?</i>

Major research grant

One major research grant for the value of £138,768 was awarded to Dr Caroline Chilton to undertake the project *Development of a rapid, cost effective algorithm to improve detection of intestinal carbapenemase producing enterobacteriaceae.*

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The Graham Ayliffe Training Fellowship

Graham Ayliffe Training Fellowship Awards support a senior trainee for a year to pursue and develop interests relevant to infection prevention and control. An award for the value of £65,600 was made to Dr Emma Wiley, a Microbiology registrar and Primary Researcher, to conduct qualitative research on barriers of and facilitators to antimicrobial stewardship amongst staff at University College Hospital London, with specific focus on the highest antibiotic usage wards.

Travel Grants

Travel Grants are awarded at the discretion of the Society and are primarily intended to enable HIS Trainees to attend meetings of educational benefit. In the year to March 2017 57 travel grants were awarded for a total value of £22,944.

Educational activities

The Society's Education Coordinating Group oversees a programme of educational conferences, seminars and courses that help equip healthcare professionals to prevent and control healthcare associated infections. HIS's involvement ranges from the sole organisation of events, to facilitating sessions at the events of other learned societies and collaborators. During the period, its main focus was to continue to deliver a rolling three year structured training programme, aligned to the Royal College of Pathology's curriculum, to encourage medical infection trainees to gain a better understanding of infection prevention and control. These events have proved very popular with attendance at around 60-70 delegates per session.

Conferences

The Society hosted a Spring Meeting in May 2016 in Birmingham entitled *Contaminated Surfaces: the Missing Link*. The meeting was a great success and was fully subscribed with 150 delegates.

HIS attended ECCMID 2016 and had an exhibition stand. Attendance provided a useful opportunity to interact face-to-face with delegates and to promote HIS membership and the JHI.

The organisation of FIS/HIS 2016, a large international conference held in Edinburgh in November in collaboration with the Federation of Infection Societies (FIS) was the largest event organised by HIS during 2016. The conference attracted 769 delegates from more than 10 countries, and 615 abstracts were submitted for review. During conference the Lowbury Lecture was delivered by Professor Sanjay Saint (*University of Michigan Medical School, USA*) whose excellent presentation **The role of intersectional innovations in preventing infection** took place as the Plenary Lecture on the first day of the conference.

The BSAC Spring meeting was held in collaboration with HIS and took place on 14th March 2017 at the QEII Conference centre in London. The event attracted 250 delegates.

Seminars and workshops

A series of educational workshops jointly hosted by BSAC, HIS and BIA were held between October and December 2016 at a number of venues across the UK. The topic for this series was "Multi Drug Resistant Gram Negative Infections". These events are open to microbiologists, infectious disease consultants, scientists, pharmacists, infection control specialists and other interested health professionals working in the areas of infection prevention, diagnosis and treatment.

Courses

The Society continued to support two key courses:

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- Antimicrobial Resistance and Healthcare Associated Infections (AMRHAI) Foundation Course on Hospital Infection Control - a three and a half day course held in London, January 2017.
- Engineering Aspects of Infection Control – a one week residential course held at Eastwood Park Training Centre, near Bristol, in May and October 2016.

Membership engagement

The Society continued to actively engage with its membership via email newsletters, Twitter, its website and at events. The member e-newsletters were redesigned and relaunched in December 2016, and a new monthly e-newsletter for Trainee Members introduced.

Trainee Members

In order to involve the Trainee member category in HIS activities, a new Trainee Committee was launched in October 2016. The Trainee Committee is responsible for overseeing Trainee Membership recruitment, and establishing regular communication and engagement with Trainee members throughout the country.

Trainee Committee Members are:

Dr James Price (Professional Affairs Representative and Chair)
Dr Luke Bedford (Communications Representative)
Dr Jasmin Islam (Education Representative)
Dr Chris Lynch (Regional Representative)
Dr Manjula Meda (Trustee)
Dr Alex Howard (Regional Representative; North of England)
Dr Jennifer Fitzpatrick (Regional Representative; London and the South East)
Dr Elizabeth Cross (Deputy Regional Representative; London and the South East)
Dr Rebecca Houghton (Regional Representative; South)
Dr Joanna Walker (Regional Representative; Scotland)
Dr Timothy Shaw (Regional Representative; Northern Ireland)
Dr Cliodhna Ni Bhuachalla (Regional Representative; Ireland)
Dr Irasha Hettiarachchi (Regional Representative; Wales)

Trainee members are welcomed onto working parties and appointed two new members of the Education Coordinating Group were appointed from the Trainee membership during the year.

At 31 March, total membership was 730, broken down as follows:

Ordinary	487
Associate	90
Trainee	145
Retired	8

The decrease in membership from last year (774), was predominantly due to migration of the membership database and to an external membership fulfilment provider in September 2016, during which lapsed members, and issues with Direct Debit collections were identified. Notably Trainee member increased from 125 to 145 during the year.

External collaboration

Following on from the accreditation from the National Institute of Health and Care Excellence (NICE) for the production of the gram negative clinical guidelines in 2015, HIS continues to collaborate with kindred societies on guideline development groups and, providing and supporting speakers at conferences. This is typified by the formation of a guideline steering group with three other societies to oversee and jointly support the update of the MRSA guidelines.

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Staff and Resources

During the period, the Society invested resources into the redevelopment of the staff structure to support the strategic activities of the Council members and the Society's network of volunteers. The full implementation of the new staff structure will be complete by the end of 2017, and began in February 2017 with the arrival of Dr Kay Miller as Executive Director, and the recruitment of Dr Gemma Marsden as Research and Development Manager.

Policies

Grant making

Grants are awarded for research which is pertinent to infection prevention and control, including epidemiology and prevention. The aims must be clearly stated and must be hypothesis driven. Methodology should be evidence based if possible and achievable in the study time frame. The outcome should be translatable to clinical practice with evidence of improving patient well-being, be of practical use to healthcare workers and be cost-effective.

The award of grants carries several conditions:

- A progress report must be submitted to the Grants Committee every 6 months until completion of the project.
- The grant must be acknowledged in any publications associated with this work.
- Unless there is a compelling reason not to do so, the main publication should be submitted to JHI for first refusal.
- Once the study is completed it will be presented to a meeting of the Society.

Selection of social or programme related investments

In addition to the regular award of grants, the Society may from time to time award additional funds for activities which fall within its aims and objectives. Such awards will be discussed and approved or disapproved by the members of Council on presentation of a fully-costed application which includes aims, objectives, intended outcomes and an outline timetable.

Details regarding the role and contribution (but not financial value) of volunteers

Members and Officers of Council conduct the business of the Society on a voluntary basis.

There are also other volunteers of HIS such as members of working parties and HIS representatives on the committees of other organisations. All members of Council and other volunteers are entitled to reimbursement of expenses as outlined in the Travel & Expenses Policy. This Policy is drawn up to ensure that expenses are kept to a minimum.

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Financial Review

Brief review of the financial position of the charity

The Society continues to be in a healthy financial position with total funds of £8,723,000 as at 31 March 2017 (2016: £7,652,000). The surplus for the period of £1,071,000 (2016: £2,000 deficit) comprises of an operational surplus of £196,000 (2016: £186,000 surplus) together with investment gains of £875,000 (2016: £188,000 losses). An accounting adjustment to align income recognition to the financial period resulted in a one off increase in publishing revenues of £124,000. Further details are given in the Statement of Financial Activities on page 19, the Balance Sheet on page 20, and the associated notes to the Financial Statements.

Reserves Policy, Designated Funds and Going Concern

It is the policy of Council to maintain sufficient funds to meet its objectives and obligations on an ongoing basis. Society funds of £8,723,000 as at 31 March 2017 are all unrestricted funds.

The Trustees continue to designate funds in accordance with the Society's financial strategy to ensure sufficient funding for the ongoing Society activities, objectives and strategy, and to safeguard against expected or potential contingencies. Designated funds are further explained in note 15 to the accounts.

Operating Reserves represent free reserves and are calculated as total Society funds after deducting designated funds and the net book value of fixed assets. Operating Reserves are held to ensure the financial stability and ongoing operations of the Society in the event of an unanticipated loss in income or unexpected rise in expenditure. Operating Reserves as at 31st March 2017 amounted to £6,965,000.

The Council have determined that the ideal level of Operating Reserves will be equivalent to 6 months' of average operating cost, within a range of 3 months above or below this level. For the year to 31 March 2017 the requisite level of reserves on this basis was £192,000. The current reserves position is in line with this policy and this level was maintained throughout the year.

The Trustees have reviewed the Society's financial position and consider that the Society has adequate resources to continue operating for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

The Society will continue to review its Reserves Policy annually.

Investment policy and performance

The Trustees operate an investment strategy of balanced risk, seeking to provide an income stream supporting Society activities and operations, whilst protecting income and capital values, at least in real terms, through longer term growth.

The Society holds an investment portfolio, primarily in readily marketable securities and managed by Rathbone Investment Management in accordance with an agreed policy. Risk is mitigated through a well-diversified portfolio with reliance on any one investment at less than 5%. Assets are invested for the longer term with no expected calls for capital disposal. Performance is benchmarked by reference to the MSCI WMA Balanced Index on a quarterly basis, and annual income targets are agreed between the Society and the fund manager. In the interest of ethical investment the fund manager will avoid direct investment in shares of tobacco companies and armament manufacturers.

The portfolio achieved a positive performance of 15.4% for the year to 31 March 2017 against a benchmark comparison of 19.5%. Over three years the fund has achieved 26.3% against a benchmark 24.7%, and over five years 47.8% against a benchmark 43.3%. Investment income for 2016/17 amounted to £146,193 against an agreed forecast of £143,971. No individual holding represents more than 5% of the total value, and no direct investments were held in tobacco companies or armament manufacturers.

Plans for future periods

The Society aims to maintain a high profile as an international leader in the field of infection prevention and control and continue to implement and review its strategic objectives. During 2017 the Society and JHI will redevelop its brand and website to ensure that our position, activities and impact are easily understood, and resonate with current, and trainee healthcare professionals.

The Journal of Hospital Infection (JHI)

Dr Jim Gray will continue to build on the improvements introduced last year. A new staff role of Editorial Production Manager has been created and will support the editors and International Editorial Board with a view to developing a Journal development Strategy during 2017/2018. The Society will widen its activities to support the strategic objectives of the Journal and to ensure that these activities are integrated in order to maximize the impact of the JHI. The Society is confident that the increasing trend in the JHI Impact Factor will continue to strengthen into the next year. The editorial team will also continue to streamline process to ensure that publication and article handling times decrease.

The science of infection prevention and control

The Society has reviewed its current guidelines and has determined a schedule of updates based on defined criteria. Where appropriate, existing guidelines will be updated and new guidelines prepared using the NICE accredited methodology. Our new staff structure will support and facilitate the activities of the Working Parties to ensure guideline review is maintained as a key activity of the Society.

HIS reviewed its schedule of awards during a strategy meeting in February 2016 and agreed that it would look at amending the major grants award so that HIS would publish a call, on alternate years, for applications on specified strategic research areas of particular interest to the Society, beginning in 2017. The remainder of the grants portfolio will also be reviewed during the coming year.

Educational activities

Although HIS will continue with its existing programme of conference activity, there are plans to diversify the events portfolio to include two events in 2017 focused on supporting Directors of Infection Prevention and Control (DIPCs). Planning has begun for the 11th HIS International Conference which will be held in Liverpool in November 2018. The Society will also increase the number of overseas conferences it supports by sponsoring speakers at the International Federation of Infection Control annual conference in September 2017.

The Trainee Education Programme will continue into its third year as follows:

Day 1 – 14 February 2017 | Antimicrobial resistance and stewardship | Leeds

Day 2 – 24 July 2017 | Behaviour change, quality improvement and leadership | Birmingham

Day 3 – 7 November 2017 | Aspects of Decontamination | Birmingham

Delegate feedback has been positive with many saying the content is directly relevant to their studies. Meetings are regularly very well attended and in some areas of England are being incorporated into Deanery Microbiology/Infection training programmes.

The Graham Ayliffe Training Fellowship is moving towards its fourth year. This supports a trainee for a year in which to develop special interests and skills in specific areas of infection prevention and control.

During 2017 the Society will invest in the development of educational resources to support the professional development of healthcare professionals.

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Membership engagement

There are plans to review the HIS membership benefits during 2017, to include Travel Grants specific to HIS Members and discounted Open Access publication fees in the JHI.

HIS has decided to upgrade its website in 2017 in order to improve the resources provided by the society through this portal. Up to £50,000 has been set aside for this project.

External collaboration

The Society will continue to focus on growing and strengthening its collaboration with external organisations and kindred societies.

Resources

The Society is committed to providing the resources to support the work of the Editor-in-Chief of JHI and editorial team to ensure that the Journal remains a leader in its field. It will continue to set aside additional resources to ensure that evidence based guidelines are produced to NICE accreditation standard, and reviewed regularly to ensure that guidance remains up to date.

HIS has also looked at ways to involve more members in its activities and has deputy chairs to each of its standing committees as well as establishing a new committee to focus on the interests of trainees.

Governance

Good governance is key in underpinning the work of the Society and it has reviewed and updated existing terms of reference, as well as establishing additional ones. It has also introduced a role description for Trustees. A Lay Trustee will be recruited in 2017.

Key management personnel remuneration

The Society considers its key management personnel comprises the Trustees and Executive Director.

All Trustees give of their time freely and no Trustee received any remuneration or other employee benefits for their role as Trustee. Details of Trustee expenses and related party transactions are disclosed in notes 9, 16 and 17 to the accounts.

The policy and procedure in determining the remuneration payable to the Executive Director is as agreed by the Trustees. The rate of remuneration is bench-marked against organisations of a similar size and activity.

HEALTHCARE INFECTION SOCIETY

Trustees' Report for the year ended 31 March 2017

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable legislation and regulations.

The law applicable to charities in England and Wales requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources of the charity for that period. The Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Approved by the Trustees

Date: 13th September 2017

Signed on their behalf by



Dr Alaric Colville

Independent Auditor's Report to the Trustees of the Healthcare Infection Society

We have audited the financial statements of the Healthcare Infection Society for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement the Trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 and of the charity's incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Independent Auditor's Report to the Trustees of the Healthcare Infection Society

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Moore Stephens LLP

MOORE STEPHENS LLP
Chartered Accountants and Statutory Auditor

150 Aldersgate Street
London
EC1A 4AB

Date: 29 September 2017

Moore Stephens LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

HEALTHCARE INFECTION SOCIETY

Statement of Financial Activities for the year ended 31 March 2017

	Notes	Unrestricted Funds		Total funds 2017 £	Total Funds 2016 £
		General £	Designated £		
Income from:					
<i>Donations and legacies</i>					
Subscriptions		31,474	-	31,474	38,594
<i>Charitable activities</i>					
Education	2	64,872	-	64,872	63,782
Communication	3	720,593	-	720,593	635,997
Conference		690,523	-	690,523	-
<i>Investments</i>	4	146,193	-	146,193	142,012
<i>Other income</i>		2,338	-	2,338	220
Total Income		1,655,993	-	1,655,993	880,605
Expenditure on:					
Costs of raising funds					
Investment management fees		27,196	-	27,196	23,230
Charitable activities					
Awards/ Grants	5a	-	319,426	319,426	284,567
Education	5b	169,347	1,098	170,445	145,072
Communication/ Journals	5c	218,831	1,098	219,929	165,404
Conference costs		614,570	-	614,570	-
Other charitable activities	6	107,363	1,318	108,681	76,407
Total charitable expenditure		1,110,111	322,940	1,433,051	671,450
Total expenditure		1,137,307	322,940	1,460,247	694,680
Transfers between funds		(402,388)	402,388	-	-
Net investment gains / (losses)	7	875,423	-	875,423	(188,340)
Net income / (expenditure) and net movement in funds for the year		991,721	79,448	1,071,169	(2,415)
Fund balances brought forward at 1 April		6,370,134	1,281,552	7,651,686	7,654,101
Fund balances carried forward at 31 March		7,361,855	1,361,000	8,722,855	7,651,686

The charity had no recognised gains or losses in the year other than that shown above. All the above results were derived from continuing activities.

The notes and information on pages 22 to 30 form part of these financial statements.

HEALTHCARE INFECTION SOCIETY
Balance sheet as at 31 March 2017

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	10	396,765	404,552
Investments	11	7,299,138	6,268,813
		<u>7,695,903</u>	<u>6,673,365</u>
Current assets			
Debtors	12	434,429	204,023
Short term deposits		315,702	354,304
Cash at bank and in hand		714,571	899,074
		<u>1,464,702</u>	<u>1,457,401</u>
Creditors: amounts falling due within one year	13	298,389	393,558
		<u>1,166,313</u>	<u>1,063,843</u>
Net current assets			
Creditors: amounts falling due after more than one year		139,361	85,522
		<u>8,722,855</u>	<u>7,651,686</u>
Net assets	14		
Restricted Funds:		-	-
Unrestricted Funds:			
General fund	15	7,361,855	6,370,134
Designated fund	15	1,361,000	1,281,552
Total funds		<u>8,722,855</u>	<u>7,651,686</u>

Approved by the Board on 13th September 2017 and signed on its behalf by:



Alaric Colville
Trustee

The notes on pages 22 to 30 form part of these financial statements.

HEALTHCARE INFECTION SOCIETY
Statement of cash flows for the year ended 31 March 2017

	2017 £	2016 £
Cash flows from operating activities:		
Net cash used in operating activities	(207,253)	(39,488)
Cash flows from investing activities:		
Interest and dividends from investments	143,496	141,605
Interest on bank deposit accounts	2,697	407
Fixed asset additions	(7,143)	(2,719)
Proceeds on sale of investments	1,541,783	449,214
Additions to investment portfolio	(1,696,685)	(301,461)
Net cash (used in) / provided by investing activities	(15,852)	287,046
Change in cash and cash equivalents in the reporting period	(223,105)	247,558
Cash and cash equivalents at the beginning of the reporting period	1,253,378	1,005,820
Cash and cash equivalents at the end of the reporting period	1,030,273	1,253,378
Reconciliation of net income / (expenditure) to net cash flow from operation activities		
Surplus / (deficit) after other recognised gains and losses	1,071,169	(2,415)
Net investment gains / (losses)	(875,423)	188,340
Depreciation of tangible fixed assets	14,930	17,114
Increase in debtors	(230,406)	(122,057)
(Decrease) / increase in creditors	(41,330)	21,541
Investment income	(146,193)	(142,011)
Cash flow from operating activities	(207,253)	(39,488)
Analysis of cash and cash equivalents		
Cash in hand	714,571	899,074
Short term deposits	315,702	354,304
Total cash and cash equivalents	1,030,273	1,253,378

The notes on pages 22 to 30 form part of these financial statements.

HEALTHCARE INFECTION SOCIETY

Notes to the financial statements for the year ended 31 March 2017

1. Accounting policies

The principal accounting policies adopted by the Society are as detailed below:

a) **Basis of preparation**

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 note(s) 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) (effective 1 January 2015) (Charities SORP (FRS 102)), and the Charities Act 2011.

Healthcare Infection Society meets the definition of a public benefit entity as defined by FRS102.

The trustees consider that there are no material uncertainties about the Society's ability to continue as a going concern. There are no significant areas of judgement or key assumptions that affect items in the financial statements other than those included within the accounting policies described below. With respect to the next reporting period for the year ended 31 March 2018, the most significant areas of uncertainty that affect the carrying value of assets held by the Society are the level of investment return and the performance of the investment markets (see the investment policy and performance and risk management sections of the Report of the Trustees' for more information).

b) **Income recognition**

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

Voluntary income including donations, investment income and income from charitable activities including subscriptions, journal and conference income are shown in the financial statements on a receivable basis. Grant income is not recognised in the statement of financial activities until the conditions for receipt have been fulfilled and it is probable that the grant will be received.

c) **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is recognised on an accruals basis, that is, in the period in which the liability is incurred. Support costs are those costs attributable to a specific activity and are allocated to the Statement of Financial Activities on the basis of staff time spent on each area of activity.

Costs of raising funds comprise investment managers' fees.

Charitable activities expenditure includes services supplied identifiable as wholly or mainly in support of the Society's objectives and includes grants payable.

Governance costs are those costs relating to compliance with constitutional and statutory requirements.

d) **Grants payable**

Grants are made to institutions and individuals for training, research and travel and are charged to the Statement of Financial Activities when authorised by the Board of Trustees and communicated to the recipient. The provision for a multi-year grant is recognised at its transaction value and is not discounted, given that discounting is not material.

HEALTHCARE INFECTION SOCIETY

Notes to the financial statements for the year ended 31 March 2017

1. Accounting policies (continued)

e) 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 net gains and losses arising on the revaluation and disposals throughout the year.

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

The main form of financial risk faced by the Society 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 or sub-sectors.

f) Gains/losses on investment assets

All gains and losses are taken to the Statement of Financial Activities as they arise.

Unrealised gains and losses on investment assets represent the difference between their fair value at the end of the year and their fair value at the beginning of the year, or transaction value if acquired during the year.

Realised gains and losses on disposal of investment assets represent the difference between the sale proceeds and the fair value at the beginning of the year, or transaction value if acquired during the year

g) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

h) Liquid resources

Liquid resources comprise sums on short term deposit with recognised United Kingdom banks.

i) Irrecoverable value added tax

Irrecoverable value added tax on purchases and expenses is charged as an expense

j) Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is charged so as to write off the full cost less residual value over the economic life of the asset at the following annual rates:

Land and buildings	2% straight line
Computer equipment	33% straight line
Fixtures and fittings	15% straight line

k) Fund accounting

General funds are unrestricted funds used for furthering the objects of the Society.

Designated funds are unrestricted funds which have been set aside by the Trustees at their discretion for specific purposes as shown in Note 15.

l) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the lease duration.

HEALTHCARE INFECTION SOCIETY

Notes to the financial statements for the year ended 31 March 2017

	2017 £	2016 £
2. Education income		
Conference and course income		
Engineering Aspects	48,722	46,932
Foundation course	16,150	16,850
	<u>64,872</u>	<u>63,782</u>
3. Communication income		
Income from Society journal	<u>720,593</u>	<u>635,997</u>
4. Investment income		
Interest and dividends from investments	143,496	141,605
Interest on cash deposits	2,697	407
	<u>146,193</u>	<u>142,012</u>
5. Expenditure on charitable activities		
(a) Awards and grants		
Training and research grants (see note 8)	224,627	226,365
Travel grants	22,944	3,522
Bursaries	-	(200)
Wages and salaries	24,912	22,579
Support costs	46,943	32,301
	<u>319,426</u>	<u>284,567</u>
(b) Education		
Course expenditure	60,504	53,323
Meeting and conference expenditure	6,374	2,575
Other direct education expenditure	13,749	12,147
Wages and salaries	31,139	36,651
Support costs	58,679	40,376
	<u>170,445</u>	<u>145,072</u>
(c) Communication		
Direct journal expenditure	45,216	24,105
Conferences	49,231	19,788
Wages and salaries	66,803	81,135
Support costs	58,679	40,376
	<u>219,929</u>	<u>165,404</u>

HEALTHCARE INFECTION SOCIETY

Notes to the financial statements for the year ended 31 March 2017

	2017	2016
	£	£
(d) Support costs		
Support costs are allocated on the basis of staff time and comprise the following:		
Repairs and premises costs	12,595	23,238
Bank charges	1,318	1,855
Sundry	(3,979)	313
Depreciation	14,930	17,114
Office, accountancy, legal and administrative expenses	156,860	74,900
Governance costs (see (e) below)	52,992	44,085
	<u>234,716</u>	<u>161,505</u>
(e) Governance costs		
Council expenditure	42,992	34,816
Audit	10,000	10,750
Legal and professional fees	-	(1,481)
	<u>52,992</u>	<u>44,085</u>
6. Other charitable activities		
Working parties expenditure	899	5,264
Wages and salaries	37,367	22,691
Support costs	70,415	48,452
	<u>108,681</u>	<u>76,407</u>
7. Net investment gains / (losses)		
Realised	60,337	(47,305)
Unrealised	815,086	(141,035)
	<u>875,423</u>	<u>(188,340)</u>
8. Grants awarded		
Dr Nikunj Mahida	Research	53,356
Dr Damian Mawer	Research	60,000
Michael B Prentice	Research	81,783
Prof Peter Hawkey	Research	10,000
Dr Ed Moran	Research	10,000
Dr Elaine Cloutman-Green	Research	9,000
Dr Caroline Chilton	Research	138,768
Professor Jean-Yves Maillard	Research	9,951
Dr Matthew Scarborough	Research	10,000
Dr Shanom Ali	Research	10,000
Dr Emma Wiley	Research	65,600
Dr George Trafford	Research	7,200
Unclaimed grants and other adjustments	Research	(16,892)
	<u>224,627</u>	<u>226,365</u>

HEALTHCARE INFECTION SOCIETY

Notes to the financial statements for the year ended 31 March 2017

9. Employees' remuneration

The average number of persons employed by the charity during the year for the purpose of charitable activities was 4 (2016: 4).

	2017	2016
	£	£
The aggregate payroll costs of these persons were as follows:		
Wages and salaries	118,113	148,436
Redundancy and termination	30,000	-
Social security	12,109	14,620
	<u>160,222</u>	<u>163,056</u>

No employees received total employee benefits (excluding pension contributions) of more than £60,000 in the year under review (2016: £nil).

The Society considers its key management personnel comprises the Executive Director and the Trustees. There were a number of organisational changes during the period with the recruitment of Kay Miller as Executive Director from February 2017, with salary and pension contributions within this period of £10,833.

No Trustee received any remuneration or other employee benefits for their role as Trustee during the year. However, the employers of the Trustees have invoiced the charity for additional services performed as follows:

Alaric Colville became Treasurer of the Society in November 2014. Payments due during the year to his employer, Royal Devon and Exeter NHS Foundation, amounted to £15,396 (2016 - £14,113).

Dr Elisabeth Ridgway became Chair of the Society in November 2015. Payments due during the year to her employer, Sheffield Teaching Hospitals NHS Trust, amounted to £14,712 (2016: £4,868).

Dr T Boswell completed his term of office as Chair of the Society in November 2015. Payments due during the year to his employer, Nottingham University Trust, amounted to £nil (2016: £7,420).

Dr Jim Gray has been the Society's journal editor since February 2015. During the year payments due for his services amounted to £10,400 (2016: £5,200).

HEALTHCARE INFECTION SOCIETY

Notes to the financial statements for the year ended 31 March 2017

10. Tangible fixed assets	Fixtures and fittings £	Computer equipment £	Freehold land and buildings £	Total £
Cost:				
At 1 April 2016	11,741	6,726	412,153	430,620
Additions	3,613	3,530	-	7,143
Disposals	-	(854)	-	(854)
At 31 March 2017	15,354	9,402	412,153	436,909
Depreciation:				
At 1 April 2016	2,166	6,726	17,176	26,068
Provision in year	2,303	1,176	11,451	14,930
Disposals	-	(854)	-	(854)
At 31 March 2017	4,469	7,048	28,627	40,144
Net book value				
At 31 March 2017	10,885	2,354	383,526	396,765
At 31 March 2016	9,575	-	394,977	404,552

HEALTHCARE INFECTION SOCIETY

Notes to the financial statements for the year ended 31 March 2017

	2017 £	2016 £
11. Quoted investments		
At 1 April 2016	6,268,813	6,604,908
Additions	1,696,685	301,461
Disposals at opening market value	(1,541,783)	(496,519)
Unrealised gains / (losses)	875,423	(141,037)
Market value as at 31 March 2017	7,299,138	6,268,813
Historic cost	5,343,946	4,548,094

Quoted investments analysis:	2017		2016	
	Cost £	Market value £	Cost £	Market value £
UK fixed interest securities	925,492	1,024,298	814,296	892,832
Equity UK	1,674,950	2,488,659	1,506,955	2,295,635
Equity overseas	1,863,925	2,507,366	1,269,954	1,640,004
Overseas unit trusts	769,909	1,124,657	847,219	1,306,826
Overseas fixed interest	109,670	154,158	109,670	133,516
	5,343,946	7,299,138	4,548,094	6,268,813

All investments are carried at their fair value. Investments in bonds, equities, property and alternative investments are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using mid-market price. Asset sales and purchases are recognised at the date of trade at cost (i.e. their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Society is considered in the financial review and investment policy and performance sections of the Trustees' Report.

The main risk to the Society from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The Society is reliant on dividend yield in part to finance its work and this leads to greater exposure to international companies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling.

The Society manages these investment risks by retaining expert advisers and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Society does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return.

HEALTHCARE INFECTION SOCIETY

Notes to the financial statements for the year ended 31 March 2017

	2017 £	2016 £
12. Debtors		
Trade debtors	267,338	54,242
Other debtors	17,524	94,624
Prepayments and accrued income	149,567	55,157
	<u>434,429</u>	<u>204,023</u>

13. Creditors – amounts falling due within one year

Trade creditors	38,113	26,196
Accruals	27,456	23,920
Grants	162,246	173,500
Taxes and social security	33,802	64,876
Deferred income	36,641	105,066
Other creditors	131	-
	<u>298,389</u>	<u>393,558</u>

Creditors – amounts falling due after more than one year relate to grants payable of £139,361 (2016: £85,522)

Reconciliation of deferred income

	£
Balance as at 1 April 2016	105,066
Amounts released to income earned from charitable activities	(105,066)
Amounts deferred in the year	36,641
Balance as at 31 March 2017	<u>36,641</u>

14. Analysis of net assets between funds

	Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	396,765	-	396,765
Investments	7,299,138	-	7,299,138
Debtors	434,429	-	434,429
Cash at bank and in hand	714,571	-	714,571
Short term deposits	315,702	-	315,702
Creditors falling due within one year	(298,389)	-	(298,389)
Creditors falling due more than one year	(139,361)	-	(139,361)
Net assets at 31 March 2017	<u>8,722,855</u>	-	<u>8,722,855</u>

HEALTHCARE INFECTION SOCIETY

Notes to the financial statements for the year ended 31 March 2017

15. Funds

	1 April 2016 £	Income £	Expenditure £	Gains/ (losses) £	Transfers £	31 March 2017 £
Unrestricted Funds						
General	6,370,134	1,655,993	(1,137,307)	875,423	(402,388)	7,361,855
Designated Funds						
Grants reserve	335,000	-	(318,548)	-	517,548	534,000
Tangible fixed assets	404,552	-	(3,479)	-	(4,073)	397,000
Conference	50,000	-	-	-	-	50,000
JHI	200,000	-	-	-	-	200,000
Website and CRM	62,000	-	(913)	-	(11,087)	50,000
Branding	-	-	-	-	50,000	50,000
Staffing	200,000	-	-	-	(150,000)	50,000
Working parties	30,000	-	-	-	-	30,000
Restricted Funds	-	-	-	-	-	-
Total funds	7,651,686	1,655,993	(1,460,247)	875,423	-	8,722,855

The designated funds are set up for the following purposes:

Grants Reserve: To enable the continued award of Research and other Grants.

Tangible fixed assets fund: Represents the Society headquarters and other fixed assets.

Conference fund: To fund any future potential losses from conference activity should they arise.

JHI contingency fund: To fund a period of restructuring of the work of the Society should the revenue from The Journal of Hospital Infection decline, e.g. owing to potential future impact of open access publishing.

Website and CRM fund: To enable the purchase and implementation of an integrated website/membership administration system.

Branding: To fund the update and relaunch of the Society branding and its relevance within the sector.

Staffing fund: To provide for potential unplanned staff resource costs.

Working parties: To fund working party activities.

The undesignated funds are used for the regular Society activities, and the day to day running and maintenance of its headquarter premises.

Transfers between the unrestricted and designated funds during the year represent the changing requirement for funds in line with Society strategy and operations as agreed by the Trustees.

16. Related Party transactions

There were no related party transactions during the year.

17. Trustees

The Trustees received no remuneration for their role as Trustees and were reimbursed expenses incurred in respect of travel and subsistence of 2017: £10,245 (2016: £6,197).