

TROPICAL HEALTH AND EDUCATION TRUST

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

CHARITY No. 1113101

COMPANY No. 05708871

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TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

CONTENTS

	Page
Reference and Administrative Details	2
Trustees' Report	3
Independent Auditor's Report	13
Statement of Financial Activities	16
Balance Sheet	17
Statement of Cash Flows	18
Notes to the Financial Statements	19

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31ST DECEMBER 2021

Trustees:

Ms. Roda Ali Ahmed (appointed 1 January 2021)
Dr. Anne Austen (resigned 31 December 2021)
Ms. Janice Barber
Dr Titilola Banjoko
Professor Ged Byrne MBE
Dr Jemima Dennis-Antwi (appointed 1 January 2021)
Ms. Claire Hammond

Chair:

Professor Judith Ellis OBE (resigned 31 December 2021)
Professor Irene Leigh (resigned 31 December 2021)
Mr Mike McKirdy
Mr Hugh Risebrow
Mr Jonty Roland
Mr Justinian Ash (appointed 1 January 2022)
Professor Valerie Fleming (appointed 1 January 2022)
Professor Rosaline Raine (appointed 1 January 2022)

Chief Executive:

Mr Ben Simms

Company Secretary:

Ms. Jacqueline Mutibwa

Registered Office:

1 St Andrews Place
Regent's Park
London
NW1 4LE

Independent Auditor:

Haysmacintyre LLP
Chartered Accountants
10 Queen Street Place
London
EC4R 1AG

Charity Registration No:

1113101

Registered Company No:

05708871

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

The Trustees, who are also the Directors of the company for the purposes of the Companies Act, present their Annual Report, which is also the Directors' report for purposes of the Companies Act, together with the audited Financial Statements of the company for the year ended 31 December 2021.

The financial statements comply with current statutory requirements, the requirements of the charity's governing document and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS 102)).

The name of the charity is Tropical Health and Education Trust; it is also known as THET.

The following trustees have acted during the year:

Ms. Roda Ali Ahmed

Dr. Anne Austen (resigned 31 December 2021)

Ms Janice Barber

Dr Titilola Banjoko

Professor Ged Byrne MBE

Dr Jemima Dennis-Antwi

Professor Judith Ellis OBE (resigned 31 December 2021)

Ms Claire Hammond

Professor Irene Leigh (resigned 31 December 2021)

Mr Mike McKirdy

Mr Jonty Roland

Mr Hugh Risebrow

Chief Executive: Mr Ben Simms

Company Secretary: Ms Jacqueline Mutibwa

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2021**

Introduction from the Chair of Trustees

THET has demonstrated the value of solidarity this year, championing the contribution of Health Partnerships, advocating for the safety and wellbeing of health workers, and convening a truly global community in the midst of countless hurdles. The shared challenge of the COVID-19 pandemic has continued to confirm the interdependence of countries and the disparity in available health resources, and even further exposed the need for health system strengthening in low- and middle-income country (LMICs). In the UK, established Health Partnerships have been agile, continuing to innovate, making ever greater use of remote and online platforms, and further developing our online Pulse community. Together with our partners, we have trained and educated 4,783 health workers in 2021, across Bangladesh, Democratic Republic of Congo, Ethiopia, Ghana, Rwanda, Sierra Leone, Somalia/Somaliland, Malawi, Nepal, Nigeria, Uganda, and Zambia. We have reached a further 3,500 in Myanmar alone.

International travel has continued to be limited, and most staff around the world have been home working, based in three UK nations and in ten LMIC countries. This has brought us closer together as a staff team, and having proven, in 2020, the global inclusivity of the online conference approach, in 2021 THET very successfully held two international conferences. Our main conference attracted 70 speakers and 455 attendees from across the world. We were especially pleased to have celebrated our relationship with the World Health Organization at these conferences.

Health service challenges in 2021 have brought into sharper focus the global shortage of health workers, and THET has not only tried to address the ethical issues around workforce migration and recruitment but powerfully reinforced the incredible value to the NHS, and global health, of internationally recruited staff and those who identify as belonging to diaspora communities. As an organisation THET is leading the way in challenging unconscious bias and racism through our Experts in Our Midst programme of work.

The greatest challenge in 2021 for THET, as a charity, has been funding, with the loss of £48million of UK government funding as part of wider reductions to UK Aid. Once again showing unparalleled determination and agility, the organisation adapted quickly and rose again to new heights. Funding from previous partners has been secured and new opportunities for funding identified, so that although income still limits the possible breadth of activity, THET remains financially secure as it moves into 2022. The Commonwealth Partnerships for Antimicrobial Stewardship (CwPAMS) programme has been extended for example, and THET continues to actively support and educate health workers, even in conflict zones, for example in Myanmar and Ethiopia.

THET is globally respected as an organisation that can swiftly respond to support health workers when need arises. I am so proud to have been the Chair of THET since 2016 but never as proud as I have been in 2021 when THET's committed staff, guided by 12 amazing Trustees, and supported by dedicated Honorary Advisors, have risen to incredible challenges in order to support the global health community.

I would like end this note, by expressing a warm welcome to my successor, Justinian Ash. Justinian brings immense expertise and energy at a time when it is very much needed. He has been involved with the charity personally, since 2016, and knows us well. I have every confidence that THET will flourish in the period to come, as it has during my own six years of service.

Professor Judith Ellis OBE – Chair of Trustees

TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2021

OBJECTIVES AND ACTIVITIES

For over 30 years, THET has been working in partnership to strengthen health systems and build health workforce capacity in low- and middle-income countries (LMICs). Working closely with Ministries of Health and in partnership with UK and LMIC health institutions, and as an NGO in Official Relations with the World Health Organization, we strengthen health systems by responding to local and national priorities, supporting the training of health professionals, facilitating knowledge exchange and the development of policy and regulatory environments, and offering thought leadership and project management expertise.

In 2021, 4,783 health workers were trained directly as a result of our activities.

At the centre of our approach, is the model of Health Partnerships, long-term relationships between UK and LMICs health institutions, which improve health services through the reciprocal exchange of skills, knowledge, and experience. They are rooted in an understanding that equitable relationships between health professionals across borders can benefit all involved.

This report outlines our main achievements in 2021 and states our strategic priorities for 2022. In producing this report, THET's Board of Trustees can confirm that they have complied with the duty outlined in the Charities Act 2011 to have due regard to Charity Commission guidance on public benefit.

This report is structured around our Key Performance Indicators (KPIs) which we have developed to measure our progress in implementing THET's Strategic Plan 2016-2021. Staff and partners reported progress against a set of quantitative targets and qualitative measures, on a quarterly basis for five Enabling Goals, and every six months on three Impact Goals.

Our dedicated Policy and Learning team gather regular reports from our programmes teams and grantees. In addition, we commissioned studies to investigate effectiveness, such as value for money, and we developed case studies on project and partnership impact.

Headline Achievements in 2021

The year has been defined by COVID-19, the coup in Myanmar, and drastic cuts to UK Aid which has seen the closure of many charities in the UK. It has, however, been a period of immense productivity and achievement by THET staff.

We entered the year working very much under the shadow of COVID-19, having pivoted much of our work in 2020 through the effective use of technology. Our Digital Transformation agenda has developed apace, and especially with the launch of Pulse, an online community of 500+ health workers. On February 1st, the military seized power in Myanmar. Myanmar is a long-standing partner to THET and many UK Health Partnerships, and a country where we have a small team of staff. By February 12th we were convening fortnightly meetings of the Health Partnership community, and we have met every fortnight since. In April we were hugely disappointed when the Foreign, Commonwealth and Development Office (FCDO) informed us of the cancellation of the 2020-2024 £28m UK Partnerships for Health Systems (UKPHS) programme and our UK Aid Direct grants. This amounted to a loss of £48m of funding for the charity and our partners.

As the next section details, despite this extraordinarily challenging year, the charity has continued to innovate and work with impact and, crucially, stay agile.

Highlights of our response in 2021

- We have convened bi-weekly meetings of more than 50 organisations across the Health Partnership community in response to the February 1st coup in Myanmar. Through the UK Health Partnerships for Myanmar mechanism activities across four areas have taken place: Medical education & quality improvement, Communications, Advocacy, and Fundraising. The group's key achievements include: Online training delivered to over 3,500 health professionals, Development of a clinical guidance website for Myanmar health workers which has attracted more than 23,000 users, and a pilot Telemedicine programme led by Myanmar technicians and healthcare professionals, reaching over 8,000 patients.
- Throughout 2021, we trained 4,783 health workers across Bangladesh, Democratic Republic of Congo, Ethiopia, Ghana, Rwanda, Sierra Leone, Somalia/Somaliland, Malawi, Nepal, Nigeria, Uganda, and

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

Zambia through our country-specific and centrally managed programmes (which include the Commonwealth Partnerships for Antimicrobial Stewardship programme (CwPAMS 1.5), the Africa Grants Programme (AGP), Burdett Trust nursing programme, and the Talent Group Project.

- We were delighted to enter into new funding partnerships in 2021. This includes £1.8m from the Department of Health and Social Care (DHSC) for the multi-country Future International Workforce Programmes (FIWP); £271,000 from Novartis for Phase II of the project in Ethiopia; £1.6m from Health Education England for 2021; and £500,000 for CWPAMS 1.5; as well as funding from the Burdett Trust for Nursing, the Bill and Melinda Gates Foundation, the Fraxinus Trust, and UNICEF.
- THET's thought leadership has been evident throughout the year, including with the publication of our latest policy report focused on NHS diaspora contributions to global health, Experts in Our Midst, the launch of our inquiry into the links between wellbeing and global health engagement and our continued work on ethical workforce migration which saw us convene a Symposium on Workforce migration bringing together senior LMIC health leaders, and representatives of WHO and DHSC.

Our Performance Against Our Strategy

1. IMPACT GOAL 1

Redouble our efforts to train and support health workers.

In 2021, our work through our country programme presences in ten countries continued, and through our grants streams we awarded 44 grants to UK Health Partnerships in 13 countries. Taken together, these provided training opportunities to a total of 4,783 health workers in Africa and Asia. Examples include:

- Through the **Myanmar Emergency Fund**, supported by the UKPHS programme, health workers in Myanmar have been supported via online means in their response to the healthcare needs brought about by the military coup, including trauma response, formal medical certification, and GP training.
- Through the **Commonwealth Partnerships for Antimicrobial Stewardship (CwPAMS)** programme in Ghana, Tanzania, Uganda, Zambia, Sierra Leone, Malawi, Nigeria, and Kenya, human and animal health practitioners have been trained in areas including surveillance, utilising/developing pharmacy expertise and capacity, Infection Prevention and Control (IPC), and clinical microbiology data.

2. IMPACT GOAL 2

Partner with national governments to strengthen health systems.

In 2021, THET engaged meaningfully in health system strengthening initiatives, reflecting our strengthened position in each country. Examples of this work include:

- Through the **Talent Group Programme**, governments in Somaliland, Zambia and Ethiopia have agreed to certify the programme in their national continuing professional development (CPD) certification.
- In the **SPHEIR** programme, it has been possible to finalise the new national harmonised medical curriculum and associated Intended Learning Outcomes. This will be used across all medical schools, ensuring consistent quality of future medical graduates.

3. IMPACT GOAL 3

Champion the contribution health workers are making to the development of our societies.

THET continues to actively position itself as an essential partner to the UK and global health community, speaking to the distinctive space we occupy at the interface between the UK health system and those of low and middle-income countries (LMICs).

- THET is a Non-State Actor in Official Relations with the World Health Organization (WHO). We are linked with the Department of Integrated Health Services, which supports countries in progressing towards Universal Health Coverage, focusing particularly on quality of care and accessible services. During 2021 we have facilitated Health Partnership input into the WHO's new Quality Toolkit, disseminated the Twinning Partnerships for Improvement guidance, and contributed to the WHO agenda around compassion in healthcare.

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2021

We are a member of WHO's Health Learning Hub "Network of Networks", which captures and disseminates learning on maintaining essential health services during the COVID-19 pandemic. Through this we have contributed Health Partnerships' experiences to Learning Briefs and widely shared information on THET's activities, including the Health Equity for All (HEAL) Campaign and the Health Advocates Network.

- In 2021, THET worked in partnership with the African Centre for Global Health and Social Transformation (ACHEST) to run three symposia examining the role of the UK in relation to the international recruitment of health workers from Low- and Middle-Income Countries (LMICs). Bringing together Ministries of Health from across Africa and Asia, the UK's DHSC and FCDO and NHS institutions the symposia culminated in the publishing of the From Drain to Gain report which outlines key findings and next steps for ethical practices.

4. ENABLING GOAL 1

Forge strong country bonds to increase programme quality.

Across all our work, there is evidence that our in-country presence is strengthening our ability to understand and partner with institutions and Ministries of Health in those countries.

Examples of work include:

- Through the UKPHS programme we delivered a workshop for Health Partnerships on Integrating Gender Equality and Social Inclusion into Health Programmes: Guidance and Reflections. 140 people from 32 countries attended the event, with a range of institutions represented including hospitals, professional associations, Ministries of Health, WHO, NGOs, royal colleges, and universities.
- In Ethiopia, we continue our work with the Federal Ministry of Health to improve Non-Communicable Diseases (NCDs) care and treatment and as such saw 211,266 people screened for NCDs including hypertension, diabetes, and chronic respiratory diseases.
- In Uganda, we maintained and expanded key connections between the UK and the Ugandan health sectors and supported the UK Uganda Health Alliance. The Alliance has excelled at supporting thematic working groups which align to Government priorities.
- In Zambia, we were pleased to celebrate the impact of the Health Technology Management Improvement Project (HTMI) which ran from 2018 – 2021. The project has trained 123 Biomedical Engineers across 54 hospitals leading to equipment functionality improving from 75% to 95.6%.

5. ENABLING GOAL 2

Champion the health partnership approach positioning THET as an essential partner to NHS, academic and private sector institutions in the UK.

Despite the immense challenges, this year has seen a significant increase in initiatives and partnerships that strengthen our position as a partner of choice for UK health institutions. Highlights include:

- By the close of 2021, THET has hosted 20 events aimed at increasing the number and range of individuals involved in Health Partnerships and volunteering initiatives, including: webinar series as part of the Health Partnership Capacity Development (HPCD), CwPAMS and HEE Going Global programmes; Symposia exploring UK-Global workforce programmes and ethical considerations for global engagement; and our International and Health Partnership conferences which collectively brought together over 800 delegates from across the world to champion the HP approach and encourage global engagement within the NHS.
- We continue to carry out evaluations to this end. From the CwPAMS Impact Report to scoping reports completed across our Country Offices and the UK's NHS, our data on the number and cadre of health workers participating continues to expand and influence the design of our volunteering initiatives and programmes.
- The year also saw us exceed our expectations in our policy work, with the publication of THET's latest policy report; Experts in our Midst, our production of policy reports for the Welsh government exploring global engagement within Wales and the role HPs can play in this, and our report From Drain to Gain which detailed the recommendations produced during the Sustainable Workforce Symposia THET hosted in collaboration with experts from the WHO, LMIC Ministries of Health and ACHEST.

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

6. ENABLING GOAL 3

Ensuring security through diverse funding sources.

We were pleased that our partnership with the UK's Department of Health and Social Care continued through 2021 and that we were able to grow our partnership with Health Education England. THET continues to make efforts to diversify its income sources, both through new grants and earned income efforts, with this characterised in particular by the following programmes of work: the Nursing Now Challenge Fellowship Programme funded by the Burdett Trust for Nursing, a Fraxinus Trust grant which has provided vital funding for mothers and children in Somaliland, and the COVID and Myanmar Response Funds as part of the UKPHS closure programme.

7. ENABLING GOAL 4

Create a people-centred organisation, which is accountable and empowered.

We continued to develop our People Strategy during 2021 that will ensure THET continues to recruit, retain, and support staff who are working in an extremely challenging environment. Operationally, this has been a challenging year, with continued cuts to overseas budgets, the Myanmar coup, and increasing pressures on staff to managing the various elements related to the pandemic including working from home. This has been a period through which we have strived to ensure staff well-being continues to be a priority, during an unprecedented period resulting from a global pandemic. This has not stopped us progressing our work on Safeguarding and on Gender Equality and Social Inclusion in particular. THET has revised its policies in both areas but also developed Toolkits for our partners which are available online. This is enabling us to have structured conversations both internally and externally about the vital importance of safeguarding and advancing GESI across all our activities.

8. ENABLING GOAL 5

Transparency and accuracy through robust evidence gathering.

THET continues to embed robust Monitoring and Evaluation systems in our grants and programmes work, including monitoring visits, learning and reflection, continuous improvement, and evidence generation to support our work throughout the year. This enabled us to report successfully to Trustees and a range of donors, achieving an 'A' rating, for example, in our final UKPHS assessment.

KEY LESSONS LEARNT – CHALLENGES IN 2021

The close of 2021 marks another extraordinary period in the history of the charity. Since 2019, we have seen the merger of the Department for International Development with the Foreign and Commonwealth Office, the cancellation of UKPHS and other UK Aid funding THET had been awarded, the devastating impact of COVID-19, the coup in Myanmar, and civil war in Ethiopia. As this report demonstrates, the charity continues to adapt, remaining ready for the unexpected and able to move at pace to ensure the organisation's sustainability and growth amidst mounting crises.

The charity formally records its thanks to Professor Judith Ellis for her time as chair during this period. She has anchored us with her expertise and compassion and remained deeply engaged in the life of the charity throughout her tenure.

This next year certainly marks a new era for THET, beginning the year with a new Chair of Trustees and the launch of a new five-year strategic plan. This plan, developed over eight months from October 2021 to June 2022 strikes continuity with our previous plan. As well as clearly articulating our role in brokering Health Partnerships and giving expression to our core organisational values, the strategy emphasises the agility that has been fundamental to our ability to flourish in recent years. This new plan will be launched formally in October 2022 and take us to the eve of our 40th birthday as a charity, in 2028.

Structure, Governance and Management

THET is a registered charity (registration number 1113101) and is constituted as a company registered in England and Wales and limited by guarantee (registration number 05708871). Its objects and powers are set out in its Memorandum and Articles of Association, which is the charity's governing document.

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

Trustees

The Directors of THET are the Trustees, collectively known as The Board of Trustees (The Board). The Board, THET's governing body, comprises a minimum of 3 and a maximum of 12 Trustees. Trustees serve an initial term of three years that can be extended for up to a maximum of three years. The trustees are also members of the company. New Trustees are appointed by ordinary resolution at the general meeting. Members of the Board have guaranteed the liabilities of the company up to £1 each.

Trustees are appointed following open advertising in specialist publications or on specialist websites and following a rigorous interview process. All new Trustees are provided with a structured induction programme.

The Board of Trustees has created four specialist sub-committees to assist it with its work: the Finance, Risk and Governance Committee (FRGC), the Programmes Quality Committee (chaired by Anne Austen), the Remuneration Committee (RemCo) and the External Engagement Committee (chaired by Jonty Roland). Each committee includes members of the Board and may include additional members appointed for their specialist knowledge.

The Finance, Risk and Governance Committee (FRGC), THET's audit committee, chaired by the Treasurer, Claire Hammond, meets as necessary with the external auditors, both with and without the presence of management. The FRGC reviews the external auditor's management letter and monitors implementation of actions required as a result. The FRGC also has responsibility to advise the Board on whether the audit, risk management and control processes within THET are effective. The Remuneration Committee monitors THET's policy on remuneration and benefits for its staff and reports annually to the Board.

The Remuneration Committee meets annually and was chaired by Hugh Risebrow. Salaries are set after consideration of the cost of living, the financial position of the charity, and roles and responsibilities after taking into account the contracts being handled by THET.

THET's Trustees are responsible for everything that THET does. However, to ensure that THET is managed efficiently and effectively, the Trustees have delegated a range of day-to-day decision-making powers to the Senior Management Team. Trustees have also established appropriate controls and reporting mechanisms to ensure that the Senior Management Team operates within the scope of the powers delegated to it. The delegation policy is updated on an ongoing basis and is formally reviewed and approved by Trustees. The last review was in June 2016, with the next review planned for 2022. The members of the Senior Management Team are not directors for the purposes of company law.

There has been no specific restriction imposed by the charity's governing document on the operation of the Trust. Trustees are authorised by the charity's governing document to invest any money of the Charity not immediately required for its function in appropriate, legal investments provided that any necessary consents are first obtained.

Annual trustee activity

A typical year for a trustee includes the following:

- Attendance at four Board meetings per annum
- Attendance at the AGM in July
- Attendance at committee meetings, and at ad hoc groups convened for specific purposes
- Attendance at staff or senior management meetings on an occasional basis
- Attendance at events e.g., public meetings, meetings with THET volunteers/supporters/donors, THET Away Day
- Attendance at the Annual Conference
- Trustees with specialist knowledge may work with senior management, both to provide advice and support, and to enhance board understanding and scrutiny.

Risk assessment

THET Trustees keep strategic and operational risks under quarterly review at the Finance, Risk and Governance meetings, and the full Board of Trustees meetings. This involves an assessment of probability and potential impact, and a discussion of mitigating actions prepared by THET's Senior Management Team. The areas of risk examine:

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2021

- the fact that THET's staff and volunteers operate across many different jurisdictions, looking at controls around finance and the movement of people;
- the extent to which THET is able to evidence the impact of its work and demonstrate Value for Money;
- our compliance with safeguarding, GDPR and other relevant policies; and
- THET's ability to generate financial support for our distinctive model of Health Partnerships.

In terms of its general affairs, THET operates prudent policies in all its financial operations, with any significant expenditure requiring approval by Trustees. THET also makes arrangements for appropriate insurance cover and other protection where this is appropriate in its activities at home and overseas.

There are a wide range of mitigations in place. In relation to demonstrating impact, for example, THET makes regular use of external evaluations of its work. In relation to income, THET is able to closely track its conversations with donors allowing it to closely track the success of its efforts to grow and diversify its income. In 2021, the main improvements resulting from Trustee discussions around risk were in relation to diversifying income sources. The year also saw the benefit of earlier Trustee conversations in relation to the tightening of procedures around our oversight of financial transactions in particular.

Our approach to fundraising activities

The charity raises funds from diverse sources including institutional donors, Trusts and Foundations, private sector partners and individuals, in the UK and internationally. We have developed an Ethical Fundraising Policy to guide decisions on solicitation and acceptance of funds.

The charity undertakes bi-yearly fundraising campaigns which reach a small number of patrons and supporters who have consented to receive the campaigns. Beyond this the trustees are pleased to receive unsolicited gifts and legacies from patrons and supporters who generously support our work. Beyond this, THET does not currently actively fundraise from the public, run legacy campaigns, or undertake similar fundraising activities in its own right. No complaints have been received from funders or beneficiaries in respect of fundraising activities undertaken by the charity in the current or previous year.

Grant-making policies

THET issues grants to Health Partnerships delivering projects in keeping with its mission. Grants are selected following a fair and transparent process whereby applicants are provided with template forms and guidelines that state the purpose of the funds, eligibility criteria and a timeline for submission and selection.

Once awarded, and when contracts are signed, grants are managed in line with the Grants Management System, which sets out checks and controls to ensure that funds are being used for the purpose stated in the application. Financial and narrative reports are submitted at contracted intervals to show levels of spend and activity against plan and, where necessary, to explain exceptional variances. Milestones are set during the inception phase of each grant and progress is measured against these.

Other risk management processes include checks and controls on adequate financial management and verification of the legal protection and safety of those involved in the project. Information is gathered through reports and meetings and through spot checks on receipts and other documentation.

Financial Review:

Key highlights from the 2021 Accounts are:

- Total income increased from £3.87m in 2020 to £6.08m in 2021.
- Total expenditure increased from £3.96m in 2020 to £5.10m in 2021.
- Net current assets (debtors + cash – creditors) increased by £983k to £2.65m.
- Unrestricted reserves were £561,755

The principal funding sources in 2021 were government bodies, including the Foreign, Commonwealth and Development Office; public bodies, including Health Education England; corporate entities, such as Johnson & Johnson; and Trusts

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

and Foundations, such as the Bill & Melinda Gates Foundation. This funding is used for various project activities as specified in the donor agreements. For specific details of these projects please refer to Note 17 of the accounts.

Charitable funds

The funds held by THET are in interest-bearing accounts managed by the Charities Aid Foundation from which they can be withdrawn as needed. The Trust is able to meet all its obligation and commitments within its present cash flow and assets.

THET does not hold assets except as detailed in the accounts. The salaries of project staff are derived mainly from grants. THET operates in collaboration with other charitable bodies to pursue its objectives.

Reserves Policy

The Board of Trustees has established a General Reserves Policy which continues to protect our programme work from risk of disruption at short notice due to a lack of funds. The Policy also provides parameters for future strategic plans and contributes towards decision-making. It determines an appropriate target level for general reserves, taking into account the following factors:

- Vulnerability to unplanned changes in financial position, relating mainly to unpredictability of fundraising and unrestricted income and securing future restricted and unrestricted contracts.
- Net financial risk related to the above, taking into account the likely speed of onset as well as the mitigation steps available to management.
- The fact that expenditure is generally predictable and long term, with the exception of 'variable' spend on restricted programmes where risks typically involve unplanned events such as hostile government action or major uninsured health and safety or security emergencies.

This approach provides a target base level of general reserves for good governance; to cover 3 months organisational closure cost and the costs incurred by cessation of programme and grant activity. The basis of determining the target reserves level is kept under review and is adjusted to reflect funded activity, and thus organisational size, taking into account actual and perceptions of risk. The minimum target level of reserves in 2021 was set at £350k. Reserves were £561,755 at 31 December 2021.

Arrangements for monitoring and reviewing the reserves policy

The reserves policy is, as a minimum, subject to annual review by Trustees, with the next review scheduled for 2022. In addition, the Trustees monitor THET's performance against the budget throughout the year and consider the need for a reconsideration of reserves, dependent upon changes in activity and organisational structure.

General Reserves (Unrestricted)

General reserves are not restricted to or designated for a particular purpose. General reserves are £561,755 (2020 - £227,572) at the end of December 2021. A detailed review of the level of unrestricted reserves was conducted in 2021.

Restricted Funds

These funds are tied to particular purposes, as specified by the donor or as identified at the time of a public appeal. At 31 December 2021, unspent restricted funds were £2,096,003 (2020 - £1,453,525).

Total funds

At 31 December 2021, total funds were £2,657,758, with £7,695 of this relating to fixed assets.

TROPICAL HEALTH AND EDUCATION TRUST

Future plans

The drastic reduction in funding from FCDO for 2021 does raise questions about the scale of the charity's future work. We will not be able to replace £48m of funding that we have lost. However, the steady diversification of our funding partners in recent years is producing considerable dividends, and this is expressed in the considerable expansion of our

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2021

policy, learning and communications work. The THET conferences and policy papers place THET at the heart of global health and Health Partnerships debate and allow us to continue to play a role as a constructive partner to the World Health Organization and to the UK Government in particular. Our increased country presence allows us to continue to contribute meaningfully to our partner institutions and Governments overseas. As such, we enter 2022 with considerable momentum. We are also in the final stages of developing our 2022 – 2027 Strategic Plan. The qualities of agility and innovation that have defined the charity in response to COVID-19, the coup in Myanmar, and the cuts to UK Aid will be crucial in 2022, as the charity navigates the challenges of operating in a world defined by its volatility, uncertainty, complexity, and ambiguity.

Impact of COVID-19

During 2021 and since the year end the COVID-19 pandemic has created additional challenges for the charity. THET has however been able to continue operations remotely, with limited disruption, although some projects have been delayed and onsite monitoring visits have not been possible in all cases. The impact of COVID-19 on THET has therefore been restricted.

Trustees' responsibilities

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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 accounts comply with the Companies Act 2006 and with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS 102)). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirm that:

- So far as they are aware there is no relevant audit information of which the charity's auditors are unaware, and,
- They have taken all the necessary steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. The trustees have taken the exemption available to small companies and have not prepared a Strategic Report.

Approved by the Board of Trustees on and signed on its behalf by



Professor Judith Ellis
Chair of Trustees

02/09/2022

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TROPICAL HEALTH AND EDUCATION TRUST FOR THE YEAR ENDED 31ST DECEMBER 2021

Opinion

We have audited the financial statements of Tropical Health and Education Trust for the year ended 31 December 2021 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TROPICAL HEALTH AND EDUCATION TRUST FOR THE YEAR ENDED 31ST DECEMBER 2021

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, Companies Act 2006 and payroll taxes.

We evaluated management's opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the income recognition policy applied to grant income. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Review of minutes of meetings to identify expected material amounts of voluntary income;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates, including review of how grant income has been recognised at the year end.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TROPICAL HEALTH AND EDUCATION TRUST FOR THE YEAR ENDED 31ST DECEMBER 2021

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Steve Harper

Steven Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 6 September 2022

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Restated Total 2020 £
Income from:					
Donations and legacies	4	114,171	-	114,171	65,314
Charitable activities	5	465,756	5,428,478	5,894,234	3,736,756
Investments	6	20	-	20	43
Other income	7	68,168	-	68,168	67,142
Total income		648,115	5,428,478	6,076,593	3,869,255
Expenditure on:					
Raising Funds	8	143,890	-	143,890	102,328
Charitable activities	10	228,773	4,727,269	4,956,042	3,856,240
Total expenditure		372,663	4,727,269	5,099,932	3,958,568
Net income/(expenditure)		275,452	701,209	976,661	(89,313)
Transfers between funds	17	58,731	(58,731)	-	-
Net movement in funds		334,183	642,478	976,661	(89,313)
Reconciliation of funds:					
Total funds brought forward		227,572	1,453,525	1,681,097	1,770,410
Total funds carried forward		561,755	2,096,003	2,657,758	1,681,097

The Statement of financial activities includes all gains and losses recognised in the year.

A full comparative Statement of Finance Activities is presented in note 23.

The notes on pages 19 to 34 form part of these financial statements.

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

BALANCE SHEET
FOR THE YEAR ENDED 31ST DECEMBER 2021

Company number: 05708871

	Note	£	2021	£	£	2020	£
FIXED ASSETS							
Tangible assets	14			7,695		14,503	
				<u>7,695</u>		<u>14,503</u>	
CURRENT ASSETS							
Debtors	15	1,343,848			1,055,571		
Cash at bank and in hand		2,138,007			902,689		
		<u>3,481,855</u>			<u>1,958,260</u>		
CREDITORS: amounts falling due within one year	16	(831,792)			(291,666)		
NET CURRENT ASSETS				<u>2,650,063</u>		<u>1,666,594</u>	
TOTAL NET ASSETS				<u>2,657,758</u>		<u>1,681,097</u>	
CHARITY FUNDS							
Restricted funds	17			561,755		1,453,525	
Unrestricted funds:	17			2,096,003		227,572	
TOTAL FUNDS				<u>2,657,758</u>		<u>1,681,097</u>	

The notes on pages 19 to 34 form part of these financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by The Board of Trustees on 2 September 2022. and were signed below on its behalf by:



.....
Professor Judith Ellis
Chair of Trustees

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	19	1,237,164	(617,646)
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,866)	(3,559)
Interest received		20	43
Net cash (used) in/provided by investing activities		(1,846)	(3,516)
Change in cash and cash equivalents in the year		1,235,318	(621,162)
Cash and cash equivalents at the beginning of the year		902,689	1,523,851
Cash and cash equivalents at the end of the year		<u>2,138,007</u>	<u>902,689</u>

Cash and cash equivalents comprise solely cash at bank and in hand during both the current and prior year.

The notes on pages 19 to 34 form part of these financial statements.

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

1. General Information

Tropical Health and Education Trust is a private company limited by guarantee incorporated in England and Wales and a charity registered with the Charity Commission. The address of the registered office is disclosed on the company information page.

2. Accounting Policies

a) Accounting basis

The financial statements have been prepared in accordance with Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Tropical Health and Education Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

b) Going Concern

The trustees have prepared, reviewed and formally approved detailed operating and cash flow projections covering the next 12 months to July 2023. On the basis of these projections they have assessed that the Charity has adequate financial resources and structures in place to manage its operational risks. In addition, the budgeting and forecasting process has taken account of the current economic and funding climate and its potential impact on our various sources of income and expenditure, including the ongoing COVID-19 pandemic. Therefore, the trustees are confident that there is reasonable expectation that the Charity has adequate resources and control mechanisms to continue in operational existence for the foreseeable future and, on this basis the trustees believe, to the best of their belief and knowledge, that the Charity remains as a going concern for at least the period to July 2023 and, accordingly, these financial statements have been prepared on the going concern basis.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. When income is received in advance of providing services it is deferred until THET becomes entitled to that income.

Donations are recognised in the statement of financial activities in the year which they are received, unless the income recognition criteria set out above are met at an earlier date.

For legacies, entitlement is taken as the earlier of the date on which either (i) the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to THET that a distribution will be made, or (ii) when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as contingent asset and disclosed if material.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

2. Accounting Policies (continued)

c) Income (continued)

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift of the charity which is the amount the charity would have been willing to pay to obtain services of facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

In accordance with the Charities SORP (FRS 102), the donated services from our general volunteers are not included within the financial statements.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

d) Expenditure

Expenditure is recognised once there is legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of charitable activities are the costs applied by the charity in undertaking its work and achieving its charitable objectives, as opposed to the cost of raising funds to finance those objectives.

Value Added Tax which is not recoverable by the charity is included in the relevant costs in the statement of financial activities.

Non-directly attributable costs are allocated based on an estimate of time spent.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants are included in the statement of financial activities as they become payable. THET's ability to make grant payments is entirely dependent on funding (FCDO, DHSC, HEE, Johnson & Johnson) under the contracts that are the subject to annual renegotiation. In the opinion of the Trustees a constructive obligation is only created when (i) ongoing grant conditions are being fulfilled and, (ii) contract renewal has been successfully negotiated with different Grantors.

All expenditure is inclusive of irrecoverable VAT.

e) Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of transaction.

Exchange gains and losses are recognised in the statement of financial activities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

2. Accounting Policies (continued)

f) Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the costs or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are managed at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer Equipment	- 33% straight line
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g) Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

h) Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

i) Pensions

THET operates a defined contribution pension scheme for the benefit of staff. Contributions by THET to the scheme are charged in the statement of financial activities in the period in which the employment services qualifying for the benefit are provided. THET has no further obligation once the contributions have been paid.

j) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. In the opinion of the Trustees there are however no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from donations and legacies	Total Funds 2021 £	Total Funds 2020 £
Donations	114,171	59,162
Legacies	-	6,152
	<u>114,171</u>	<u>65,314</u>

All income from donations and legacies was unrestricted in the current and previous year.

5. Income from charitable activities	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income from charitable activities – Programmes & Projects	6,233	5,428,478	5,434,711	3,317,687
Total 2020	<u>18,551</u>	<u>3,299,136</u>	<u>3,317,687</u>	

6. Investment income	Total Funds 2021 £	Total Funds 2020 £
Investment income – local cash	<u>20</u>	<u>43</u>

All income from investments was unrestricted in the current and previous year.

7. Other income	Total Funds 2021 £	Total Funds 2020 £
Conference fees	<u>68,168</u>	<u>67,142</u>

All other income was unrestricted in the current and previous year

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

8. Expenditure on raising funds

Costs of raising voluntary income

	Total Funds 2021 £	Restated Total Funds 2020 £
Other direct costs	63,329	4,696
Direct salaries	47,880	24,546
Allocated centrally incurred fundraising and governance costs	20,909	65,272
	<u>132,118</u>	<u>94,514</u>
Fundraising trading expenses		
Indirect salaries	11,772	7,814
	<u>143,890</u>	<u>102,328</u>

All costs of raising voluntary income were allocated against unrestricted funds in both the current and prior year.

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

9. Analysis of grants

	Grants to Institutions 2021 £	Total Funds 2021 £	Total Funds 2020 £
Grants awarded to NHS and academic partners	1,464,104	1,464,104	324,488
Total 2020	324,488	324,488	

The Charity has made the following material grants to institutions during the year.

Name of institution	2021 £
Addenbrooke's Charitable Trust	72,581
Birmingham City University	21,065
Coventry University Services Limited	75,919
Faculty of Public Health	28,281
Global Anaesthesia Development Project	45,560
Kids of Malawi UK	27,218
Kings College London	96,252
London School of Hygiene & Tropical Medicine	91,674
Manchester Metropolitan University	42,750
Nottingham Trent University	118,163
Royal College of Paediatrics and Child Health	54,977
Sheffield Health and Social Care NHS FT	54,383
Royal College of Surgeons of England	76,000
THET Somaliland	50,000
Uganda UK Health Alliance	139,747
University of Health and Allied Sciences	21,921
University of Oxford	37,800
University of Wolverhampton	76,000
	<u>1,130,291</u>
Other grants to institutions	333,813
	<u>1,464,104</u>

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

10. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total Funds 2021 £	Restated Total Funds 2020 £
Programmes & Projects	3,263,165	-	228,773	3,491,938	3,531,752
Grants awarded to NHS and academic partners	-	1,464,104	-	1,464,104	324,488
	<u>3,263,165</u>	<u>1,464,104</u>	<u>228,773</u>	<u>4,956,042</u>	<u>3,856,240</u>
Total 2020	<u>3,093,229</u>	<u>324,488</u>	<u>438,523</u>	<u>3,856,240</u>	

Analysis of direct costs

	Total Funds 2021 £	Total Funds 2020 £
Staff costs	1,300,255	1,567,589
Direct expenditure on programmes and projects	1,962,910	1,525,640
Total	<u>3,263,165</u>	<u>3,093,229</u>

Analysis of support costs

	Total Funds 2021 £	Restated Total Funds 2020 £
Staff costs	82,401	46,887
Governance costs	13,621	17,293
Administration and office expenses	122,031	361,314
Rent and rates	10,720	13,029
	<u>228,773</u>	<u>438,523</u>

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

11. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £13,150 (2020: £12,750), and accounts preparation services of £2,350 (2020: £2,250).

12. Staff costs

	2021 £	2020 £
Wages and salaries	1,313,982	1,292,773
Social security costs	102,906	81,910
Contribution to defined contribution pension schemes	42,281	30,991
	<u>1,459,169</u>	<u>1,405,674</u>

The average number of persons employed by the Charity during the year was as follows:

	No.	No.
Charitable activities programme and Projects	45	61
Administration	7	6
Generating income	1	1
	<u>53</u>	<u>68</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £60,001 - £70,000	2	1
In the band £80,001 - £90,000	1	1
	<u>3</u>	<u>2</u>

The key management personnel of THET comprise the Chief Executive and the Senior Management Team (SMT). The SMT consists of the Director of Finance & Operations, and the Director of Programmes. The total employee benefits for the key management personnel was £257,931 (2020: £229,594).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £nil).

During the year ended 31 December 2021, £nil in expenses were reimbursed to trustees (2020: £1,093).

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

14. Tangible fixed assets

Cost	Computer Equipment £
At 1st January 2021	29,415
Additions	1,866
At 31st December 2021	31,281
Depreciation	
At 1st January 2021	14,912
Charge for year	8,674
At 31st December 2021	23,586
Net Book Value	
At 31st December 2021	7,695
At 31st December 2020	14,503

15. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	1,031,561	497,654
Other debtors	84,617	165,272
Prepayments and accrued income	227,670	392,645
	<u>1,343,848</u>	<u>1,055,571</u>

16. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	214,716	56,056
Other taxation and social security	45,290	51,557
Other creditors	93,533	40,744
Accruals	478,253	143,309
	<u>831,792</u>	<u>291,666</u>

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

17. Statement of Funds

Statement of funds – Current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
Unrestricted funds					
General funds	227,572	648,115	(372,663)	58,731	561,755
Restricted funds					
Bill and Melinda Gates Foundation	34,564	129,865	(91,891)	-	72,538
Biomedical Engineering	18,326	-	-	-	18,326
Burdett Trust Nursing Fellowships	-	108,000	(7,067)	-	100,933
CwPAMS	105,720	619,359	(740,617)	-	(15,538)
FIWP	-	1,678,401	(986,874)	-	691,527
Fraxinus	48,181	-	(38,798)	-	9,383
Health Education England	646,103	1,279,679	(1,052,707)	(153,997)	719,078
Johnson and Johnson	242,927	8,024	(201,906)	-	49,045
Novartis	65,202	210,439	(176,901)	13,182	111,922
Other restricted funds	75,524	75,213	(70,744)	(4,760)	75,233
SHINE	13,951	26,732	(31,800)	(8,883)	-
SCCF	-	38,938	(38,938)	-	-
King's College London	(8,552)	130,000	(130,135)	8,687	-
SIDA	24,413	117,228	(228,840)	87,199	-
Saving mothers at delivery	189,634	200,405	(133,467)	-	256,572
UKPHS	(2,468)	761,544	(752,092)	-	6,984
Welsh Government Programme	-	44,651	(44,492)	(159)	-
	<u>1,453,525</u>	<u>5,428,478</u>	<u>(4,727,269)</u>	<u>(58,731)</u>	<u>2,096,003</u>
Total of funds	<u>1,681,097</u>	<u>6,076,593</u>	<u>(5,099,932)</u>	<u>-</u>	<u>2,657,758</u>

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021****17. Statement of Funds (continued)****Statement of funds – Prior year**

	Balance at 1 January 2020 £	Restated Income £	Restated Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
Unrestricted funds					
General funds	203,915	570,119	(540,851)	(5,611)	227,572
Restricted funds					
CwPAMS	228,674	102,739	(225,693)	-	105,720
Bill and Melinda Gates Foundation	11,835	124,402	(101,673)	-	34,564
Biomedical Engineering	18,326	-	-	-	18,326
Comic Relief	70,485	33,748	(107,186)	2,953	-
Other restricted funds	18,798	174,620	(121,119)	3,225	75,524
Fraixinus	48,181	-	-	-	48,181
Health Education England	64,975	1,489,567	(908,439)	-	646,103
Johnson and Johnson	429,273	-	(186,346)	-	242,927
Novartis	247,625	-	(182,423)	-	65,202
SHINE	19,609	125,687	(131,345)	-	13,951
King's College London	(10,688)	126,179	(124,043)	-	(8,552)
SIDA	419,402	55,295	(449,717)	(567)	24,413
Saving mothers at delivery	-	212,450	(22,816)	-	189,634
UKPHS	-	854,449	(856,917)	-	(2,468)
	1,566,495	3,299,136	(3,417,717)	5,611	1,453,525
Total of funds	1,770,410	3,869,255	(3,958,568)	-	1,681,097

The Bill & Melinda Gates Foundation:

A three-year programme which seeks to take a systematic approach to raising awareness of health and ODA issues amongst sectors of the British public.

Burdett Trust Nursing Fellowships

This programme awards Nursing and Midwifery Quality Improvement Fellowships to build the leadership of nurses and midwives in the UK, Africa and Asia. This programme runs in synergy with the UKPHS programme and the HEE Nursing Now campaign to maximise impact.

CwPAMS

Funded by the UK Department for Health and Social Care, CwPAMS is a £2.2million grants programme for UK-LMIC health partnerships originally running from September 2018 to May 2020. As a result of the impact of the COVID-19 global pandemic, the programme has now been extended until June 2022. THET manages the programme in partnership with Commonwealth Pharmacists Association, who provide technical support to grant holders. 12 partnerships are funded through the programme, operating in Ghana, Tanzania, Uganda and Zambia, with the aim of implementing antimicrobial stewardship improvement projects in alignment with each country's National Action Plan on antimicrobial resistance.

FIWP

The Future International Workforce Programme (FIWP) is funded by the Department of Health and Social Care. The Programme aims to address the global shortage of nurses by: increasing the quality and quantity of nurse training places, in supply countries leading to an increase in better trained nurses; delivering training that leads to nurse qualifications to refugees/displaced people; and supporting governments to improve their health workforce management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

17. Statement of Funds (continued)

HEE

Health Education England (HEE) and the Tropical Health and Education Trust (THET) have been working in partnership since 2016. The partnership allows HEE to offer quality education and training opportunities to NHS staff in Low- and Middle-Income Countries (LMICS). It builds on THET's long-standing role in managing health partnerships between health institutions in the UK and their counterparts across 31 countries in Africa and Asia.

The 2021 Service Level Agreement (SLA) is contracting THET to deliver activities aimed at developing the evidence base for this approach, publicising these opportunities to NHS staff, and continuing activity in Myanmar and Uganda, two countries with especially close ties to the UK health community, through Alliances.

There are multiple HEE projects that closed in 2021, with a number of these being based on deliverables being met, with no specific restrictions on the utilisation of the funds. Any balances on these projects on closure were cleared to unrestricted funds, with no amounts due back to HEE.

Johnson & Johnson Africa Grants Programme

THET received funds in 2016 to set up the Africa Grants Programme. This programme has consisted of 4 rounds of \$500,000 each to support projects of up to 18 months working on global surgery and anaesthesia and increasing access to community healthcare. There are currently 2 programmes running concurrently – the 2018-20 grant which was due to end in September 2021 and the 2020-21 grant which was due to end in September 2021. Both have been extended in order to take into account delays brought about by the COVID-19 global pandemic.

“Tropical Doctor” subscriptions

The Beit Trust has supported THET for 20 years to enable the provision of subscriptions to the Tropical Doctor journal for clinicians in approximately 200 hospitals in Zimbabwe, Malawi, and Zambia. The Tropical Doctor is the only journal written by, and for health care workers in developing countries. It provides an essential forum for sharing experiences and establishing best practice – aiding communication between medical professionals around the world.

UKPHS

The UK Partnerships for Health Systems programme was originally a £28.5 million programme, awarded by the UK Department for International Development, running for 43 months from December 2020 to July 2023. The programme is being managed by THET with technical input from the Liverpool School of Tropical Medicine. The programme aims to help LMICs build stronger, and more resilient health system, making progress towards universal health coverage through improved health service performance, particularly targeting poor and vulnerable populations. In April 2021, the Foreign, Commonwealth & Development Office (formerly the Department for International Development) decided to cut all of THET's funding, meaning that the UKPHS programme will now be closed down earlier than the original date. Full programme activities continued until the end of July 2021, with minimal activities then continuing until February 2022.

Welsh Government

The purpose of the funding is to identify ways to maximise International Welsh Health Partnerships.

SCCF

Funding from the Foreign and Commonwealth Development Office for a project to develop Health Partnership Capacity.

Somaliland

SHINE

The Somalia Health & Nutrition Programme aims at providing access to basic health and nutrition services as defined by the Essential Package of Health Services (EPHS) to inhabitants of Somalia and Somaliland, and strengthen the capacity of Somalia and Somaliland's Health Authorities to oversee, coordinate, plan and manage the implementation of essential health service provision as defined in the EPHS framework.

SPHEIR:

Part of the Prepared for Practise programme to prepare newly qualified doctors to meet the health care needs of the people and communities in Somaliland.

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

17. Statement of Funds (continued)

Ethiopia

Novartis:

This project enables rural people suffering from chronic diseases to receive essential care near to their homes from health care workers who are appropriately trained and continuously supported and encouraged to develop their skills.

Zambia:

The Pathological Society:

THET supports a 4-year Master of Medicine (MMed) postgraduate course in Pathology at the University of Zambia. Clinical placements outside Zambia are an integral part of the course. They provide trainees with the opportunity to experience techniques and specialisms that are of limited availability in Zambia – liver, renal, neuro, bone/joint and specialist cytology – and thus acquire new clinical and service development skills. THET has a partnership with Aga Khan University in Kenya to host the trainees on 5-month clinical placements. Funds from the Pathological Society support these placements.

SIDA:

The Swedish International Development Cooperation Agency (SIDA) awarded funding for a programme with the objective of improved maintenance of equipment by 16 qualified Biomedical Engineering Technologists in four Zambian provinces of Eastern, Southern, Muchinga and Luapula, leading to improved availability of equipment for clinical and diagnostic services in support of the Reproductive Maternal Newborn Child Adolescent Health/Nutrition Programme under the Ministry of Health.

Upon closure of the SIDA programme there was an underspend resulting from exchange losses on the project being deemed ineligible. The underspend amount was due back to SIDA, resulting in a negative final funds balance that has been cleared to unrestricted funds.

Tanzania

Comic Relief - Building National Training Capacity:

THET is working with the Benjamin W. Mkapa Foundation (BMF) to implement a 3-year project which aims to support the Ministry of Health, Community Development, Gender, Elderly and Children-(MoHCDGEC) to roll out a new formal cadre of community health workers. The project supports the Ministry in the development of policies to implement based health programs as well as to build capacity of zonal, regional, and district levels on effective training, recruitment, and retention of Community Health workers.

Johnson & Johnson - Saving Mothers at Delivery

The vision of this project is that public health facilities in Myanmar are safer places for mothers to undergo emergency procedures related to delivery, and that mortality and morbidity arising from these procedures are minimised.

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

18. Analysis of net assets between funds

**Analysis of net assets between funds -
Current year**

	Unrestricted funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Tangible fixed assets	7,695	-	7,695
Current assets	594,984	2,886,871	3,481,855
Creditors due within one year	(40,924)	(790,868)	(831,792)
Total	561,755	2,096,003	2,657,758

**Analysis of net assets between funds -
Prior year**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Tangible fixed assets	14,503	-	14,503
Current assets	255,167	1,703,093	1,958,260
Creditors due within one year	(42,098)	(249,568)	(291,666)
	227,572	1,453,525	1,681,097

19. Reconciliation of net movements in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	976,661	(89,313)
Adjustments for:		
Depreciation charges	8,674	3,551
Increase in debtors	(288,277)	(451,499)
Increase/(decrease) in creditors	540,126	(80,342)
Interest received	(20)	(43)
Net cash provided by/(used in) operating activities	1,237,164	(617,646)

20. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of this scheme are held separately from those of the group in an independently administrated fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £42,281 (2020: - £30,991). £7,471 (2020 - £6,122) was payable to the fund at the balance sheet date and is included in creditors on the balance sheet.

TROPICAL HEALTH AND EDUCATION TRUST

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021****21. Funds held as intermediary agent**

At the year end THET acted as intermediary agent for the following organisations. The balances stated represent cash at bank. The following balances, and any income and expenditure in the period, have not been included in the financial statements:

	Balance held at 1 January 2021 £	Net receipts/ payments 2021 £	Balance held at 31 December 2021 £
Andrew Quayle	1,175	(2,700)	(1,525)
Links Lusaka	403	1,287	1,690
NIHRGHRG	(1,908)	1,908	-
NIHR – MY	4,506	(4,506)	-
Veta Bailey – TA	4,209	-	4,209
Veta Bailey – ET	(872)	-	(872)
	<u>7,513</u>	<u>(4,011)</u>	<u>3,502</u>
	Balance held at 1 January 2020 £	Net receipts/ payments 2020 £	Balance held at 31 December 2020 £
Andrew Quayle	-	1,175	1,175
Links Lusaka	464	(61)	403
NIHRGHRG	816	(2,724)	(1,908)
Clinical Officer Support Zambia	1,073	(1,073)	-
NIHR – MY	4,506	-	4,506
Veta Bailey – TA	4,209	-	4,209
Veta Bailey – ET	1,140	(2,012)	(872)
	<u>12,208</u>	<u>(4,695)</u>	<u>7,513</u>

Links Lusaka

These funds are being held by THET on behalf of a Link between Lusaka's University Teaching Hospital and Bright and Sussex University Hospitals and Medical School to support their two-way trips by nurses, doctors and librarians and other allied health professionals for teaching and CPD.

NIHRGHRG

Funds received from the National Institute for Health Research to provide cover the cost of employment and payroll services for NIHR Fellows in Zambia.

Veta Bailey TA

Funds received to support the development an academic partnership between UK and a Tanzanian partner which will lead to joint research activities with a focus on decentralised care and quality service provision.

Veta Bailey ET

Support to provide training to trainers in stroke care at Jimma and Gondar University Teaching Hospitals in Ethiopia in collaboration with the University of Southampton.

TROPICAL HEALTH AND EDUCATION TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

21. Funds held as intermediary agent (continued)

NIHR

Funds received from Cambridge University for the support of two fellows involved in joint research on Neurotrauma based at Yangan General Hospital.

22. Related Party Transactions

There have been no related party transactions during the year or in the prior year that require disclosure.

23. Comparative Statement of Financial Activities (year ended 31 December 2020)

	Note	Restated Unrestricted funds £	Restated Restricted funds £	Restated Total 2020 £
Income from:				
Donations and legacies	4	65,314	-	65,314
Charitable activities	5	437,620	3,299,136	3,736,756
Investments	6	43	-	43
Other income	7	67,142	-	67,142
Total income		570,119	3,299,136	3,869,255
Expenditure on:				
Raising Funds	8	102,328	-	102,328
Charitable activities	10	438,523	3,417,717	3,856,240
Total expenditure		540,851	3,417,717	3,958,568
Net (expenditure)/income		29,268	(118,581)	(89,313)
Transfers between funds	17	(5,611)	5,611	-
Net movement in funds		23,657	(112,970)	(89,313)
Reconciliation of funds:				
Total funds brought forward		203,915	1,566,495	1,770,410
Total funds carried forward		<u>227,572</u>	<u>1,453,525</u>	<u>1,681,097</u>