

Report of the Board of Trustees

1. Constitution and Organisation

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

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

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

2. Memorandum of Association

LSTM's Memorandum and Articles of Association were previously amended by special resolution and adopted at the AGM on 24 November 2017. Additional amendments were adopted at the AGM on 10 December 2024. Its main objects are:

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

3. Statement of Public Benefit

LSTM is a registered charity subject to regulation by the OfS and the Charity Commission under the Charities Act 2011. LSTM reports annually on the ways in which it has delivered charitable purposes for public benefit.

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

4. Vision and Mission

VISION: Healthy lives across the world.

MISSION: Improving health outcomes in disadvantaged populations globally through partnership in research and education.

5. Objectives

The year ended 31 July 2025 is the second year of the LSTM strategic plan which spans 2023-2028. Throughout this year our focus has been on progress towards our strategic ambitions as we continue to deliver against the objectives set out in our strategy.

The strategy is anchored around our four core pillars of Research, Education, Partnerships and Investing in our Future, which are supported by five enabling strategies: Digital, Estates, External Relations, Finance and People.

Our Strategy has been developed to allow us to remain responsive to the increasingly challenging external environment while continuing to deliver against our core mission and achieve our vision for *'Healthy Lives across the world'*.

As we approach the mid-point in our five-year plan, we have continued, in our work to date, to build on these four core pillars which have guided our activities and objectives in this year; they will remain a key focus as we move into the next, and subsequent, periods.

Our priorities – 2023-28 Strategic Plan

Priority is given to the four core pillars as follows. We will:

1. In Research:
 - a. Generate high-quality, impactful multi-disciplinary research that is relevant and of benefit to global society, both now and in the future
 - b. Focus our innovation portfolio on the discovery, development and deployment of new solutions to improve global population health and wellbeing
 - c. Communicate and share the findings of our research locally, nationally and internationally, with a focus on high impact knowledge exchange
 - d. Create an environment that attracts and supports the brightest and best minds in multi-disciplinary global health research
2. In Education:
 - a. Develop a competitive portfolio of market informed Postgraduate taught (PGT) and Postgraduate research (PGR) awards that meet the needs of future generations in global health
 - b. Embed flexibility and accessibility in learning, teaching and assessment and student support, ensuring parity of experience across modes of study
 - c. Create a culture of organisational pride and ambition for teaching excellence
 - d. Maximise our equitable partnerships to provide opportunities for our students to research, practice and develop as global leaders
 - e. Develop digitised and automated systems capable of supporting growth while ensuring an enviable reputation for student experience
3. In Partnerships
 - a. Grow and develop strategic partnerships that strengthen our collective ability to have the greatest impact through research and education
 - b. Deliver a network of Partnership Hubs in Africa to expand scientific capability and capacity among the global community that we partner with
 - c. Increase partner representation, diversity and voice in shaping and implementing LSTM strategy and decision making

4. In investing in our future:
 - a. Create and foster a unifying culture of excellence, equity and inclusion built around an anti-racist one global LSTM community
 - b. Advance LSTM's position as a global employer of choice to attract and retain the most talented people
 - c. Transform our infrastructure, resources and governance for greatest impact, supported by clear, stretching and measurable KPIs and regular risk management.
 - d. Build our financial sustainability to maintain resilience and generate resources to invest in LSTM in the longer term
 - e. Build and enhance our reputation – nurturing our relationships with supporters and advocates, for maximum effect.

LSTM Executive undertakes regular monitoring and evaluation of the strategy, objectives and progress towards delivery, under the oversight of the Board of Trustees.

Operating and Financial Review

6. The Nature, Objectives and Strategies of the Charity

LSTM is a UK-headquartered Higher Education Institution, internationally recognised as a world leader in health-related scientific research and a specialist in postgraduate education and teaching. Our core mission is to improve health outcomes in disadvantaged populations globally, through partnership in research and education.

Working in partnership in over 70 countries, our multi-disciplinary approach sees researchers, scientists, clinicians and educators engaging with communities in the UK and internationally, undertaking cutting-edge research and translating findings into clinical practice and global policy. LSTM's global hubs are central to our strategy and we continue to engage with them on multiple levels. Our work, often with industry, is continuing to deliver the next generation of products to address some of the most challenging diseases.

Our research portfolio remains very healthy with active grant contracts of £738m, and our researchers are continuing to deliver impact across the translational spectrum, through partnerships with industry, health agencies, government, academia and communities. There are many areas where there have been significant achievements including our ReCITE project which works with communities in Merseyside focused on building storytelling into health systems to help tackle mistrust and improve health outcomes.

In addition, IVCC was awarded a new core grant by the Gates Foundation covering the period August 2024 – July 2029 and subject to a maximum budget allocation of \$85m, of which match funding conditions apply to \$20m. This award provides IVCC with medium-term funding and resource planning visibility. Expenditure against the grant commenced in August 2025.

We are also focused on developing the global health leaders, scientists and researchers of the future and are highly regarded as a leader in this field through our educational and capacity building programmes. In Education, our commitment to creating a supportive and inclusive environment which enables every student to thrive and succeed was recognised by our student community when we were named first overall in the UK Postgraduate Taught Experience Survey (PTES), as well as being named the best for teaching, community, engagement, support, online learning resources, and on-campus resources.

We are committed to supporting capacity strengthening and true equity in our partnerships to deliver resilient health systems where they are most needed, leveraging our longstanding international relationships with civil society, NGOs, charities and others, for the benefit of those most in need. The recent announcement of £113m of funding from Wellcome to the Malawi Liverpool Programme (MLW) is recognition of the hard work of LSTM and other partners over the last year. This seven-year funding award will be instrumental in strengthening MLW's research and training infrastructure and culture - expanding its impact as an international centre of excellence in interdisciplinary health research and training. We are proud of the almost thirty-year partnership between MLW and LSTM and look forward to continuing to play an active role in supporting MLW as a major international research programme.

Our strong position at the heart of the Liverpool City Region within the internationally recognised Life Sciences economy plays a critical role in our work. Development of our Regional Partnerships Framework in the Liverpool City Region is a new initiative, but the articulation of our local regional strategy is an important step in further developing our critical role as a strategic civic partner in infection diseases R&D and innovation.

In the last year, as we have sought to balance the impact of continued external challenges, including multiple conflicts and the resulting humanitarian crisis; the growing impacts of climate change; and substantial reductions in critical global health and development funding, we have continued to invest in transforming our core activities, our people and our operations.

Like all Higher Education Institutions (HEIs) we have seen attacks on equity, diversity and inclusion; a challenging market for international student recruitment; and significant pressures from Government policies on the whole University sector. We cannot overestimate the impact of those challenges on our partners, our projects and our people. LSTM has faced these challenges head on. We have remained responsive and agile, and we have renewed our focus on activities which support our core mission.

We have exercised our responsibility to use our influence and voice to argue the case for the importance of global health and development funding and to influence policy wherever possible and have prioritised supporting our wider community. Despite the difficult environment, we continue to deliver against the objectives set out in our strategy and there is still much to celebrate.

Thanks to a number of infrastructure grants received in recent years, we have seen significant capital development in Liverpool, with completion of a new 12-bed academic in-patient human challenge facility (the largest academic facility in the UK), alongside the redevelopment of our Mary Kingsley building to create new dedicated student learning spaces. We have also begun work on a new £20m high-containment Category Three robotic laboratory, with £10m matched funding from the Liverpool City Region's Investment Zone. This project will help accelerate new treatments for deadly infections and will be completed in 2026. We've also seen the successful operationalisation of the new CREATOR building in Malawi following its official opening in August 2024 as part of our longstanding partnership with Malawi Liverpool Wellcome programme (MLW).

We have also seen continued investment in our core systems, such as our new Finance system which was fully deployed to Liverpool-based teams in 2024 and further rolled out this year to our Global Hubs in Zimbabwe and Kenya. Work to transform our research information system has also progressed well with a new integrated system solution. Implementation is well underway and is planned for completion in 2026.

We remain focused on underpinning our activities with effective and efficient operations which will continue to be a priority in the next period.

In the last year, we have welcomed a number of academic strategic appointments to further strengthen our academic, scientific, research and education portfolios. We were also delighted to install LSTM's first Chancellor, Elhadj As Sy, at our Graduation Ceremony in December 2024, alongside celebrating seven new professors from our community who were recognised in our annual promotions round.

Building a truly inclusive and diverse culture also remains a core priority for LSTM. We continue to acknowledge our history, supported by the launch of a two-year independent history and heritage project, and have made further progress towards becoming an actively anti-racist organisation with final preparations for submission to the Race Equity Charter. While we have achieved progress towards our objectives, we recognise that we have more work to do in this area.

We continue to work on our role in safeguarding and protecting beneficiaries, research participants, patients and communities. We endorse and support the principles of the Universal Declaration of Human Rights, (UN, 1948); the UN Convention on the Rights of The Child (UNICEF, 1989); the Declaration on the Elimination of Violence Against Women (UN 1993) and the UN Global Compact (UN, 1997).

LSTM remains fully committed to addressing environmental sustainability impacts from our activities and operations and contributing to climate justice. Over the last year we have become a signatory to the Laboratory Efficiency and Assessment Framework (LEAF), demonstrating a commitment to improving the sustainability of our laboratory practices. We have also set objectives to support the six priority areas of the Concordat for Environmental Sustainability of Research and Innovation Practice, to which LSTM has committed to as a signatory.

7. Financial Performance

Principal Risks and Uncertainties

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

Other key financial risks include the following:

- **Inflationary pressures:** Regarding research grants, grants continue to be reviewed for any inflationary risks, and no significant exposures have been identified. Inflationary increases are built into grant applications where possible. The other area of concern is the rise in energy prices, but in mitigation, energy saving measures are being pursued, alongside continued membership of TEC, the industry's energy consortium.
- **Exposure to foreign exchange fluctuations on US\$ or Euro denominated grant income:** this is mitigated through hedging receipts in US\$ and Euros through forward exchange contracts. At grant application stage, a conservative budget exchange rate is used that factors in potential future adverse movements in the rate. Other measures include natural hedging of currencies when receiving and paying out funds.

- ***Liability to fund the deficit on the University Superannuation Scheme (USS):*** Following the latest 2023 valuation of the scheme, during 2023/24 the net asset position has improved from the previous 2020 valuation undertaken at the start of the pandemic. As a result, the £20.1m provision from 31 July 2023 was fully released in the year to 31 July 2024 and no provision was needed in the year to 31 July 2025. However, there remains a risk that the net asset position of the scheme could worsen in the future requiring the reestablishment of a provision for scheme deficits.
- ***Failure to maintain the pipeline of research grants and consultancy:*** The principal risk to research income growth is the accessibility and success of research grant applications and this is mitigated through risk monitoring. Monthly tracking of the research pipeline takes place at a granular level and success rates are watched closely. However, new challenges have arisen and across the world, there have been substantial reductions in global health and development funding. Despite these challenges, the research portfolio remains very healthy, and our researchers are continuing to deliver impact across the translational spectrum, through partnerships with industry, health agencies, government, academia and communities. The unexpended balance of live grants on 31 July 2025 was £244m (2024: £257m).

Sensitivity analysis shows that a reduction of 20% on the turnover from major funders could be managed in the short term without widespread organisational restructure. However, any significant change in funding policy from LSTM's major donors could have a major effect longer term.

- ***Improvement to the research infrastructure:*** This is perceived as a direct contributor to the quality and timescale for achieving high quality scientific results and attracting additional funding to LSTM. Quality of facilities separates LSTM from other UK institutions and contextualises LSTM as a global player. In Liverpool, LSTM is improving research and education facilities with significant investment enabled by the generation of surpluses, and capital funding from Research England/Office for Students, the Wolfson Foundation, the Wellcome Trust, Liverpool Investment Zone and others. Over the last year our core activities have been further enhanced with a specific focus on high containment facilities, the human challenge inpatient facility, AI robotics, and new world class library, education and teaching facilities. Strengthening key research partnerships is seen as an essential component of an enhanced research culture and environment.

Financial Performance in the year

LSTM Group has reported total comprehensive income (surplus) of £2.8m (2024: £25.0m). The 2024 comparator includes the full release of the £20.1m USS pension provision.

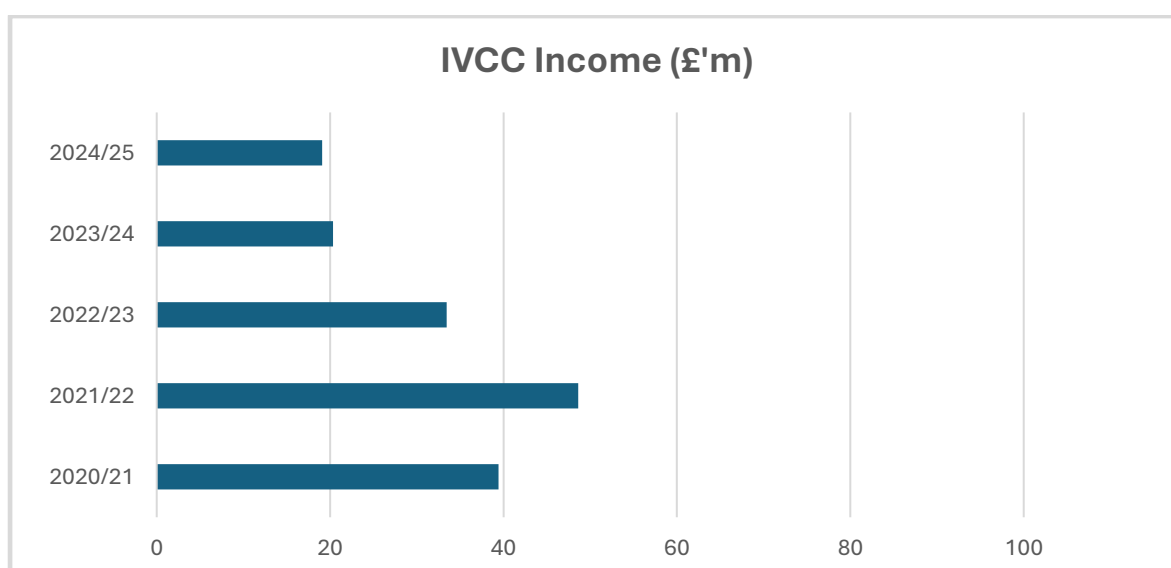
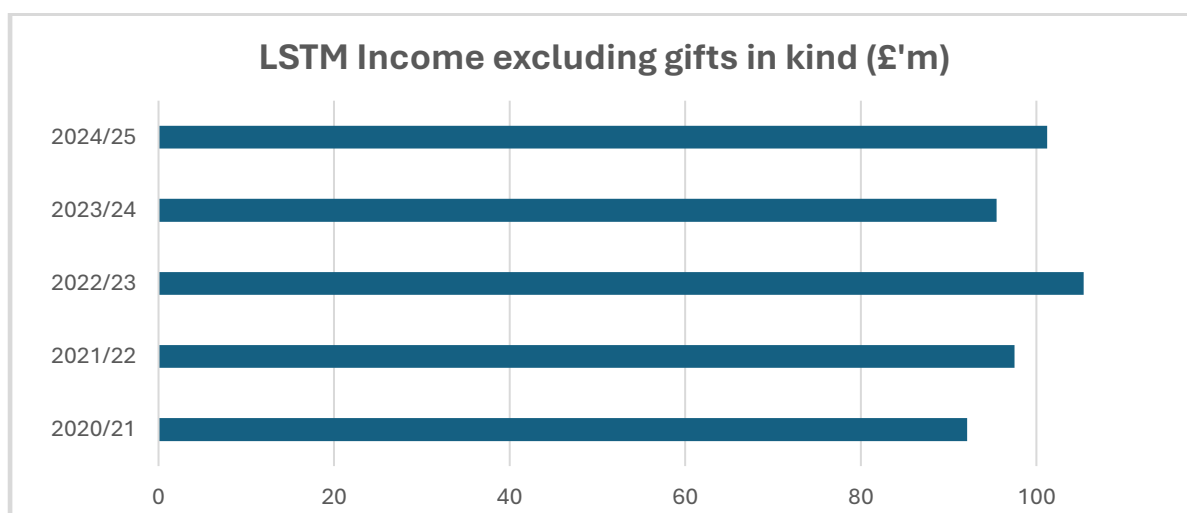
These financial statements report the results of LSTM and the Group's activities for the year ended 31 July 2025 and have been produced in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (2019 SORP) and in accordance with Financial Reporting Standards (FRS102). The results for the year include a number of accounting entries which influence the final Group comprehensive income (surplus) of £2.8m in 2024/25. Stripping out these items, LSTM made underlying comprehensive income (surplus) of £0.3m in the year, and the Group £2.5m, as shown in the following table.

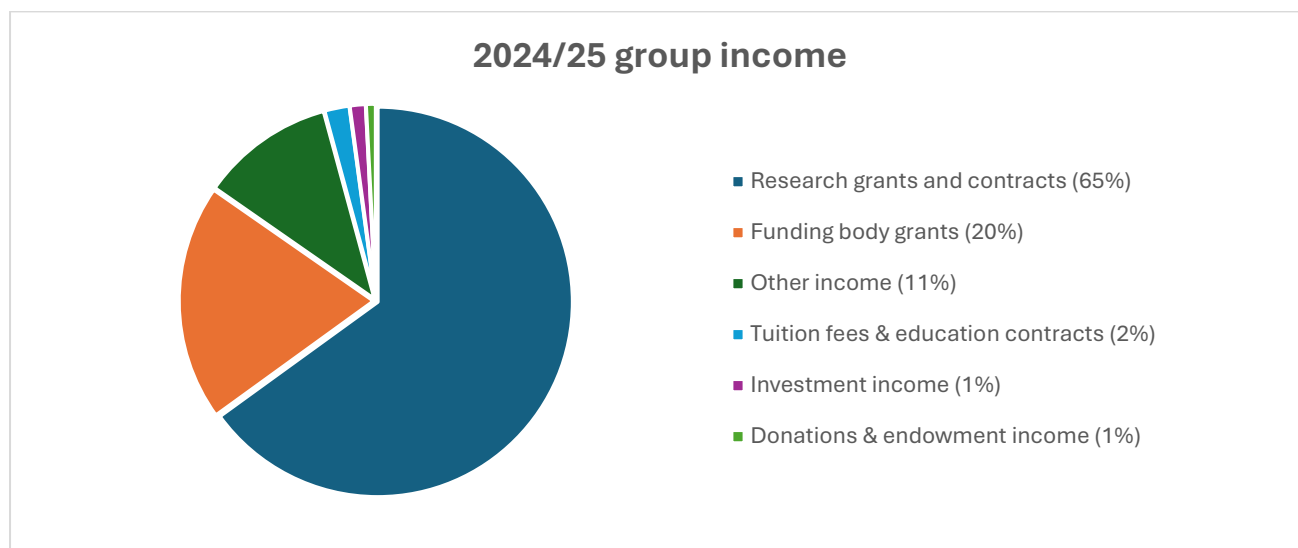
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	LSTM	Group
	£'000	£'000
Total comprehensive income (surplus) for the year	672	2,821
Movements on investments and endowments	(632)	(632)
Unrealised exchange loss in relation to hedged currencies	264	264
Revised comprehensive income (surplus) for the year	304	2,453

Income

LSTM's reported Group income increased by just 1% in the year but excluding gift in kind income (which decreased by 84%) Group income increased by 5%. LSTM income excluding gift in kind income increased by 6%, reflecting a 4% increase in research grant income and increases in funding body grants and tuition income.





Operating expenditure

LSTM's and the Group's reported total operating expenditure both increased 29% and 20% respectively (excluding gifts in kind, expenditure increased by 37% and 26% respectively), a reflection of the current five-year strategy to invest in strategic appointments and professional services.

Capital expenditure

In 2024/25 LLSA Ltd, a wholly owned subsidiary of LSTM, redeveloped the ground floor of the Liverpool Life Science Accelerator building into an inpatient human challenge facility (HCF) which will open up considerable opportunities for further collaboration with industry and the NHS. This £7m development will be formally opened early next year. Work continues on the development of the Air-HC specialist research space within the same building, with total investment of £19.9m, £10m of which is being funded from Liverpool City Region Investment Zone. This development will be completed in the first half of 2026.

LSTM completed the development of Education space with renovations to the Mary Kingsley building at a cost of £6.2m and this space was opened during the year.

Other capital investment expenditure for the year was £2.6m (2024: £2.9m), including commitments. This included £0.8m investment in the new CRIS research management system. The remaining balance was spent on a variety of smaller building and IT projects alongside research equipment.

In Malawi, LSTM has worked in partnership with Wellcome Trust and the University of Liverpool to fund and develop the new CREATOR facility which will be owned locally and managed and operated by the Malawi Liverpool Wellcome partnership (MLW) under a long lease.

These investments have been funded through capital grants from Research England, OfS, the Liverpool City Region Combined Authority, the Wellcome Trust and internal LSTM funding.

Cash flow, financing and balance sheet

During the year LSTM generated net cash inflows from operating activities of £5.8m (2024: £12.8m outflow).

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The net overall change in cash for LSTM for the year was an inflow of £32.1m (2024: £10.5m outflow). This includes £22.7m reclassification of deposit investments as cash and £4.4m other net inflows from investing activities.

Group net cash inflow from operating activities was £4.2m (2024: £7.2m outflow) and reflect largely the same items as for LSTM.

The net overall change in cash for the year for the Group was an inflow of £31.0m (2024: £20.2m outflow).

Group Cash and cash equivalents at the year-end were £50.8m (including £22.7m deposit investments reclassified as cash in the year), representing five months of total operating expenditure (excluding depreciation and gifts in kind expense). A proportion of this cash represents research project working capital and is therefore not available for operational or capital investment purposes. There are also money market investments with maturity under 1 year.

Total Group net assets increased by £1.8m from £80.7m to £82.5m, mainly reflecting the group surplus in the year.

Group Key Performance Indicators

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

Underlying operating surplus/(deficit) in the year

£'000	2024/25	2023/24	2022/23	2021/22	2020/21
Underlying operating surplus/(deficit)	2,453	2,766	6,921	6,453	4,351

LSTM monitors the underlying operating surplus or deficit after excluding a number of accounting entries. 2024/25, like 2023/24, has been another year of investing in infrastructure, staffing and overall capacity resulting in lower surpluses than earlier years.

Overall financial health

%	2024/25	2023/24	2022/23	2021/22	2020/21
General reserves as a % of income (excluding gifts in kind & pension provision)	38.3%	40.2%	31.8%	27.0%	27.7%

Excluding the distorting effects of pension provision movements and gifts in kind, general reserves have remained strong over the last few years, under-pinned by a steady growth in overall net assets.

Research income trends

£'m/%	2024/25	2023/24	2022/23	2021/22	2020/21
Research & consultancy income £'m (excluding gifts in kind)	92.4	89.5	110.4	120.1	106.2
% change	3.3%	-18.9%	-8.0%	13.1%	9.6%

Whilst we have seen a modest 3% increase in research income in 2024/25 compared to the prior year, we have not seen the anticipated levels of growth expected given the size of the research pipeline. The pipeline is a key indicator of the future strength of the LSTM portfolio and as at 31 July 2025 was over £300m, including the recently awarded £113m from Wellcome for the MLW core renewal. Excluding the MLW core renewal, the total value of outstanding applications above £1m is 9% higher than the same period last year.

One longer-term trend driving performance is the length of time it is taking to contract with funders. This has increased significantly over the past few years, causing delays to the start of research activity.

8. Student Numbers

LSTM student retention, as monitored by OfS, was above threshold expectations in 2024/25 with 92 students enrolled into Master's programmes, compared to 90 the previous year. Diploma recruitment saw a drop with 86 students, down from 107 the previous year, although this was anticipated (see section on course initiatives). In Postgraduate Research, 28 students were recruited, compared to 40 the previous year - cuts to USAID funding in particular had a significant impact on our ability to recruit PhD candidates that were advanced in the admissions pipeline. Increased cost of living in the UK also led to fewer self-funded candidates, particularly LSTM staff applicants. In response, we have introduced a new LSTM Policy on staff courses (which has already resulted in concrete offers), and we are awaiting the outcome of two Research Council Doctoral Focal Awards. To further diversify our routes to doctoral study we are developing additional pathways (informed by sector benchmarking), including a Doctor of Global Health and Higher Doctorate, and we are already forecasting 25 new PGR starters in October 2025.

9. Curriculum Developments

We have continued to embed the Curriculum Design Framework (CDF) to strengthen module delivery, student engagement, and assessment and feedback practices – a key development this year has been the introduction of contact hour tariffs within modules, responding to student and External Examiner feedback; linked to our wider strategy to embed sustainable and efficient modes of delivery for our largely professional, postgraduate Master's student cohorts.

We have used much of the 24/25 academic year to refine our distance learning approach on our flagship MSc Global Health programme, to allow more efficient delivery at scale for 25/26 and beyond. Our Flexible Learning Framework emphasises predominantly asynchronous modes of learning, while recognising that tutor presence remains essential for fostering meaningful engagement and academic success. Work to pivot selected other programmes to online/distance delivery and develop new programmes will continue in the year ahead. This approach enables students to progress at their own pace, around professional and personal commitments, while maintaining a coherent and purposeful learning journey.

Following a period of infrastructure scale up last year, 2024/25 saw the creation of a suite of new short courses added to the portfolio.

10. Staff and Student Involvement

Through the new Student Experience and Wellbeing team, which was created last year, there has been a significant focus on co-creating a sense of community and belonging, using student feedback to improve student experience.

Notable achievements within PGR have included delivery of a vibrant and immersive Student Conference which featured representation from across LSTM's global hubs more prominently than ever before, expansion of our student training and development programme, and a highly successful mid-term review of our Medical Research Council Doctoral Training Partnership by UK Research and Innovation of our MRC Doctoral Training Partnership. The success of these activities would not have been possible without the input and commitment of students as partners in driving the direction and content of these activities.

The Faculty of Education has continued to facilitate wider engagement across LSTM to progress Education-related strategic goals whilst also enabling staff progression through contribution to learning and teaching.

11. Fundraising

Context

During the financial year of 2024/25 LSTM drew fundraising efforts around its 125th Anniversary to a close and continued to build on the momentum that the anniversary provided in galvanizing the LSTM alumni community to be advocates, supporters and champions of LSTM's work.

Approach to fundraising

Our approach to philanthropy and alumni engagement is aligned to LSTM's institutional strategy and is built around five overarching strategic pillars to best enable us to deliver a sustainable fundraising model:

Brand, profile and reputation

We work to continue supporting the LSTM brand, profile, and reputation by refreshing our fundraising narrative, hosting cultivation events that introduce new audiences and funders to our work and harnessing our LSTM champions to best advocate amongst their networks.

Pipeline and income generation

We are diversifying our pipeline of donors and focusing more robustly on building meaningful relationships. Philanthropic income is always dependent on several factors, we continue to look to introduce consistent ways of driving our income so that we can identify where future growth will come from.

Alumni and community engagement

We work with our alumni as advocates, volunteers and as role models to support student recruitment and student success. While not all alumni who 'engage' with communications, events or volunteering opportunities go on to become donors, by building greater affinity, pride, and awareness of philanthropy, we help to strengthen our supporter/advocate community.

Donor Stewardship

We continue to define and demonstrate the impact of giving to LSTM to help build trust and affinity with our donors. In addition, we are working to build a sense of community amongst our donors to demonstrate the impact of collective generosity at all levels.

Operational excellence

We continue refining our approach to effective systems, processes, reporting and governance to enable enhanced data-informed approaches, prioritisation, and high levels of compliance with legal and regulatory guidelines and in line with fundraising best practices.

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

In 2024/25 we did not use any commercial participators or professional fundraisers, nor do we have any intentions or plans to use commercial participators/professional fundraisers in the coming year.

Fundraising conforming to recognised standards

LSTM has core processes and commitments in place to ensure that our fundraising is conducted legally and responsibly in line with relevant laws, recognised standards, and best practice. These include gift acceptance and due diligence policies, which are regularly reviewed and updated where necessary. This also includes ensuring that our fundraising strategy is in line with our institutional values and progress is regularly and transparently monitored and reported to Trustees.

LSTM is registered with the Fundraising Regulator and is committed to fundraising in line with the Code of Fundraising Practice in a way that is legal, open, honest and respectful.

This coming year, we anticipate updated information from the fundraising regulator in line with their 2022-25 Code Review. We will look to make any recommended updates to our practices and policies in line with the updated Code of Fundraising Practice as it comes into effect from November 2025.

Monitoring of fundraising carried out on our behalf

On occasions where LSTM is approached by volunteers, alumni or staff wishing to fundraise for LSTM's behalf, we work closely with them to ensure they understand the boundaries within which they must work when representing LSTM.

Our Board of Trustees continues to be supportive of LSTM's fundraising and introduce contacts and networks as appropriate. In all instances of introduction, the Fundraising team work to ensure that relationships and any subsequent gifts are conducted and agreed in line with our policies and procedures.

Fundraising complaints

Any formal complaints received in relation to our fundraising, advertising, or communications, directly to LSTM via the Fundraising Regulator, Advertising Standards Agency, Charity Commission, or changes to communications via the Fundraising Preference Service will be reviewed and appropriately actioned and/or responded to. Serious complaints will be referred to the Vice-Chancellor of LSTM and/or the Chair of the Board of Trustees for review and appropriate action.

Freedom of Information requests are reviewed and managed by LSTM's Data Protection team and are responded to in a timely and transparent manner.

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

LSTM does not currently undertake any public campaigns utilising telephone, door-to-door, or street fundraising. Any mass-participation fundraising campaigns are primarily conducted via direct communication with individuals who are alumni, friends, staff, members of LSTM whose data we hold in our database under legitimate interest.

All communications have clear ways for recipients to opt out of future contact or fundraising, any such request to opt out is processed in a timely fashion.

12. Taxation

LSTM's activities are not subject to corporation tax, given that income and gains are applied for and used exclusively for charitable purposes. LSTM's subsidiaries fall under the scope of corporation tax, except for IVCC and LLSA Limited, which have charity status, and the overseas subsidiaries. Due to the continued growth of LSTM, a tax strategy is updated and issued annually (available on the website). LSTM continues to comply with all relevant regulations and to contact HMRC as relevant on specific issues.

13. Employment of Disabled Persons

LSTM strives to be an inclusive employer and welcomes applications from people who identify as disabled, appointing on merit alone. Over the past academic year, we have reviewed our recruitment practices to ensure they are inclusive and equitable for all underrepresented demographics – this includes those who identify as disabled. This process has also included enhancing data collection across the recruitment pipeline to monitor, assess and embed equity throughout the process for minoritised groups.

Our Communications and External Relations Team have launched a major project to review, improve and redesign our website. This includes ensuring that our branding and website are fully accessible to those who identify as disabled.

We work closely with our Disability and Carers Network to ensure disabled staff and students feel included, celebrated and that they have equitable access to thrive. This has included policy reviews of the Flexible Working and Dignity at Work and Study policies, delivered in co-production with the network.

We continue to work to the social model of disability and provide adjustments and required support in the workplace. This has included working with our Facilities Team to ensure that the re-development of the Mary Kingsley building was disability inclusive.

We acknowledge that people can become disabled and may also be temporarily disabled across their lives. Our efforts include creating a culture where staff feel comfortable to disclose their disability and seek support to make sure the right supporting mechanisms are in place both practically and holistically to support our people. We have recently supported our Disability and Carers Network in hosting a critical session on understanding reasonable adjustments in law and policy. We also have a HR representative as a permanent member of the network to provide not only representation, solidarity and support, but a point of contact for expertise and advice.

14. Disability Statement

As a public sector higher education research institution, we comply with both the Equality Act 2010 and the Public Sector Equality Duty. As an employer, we work to go beyond legal statutory requirements to support people with disabilities including but not limited to physical disability, neurodiversity and progressive conditions and impairments.

We accept the accessibility regulations as good practice, and as part of our commitment to the Public Sector Equality Duty. A priority action for us as an organisation includes working to ensure our website and documents are compliant with legal accessibility requirements.

15. Equality at LSTM

Over the 2024/25 academic year we have delivered several initiatives and efforts against our stated goals:

1. **ED&I Strategy and development:** We had begun to seek feedback and input from staff and students in 2024 on what they would like to see in an ED&I Strategy. This has since been iterated by our ED&I Team, with a view to input from ED&I Committee before finalisation in Autumn 2025.
2. **History and Heritage:** In 2024 we confirmed commissioning of a 2-year colonial history research project, which includes developing a public, decolonial and rigorous record of the institution's history. This process includes appointment of a Senior Historian and Post Doctoral Research Associate, due for an Autumn 2025 project launch. Alongside this we have also appointed an archivist to lead reunification of our archive collections from the University of Liverpool, digitisation and decolonisation.
3. **Annual ED&I Report:** In Spring 2025 we published our Annual ED&I Report and Pay Gap data (Ethnicity and Gender), reporting positive progress. **Progression and Retention:** We extended our Career programme to include colleagues from global partner organisations, providing opportunities for academic progression and capacity strengthening. We are developing a programme to address underrepresentation of Black and Ethnic Minority staff at senior academic levels through support and mentoring for progression.
4. **Culture and Engagement:** We have delivered events in partnership with our ED&I Staff Networks, including Chinese New Year, and Liverpool City Region Pride, and organised activities with local partners. This has included delivery of a Black Science Bootcamp to encourage young people from Black backgrounds to pursue careers in STEM, delivered in partnership with the University of Liverpool. Whilst internally, we have delivered training on leading an Anti-Racist Organisation for senior leaders and organised a programme of activities to raise and develop awareness. We also have launched new externally hosted platforms to support staff and students who want to raise concerns of bullying or harassment.
5. **Institutional Charters and Action Plans and Data Capture:** We are preparing for our first submission for recognition through the Race Equity Charter in November 2025 and for renewal of our exiting Athena Swan Silver award in 2027. To support this, we have reviewed our EDI data capture to enable improved analysis and monitoring of trends and have also appointed an Athena Swan Chair, and the establishment of a Gender Equity Action Committee.

16. Transparency Arrangements

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

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

17. Planned Maintenance Programme

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

18. Endowments

LSTM holds endowment funds from the following:

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

19. Professional Advisers

LSTM's current professional advisors are:

Financial Statement & Funding Auditor:

Crowe U.K. LLP
55, Ludgate Hill
London, EC4M 7JW

Internal Auditors:

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

Bankers:

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

Solicitors:

Brabners LLP
Exchange Flags
Liverpool, L2 3YL

20. Members

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

Name	Date of appointment/ retirement* re-appointment **	Status of appointment	Capacity and Committees Served
Jim McKenna	December 2023**	Elected	Chair of the Board of Trustees Nominations & Governance Remuneration Committee Finance & Investment Investment Review
John O'Brien, B.Comm, FCA	December 2023**	Elected	Hon Treasurer Chair of Finance & Investment Investment Review Nominations & Governance Remuneration Committee
Prof David Laloo CMG, MB, BS, FRCP, MD, FFM, RCPS (Glasg), FMedSci	January 2019	Ex Officio/staff	Vice Chancellor of LSTM Nominations & Governance Finance & Investment Investment Review
Mark Allanson	December 2022**	Elected	Remuneration Committee Champion for PREVENT
Joanathan Ball BSc (Hons), PhD, PGCHE, FHEA,	January 2024	Ex Officio/staff	Deputy Vice Chancellor of LSTM
Vishaal Dhokiya BSc (Hons), MSc	November 2024	Elected	Student Trustee
Joanne Dodd BA ACA	December 2022**	Elected	Deputy Treasurer Chair of Investment Review Finance & Investment Champion for Environment and Sustainability
Ingrid Etoke MSc	February 2022	Elected	Finance & Investment
Prof Nyovani Madise, PhD, DSc	December 2022**	Elected	Remuneration Committee Champion for Equality and Diversity
Prof Sabrina Rashid PhD, MSc	September 2022	Elected	Trustee
Sue Russell LLB (Hons)	December 2022**	Elected	Vice Chair of the Board of Trustees Chair of Audit Nominations & Governance IVCC Board Member (Feb 2023) Champion for GDPR
Prof Neil Squires, MBCh, MPH, DTMH, FFPH	March 2022	Elected	Audit Committee
Prof Stephen Ward BSc, PhD	October 2023*	Ex Officio / staff	Deputy Director of LSTM
Andrew Wright, BSc, MSc	December 2022**	Elected	Audit Committee Remuneration Committee Champion for Safeguarding
Robert Einion Holland FCCA, MBA	July 2024*	Non- member (retired 31 Aug 2024)	Secretary to the Board
Joanne Clague, BA (Hons), FCA	July 2024*	Non-member	Secretary to the Board

21. LSTM Statement of Corporate Governance and Internal Controls

The Liverpool School of Tropical Medicine is a company limited by guarantee and currently has 61 members, 11 of whom (plus 2 staff Trustees) make up the Board of Trustees. Members meet at the Annual General Meeting where they elect the Board of Trustees, effectively the company Board of Directors. It is the Board's responsibility to bring independent judgement to bear on issues of strategy, performance, resources and standards of conduct.

LSTM operates under the following principal governance arrangements:

- LSTM Memorandum and Articles of Association, incorporating the instrument and articles of government
- Committee of University Chairs – The Higher Education Code of Governance September 2020
- UK Charity Legislation
- Equality Challenge Unit – Governing bodies, Equality and Diversity and the Equality Act 2010
- Office for Students Guidelines

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

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

The Board is provided with regular and timely information on the overall financial performance of LSTM together with other strategically important information including performance against corporate targets, capital expenditure, quality matters and personnel related matters such as safeguarding, equality and diversity, health and safety and environmental issues. The Board of Trustees meet up to four times a year in addition to having annual away days and an AGM and retain authority to request and conduct extraordinary meetings.

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

The Board has a strong and independent non-executive membership, and no individual or group dominates its decision-making process. The Board considers that each of its non-executive members is independent of management and free from any business relationships, which could materially interfere with the exercise of the independent judgement. Declarations of interest are made at the start of each meeting and annual related party disclosures obtained from Trustees and close family members. There is a clear division of responsibility in that the roles of the Chair, Deputy Chairs, and Directors are separate.

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

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

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

Appointments to the Board of Trustees

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

Members of the Board of Trustees are appointed for a term of office of three years. Retiring Trustees shall be eligible for re-election subject to the conditions set out in the Articles of Association.

The Board of Trustees appoint five members as "Board Champions" who have career experience in equity, diversity and inclusion; PREVENT duty; GDPR; safeguarding; and environment and sustainability, and these act as conduits across the organisation and lead on engagement activity. The Board is responsible for ensuring that appropriate training is provided as required to its members.

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

Patron

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

Chancellor

In 2024, LSTM introduced the new role of Chancellor. The role of Chancellor replaces that of President, most recently held by Sir Richard Evans CBE who retired during the year. The Chancellor is the ceremonial head of the University. They undertake important ambassadorial duties, promoting LSTM's work across the world. Internationally acclaimed humanitarian leader, Elhadj As Sy, was installed as the first chancellor of LSTM at our Graduation ceremony in December 2024; an important step in LSTM's journey as an independent institution.

Vice-Presidents

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

Audit Committee

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

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

LSTM's internal auditor team provide LSTM with independent advice and assurance regarding the adequacy of systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input and report their findings to management and the Audit Committee. Management is responsible for the implementation of the agreed recommendations and internal auditors undertake periodic follow up reviews. LSTM is able to ensure that such recommendations have been implemented. Management actions are reported to LSTM Executive Committee alongside a summary of all reports received.

The Audit Committee also advises the Board of Trustees on the appointment of internal and financial statement and funding auditors and their remuneration for both audit and non-audit work.

Finance and Investment Committee

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

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

Remuneration Committee

Throughout the year ended 31 July 2025, LSTM's Remuneration Committee comprised the Chairman, Treasurer, and at least 2 other Board members. The Committee's responsibility is to review the remuneration policy for all staff and to make recommendations on the remuneration and benefits of the Vice Chancellor and other senior members of staff in LSTM.

Internal Control

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

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

The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing LSTM's significant risks that has been in place and operational for the year ended 31 July 2025. The Board regularly review this risk framework and the approach to internal control is risk-based. The process continues to be embedded with the adoption of a prioritised strategic risk register to include timescales and responsible officers.

Value for Money

LSTM strives to apply value for money considerations to all its processes and activities, and this is supported by strong awareness and vigilance across the executive management team. The Audit Committee receives an annual report on LSTM's value for money activity from a dedicated committee established several years' ago. The committee is made up from a cross section of the organisation. Each internal audit review undertaken and submitted to the Audit Committee makes specific observations and judgements concerning the value for money demonstrated. The report for the year ended 31 July 2025 detailed the progress made against the agreed Value for money objectives for the year and sets out the objectives for the year to 31 July 2026.

Risk Management

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

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

Emerging Risks is a standing item on all senior committees across the organisation.

The Board has been provided with assurance of enhanced internal management controls around business continuity and recovery through the LSTM executive team, where response and recovery planning provide further assurance to the Board that responsible and timely management of stakeholder funding and investment continues to support sustainable operations.

Statement by the Trustees on performance of their statutory duties in accordance with S172(1) of the Companies Act 2006

The Board of Trustees of LSTM consider, both individually and collectively, that they have acted in ways that they believe in good faith to be most likely to promote the success of the Group for the benefits of its members as a whole (having regard to the stakeholders and other matters set out in s172(1) of the Act) in the decisions they made during the year ended 31 July 2025.

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

Other than the executive members of the Board, Trustees are not remunerated, and they join the LSTM Board to contribute their skill and expertise to help LSTM to achieve its vision and mission. The Board of Trustees follows the terms set out in the memorandum and articles of association, and Board members receive regular external training on the duties of Trustees of both a charity and an HEI. There is also a code of conduct and members are required to declare any conflicts of interest at every meeting.

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

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

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

Key decisions made by the Board this year include:

Approval of the 2025/26 annual budget: This year's budget was approved by the Board following a comprehensive review of our strategic priorities and risks to our business. The Budget was approved, showing a small deficit. It is viewed very much as an investment for the future budget, with significant growth in strategic positions throughout both academic and professional service posts and continued investment in facilities.

Governance Effectiveness: The Board of Trustees continued to support the transformation of the professional services functions. During the year, capability gaps were identified, new functions created, and existing functions realigned, and significant recruitment was undertaken. The Board supported an overhaul of the risk review process, and a new set of corporate risks were identified.

Capital approvals: The Board of Trustees continued to be engaged with the ongoing capital development projects at LSTM which included the Human Challenge Facility within the LLSA building and supporting the ongoing Creator investment within MLW in Malawi. New projects approved and completed included the refurbishment of the Mary Kingsley and Maegraith areas for an enhanced student experience, and the commencement of the high containment Category Three Robotics Laboratory in the LLSA building. The facility will be one of the first fully automated containment level 3 human organoid labs driven by closed loop artificial intelligence (AI), to provide medium throughput screening of human organoids with new drug candidates and neglected tropical disease pathogens of relevance to humans.

Race Equity: LSTM's Board of Trustees welcomed the ongoing commitment of LSTM staff to address the recommendations from the independent report into Race Equity. The Board approved the six focus areas developed by the Race Equity Action Group: Dignity at work and study, history and heritage, developing racial literacy, positive action, improved communication and the student experience. The

Board continued to receive direct updates from the Race Equity Action Group and considerable progress was made in all areas.

Endowments: The Board passed a resolution to move to a total return approach to accounting for permanent endowments. The Charities Act 2011 and the Charities (Total Return) Regulation 2013 enable Trustees to adopt this approach, allowing them to spend some of the capital gains alongside income returns. This approach gives greater flexibility in investment decision making and potentially better overall returns.

Group structure: The Board approved a rationalisation of the LSTM Group structure. Work will commence in 2025/26 and bring about greater efficiencies and streamline decision making across the organisation.

Employee engagement statement

The Board of Trustees engage with employees using multiple channels, via the Vice Chancellor of LSTM and senior team, through the work of the executive team, ensuring that key messaging is delivered via LSTM-wide communications. Where appropriate, staff are fully engaged in strategic discussion and decision making under the delegated duties of Committees. The Board of Trustees are presented with executive summaries of LSTM's Executive agreed actions and are fully briefed by the Vice Chancellor on all activity in relation to staff engagement.

There is also positive engagement by many staff through the various Board committees, where employees often present research and education activity updates to Board members. The Audit Committee works with HR staff in relation to equity, diversity and inclusion and the effectiveness of the HR processes. The Remuneration Committee, in addition to considering the remuneration of senior staff, received information and discusses overall reward policy and strategy including the gender and ethnicity pay gap.

LSTM wide engagement includes a monthly school staff forum (SSF), attended by the Vice Chancellor, chaired by the executive committee member for SSF and is also open to IVCC and other subsidiary company employees. Staff can also apply to work on a variety of projects, working groups or staff networks addressing issues of sustainability, gender equality, women in LSTM, LGBTQ+, race equity, disability and as LSTM addresses key strategic issues, staff are frequently engaged through Town Hall events, surveys or focus groups. Board champions engage with Committee chairs in the areas of Equity and Inclusion, Prevent, Safeguarding, Environmental Sustainability and UK GDPR, supporting and engaging with the work of LSTM committees. LSTM regularly runs staff engagement surveys, the results of which are presented to the Board.

Statement on business relationships

The LSTM Board of Trustees and its committees comprise people with a variety of skills and backgrounds. Through their networks Board members can foster additional benefit with LSTM through their association with our stakeholders, this brings a greater breadth of knowledge into the organisation, particularly in relation to key decisions made by the Board.

Partnerships is a central pillar in LSTM's current five-year strategy, and a series of key objectives are in place to be delivered during this period:

- Grow and develop strategic partnerships
- Deliver a network of strategic partnerships hubs in the Global South
- Embed co-developed principles of equitable partnership in all our activities
- Increase partner representation, diversity and voice

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

In addition, LSTM's newly formed Partnership, Engagement and External Relations Committee supports a strategic approach to stakeholder engagement that contributes to objectives of the strategic plan.

Sustainability and Carbon Reporting

LSTM is committed to promoting the UN Sustainable Development Goals (SDG), contributing towards building a sustainable future. The Sustainability and Environment Committee (SEC) is continuously providing strategic direction, coordination, and guidance to LSTM for integration of sustainability principles and practices throughout core of teaching, research, and operational activities. The institution is fully committed to reducing its impact to climate change by monitoring, understanding and reducing carbon emissions from its operations and activities, through supporting and encouraging collaboration, innovation, and engagement across the LSTM community.

During the year 2024/25 LSTM has continued assessing and identifying opportunities to reduce carbon emissions from its activities. The Sustainability and Environment Committee has initiated and currently actively progressing several initiatives towards improving LSTM's environmental sustainability performance. These include:

- Maintain our obligations to the Ten Principles of the UN Global Compact, in the areas of Human Rights, Labour, Environment and Anti-Corruption.
- 11 out of 15 labs have completed evidence-based audit assessment towards bronze certification for the Laboratory Efficiency Assessment Framework (LEAF), improving the sustainability and efficiency of the laboratories. This will be a mandatory requirement for Wellcome Trust research funding by end of 2025.
- Currently developing LSTM wide Environmental Sustainability Strategy.
- Development of LSTM Carbon Management Plan is underway.
- Actively monitoring of data on energy generated from Solar PVs on our buildings. PVs generated 17694.87 kWh of electricity used in the buildings between August 2024 – July 2025, saving £7108. Active monitoring of PV data help identify issues to the PV system early that require rectification and ensure energy is effectively generated.
- Continued to review staff travel and implement initial measures to reduce flights emissions including initiating discussions at events and departmental meetings.
- School has extended mandatory carbon offsetting of emissions from all unavoidable air travel on business.
- LSTM have maintained zero waste to landfill policy.
- Gardening activities within the Wellbeing Garden engaging staff and students, supporting campus biodiversity and staff/student wellbeing.
- Continue to actively promote green practices with staff and students

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- Promote active travel within staff and students by offering free bike repairs and maintenance sessions
- Delivery of climate change module in the student curriculum
- Continue to incorporate energy efficiency measures in refurbishment projects including replacing existing lighting with new energy efficient LED lighting, and installation of new energy efficient air handling units.
- LSTM is now a signatory to the UKRI Concordat for the Environmental Sustainability of Research and Innovation Practice, ensuring all our research activities will be carried out in a most environmentally sustainable manner and aligning to the UN SDG.

This report was produced in accordance with 'GHG Reporting Protocol - Corporate Standard' and used the 2025 UK Government's Conversion Factors for Company Reporting. Some GHG sources were excluded since they account for non-significant GHG emissions or quantification was technically not possible due to lack of data. We anticipate availability of further data as School's Carbon Management Plan is being developed.

The following table provide a breakdown of LSTM GHG emissions between 1st August 2024 and 31st July 2025:

	Scope	Year ended 31 st July 2025		Year ended 31 st July 2024	
Emissions for combustion of gas for heating	Scope 1	5669690.40 kWh	1037.327 tCO ₂ e	5,134,580.84 kWh	939.1148356 tCO ₂ e
Emissions from combustion of oil products	Scope 1	-	-	-	-
Emissions from refrigerants used for air conditioning	Scope 1	36.1kg	69.46 tCO ₂ e	159.9kg	304.031 tCO ₂ e
Emissions from combustions of fuel for LSTM own vehicles and fuel used in personal/hire cars for business use	Scope 1	LSTM has one leased electric vehicle charged from the charging point connected within LSTM building (CTID)			
Emissions from purchased electricity	Scope 2	4846450.22 kWh	857.8217 tCO ₂ e	5086270.1 kWh	1053.112224 tCO ₂ e
Other indirect emissions	Scope 3	-	-	-	-
Total Scope 1&2 (location based)			1965 tCO₂e		2296.26 tCO₂e
Total LSTM operational buildings floor area		-	26,004.62 m ²	-	26,004.62 m ²
Carbon Intensity ratios (Total tCO₂e per operational floor area, excluding the institutional wider land holding)		-	0.0755 tCO₂e/m²	-	0.088 tCO₂e/m²

***Location-based** method of calculating emissions reflects the average emissions intensity of grids on which energy consumption occurs. This includes electricity delivered to LSTM by a local utility or another direct-line grid at standard commercial rates and grid-connected onsite renewable energy installations.*

Scope 1: *DIRECT GHG EMISSIONS are emissions issued from sources directly controlled by the LSTM, such as stationary combustion equipment used for building heating, fuel consumption, and fugitive emissions from refrigerants leaks/maintenance.*

Scope 2: *ENERGY INDIRECT EMISSIONS are emissions issued from electricity production, or from the imported heat or vapor consumed in the buildings and equipment operation, provided by an external entity (sources out of the organizational boundaries).*

Scope 3: *OTHER INDIRECT GHG EMISSIONS are emissions issued from the LSTM activities but from sources controlled by external enterprises, such as waste disposal (transport and processing) and the transportation means of staff and students (business and commuting).*

Intensity ratios factors: *We have chosen the total gross emissions in metric tonnes CO₂e per total operational building floor area as it provides most meaningful data in relation to LSTM operations.*

22. Going Concern

The financial statements have been prepared on a going concern basis. The research pipeline continues to look strong. However, the funding environment remains uncertain, particularly from US and UK governments. LSTM has assessed its reliance on these funders and is confident there is no immediate impact on going concern. The new macro-economic risks of inflation and rising energy costs which emerged the last couple of years are now heading in the right direction.

In assessing going concern, management analysed the 2025/26 budget, extrapolated to end of November 2026 and produced related cashflow forecasts. On the basis of this the Board of Trustees consider that it continues to be appropriate to account for the group and LSTM as a going concern for the foreseeable future.

23. Strategic Reporting

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

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

24. Responsibilities of the Trustees

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

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

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

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

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

The Trustees have taken reasonable steps to:

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

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- ensure an effective framework – overseen by LSTM’s academic board or equivalent – to manage the quality of learning and teaching and to maintain academic standards; and
- consider and act on the OfS’ assessment of LSTM’s risks specifically in relation to these funding purposes.

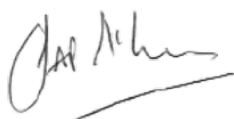
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on LSTM’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees confirm that:

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

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

Signed on behalf of the Board of Trustees

A handwritten signature in black ink, appearing to read 'Jim McKenna', with a horizontal line underneath.

Jim McKenna

Chair – 20 November 2025

Statement on the System of Internal Financial Control to 31 July 2025

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

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

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

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

LSTM has a subcontracted internal audit service, which operates in accordance with the requirements of the Audit Code of Practice. The work of the internal audit service is informed by an analysis of the risks to which LSTM is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Board of Trustees on the recommendation of the Audit Committee. The Chair of the Audit Committee provides the Board with a report on internal audit activity in the LSTM Group at a minimum annually. The report includes the financial statements, funding and internal auditors' independent opinions on the adequacy and effectiveness of LSTM's system of internal control, risk management controls and governance processes, including internal financial control. The role of the financial statement and funding auditors is specifically to audit the year-end financial statements, but they also report on the control environment and on any control issues identified during the annual audit, and report to the Finance and Investment Committee and the Audit Committee in that regard. No significant control weaknesses or failures were reported in relation to the year ended 31 July 2025.

My review of the effectiveness of the system of internal financial control is informed by the work of the internal auditors, the Audit Committee which oversees the work of the internal auditors, the executive managers within LSTM who have responsibility for the development and maintenance of the financial control framework and comments made by LSTM's financial statement and funding auditors in their management letters and other reports. The audit committee report annually to the Board in November regarding any control weaknesses or failures during the past financial year; there have been no significant control weaknesses or failures in the year ended 31 July 2025.



Professor David Lalloo

CMG, MB, BS, MD, FRCP, FFTM, RCPS (Glasg), FMedSci

Vice Chancellor

20 November 2025

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

Opinion

We have audited the financial statements of Liverpool School of Tropical Medicine (LSTM) and its subsidiaries (the group) for the year ended 31 July 2025 which comprise the group and LSTM's statement of comprehensive income, the group and LSTM's statement of changes in reserves, the group and LSTM's balance sheets, the group and LSTM's statement of cash flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and LSTM's affairs as at 31 July 2025 and of the group and LSTM's income and expenditure, gains and losses, changes in reserves and the group and LSTM's cash flows 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.
- in all material aspects, funds received for specific purposes administered by the group and LSTM have been applied only for the purposes for which they were received and managed in accordance with relevant legislation;
- in all material aspects, funds from the Office for Students and UK Research and Innovation have been applied in accordance with the relevant terms and conditions;
- the requirements of the Office for Students' Accounts Direction to Higher Education Institutions have been met;
- The group and LSTM's grant and fee income, as disclosed in the notes to the accounts, has not been materially misstated; and
- the provider's expenditure on access and participation activities for the financial year has not been materially misstated.

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 group and LSTM 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 group and LSTM'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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 our 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 Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and LSTM and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Office for Students requires us to report to you, if in our opinion:

Liverpool School of Tropical Medicine
Financial Statements for the year ended 31 July 2025

- grant and fee income, as disclosed in the notes to the accounts, has not been materially misstated; and
- expenditure on access and participation activities for the financial year has not been materially misstated.

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; or
- the 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.

Responsibilities of Trustees

As explained more fully in the Responsibilities of the Trustees' statement, 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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including internal specialists. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the group and LSTM operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were: the Charities Act 2011, the Companies Act 2006, the Further and Higher Education Act 1992, the Office for Students Accounts Direction 2019, together with taxation legislation.

We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were: Anti-fraud, bribery and corruption legislation, Data Protection Regulation (GDPR), Health and safety legislation and employment legislation.

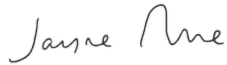
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing and recognition of income and management override of controls the assumptions adopted by management to calculate the pension liability and management's assumptions and management's judgements in respect of loan accounting. Our audit procedures to respond to these risks included enquiries of management, internal audit, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to LSTM'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 LSTM'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 LSTM and LSTM's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jayne Rowe

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date: 2 December 2025

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2025

Statement of Comprehensive Income

		Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
	Notes				
Income					
Funding body grants	5	25,243	25,243	21,812	21,812
Tuition fees and education contracts	6	2,673	2,673	2,051	2,051
Research grants and contracts	7	84,392	64,448	86,051	66,690
Other income	8	14,271	7,066	14,413	7,424
Investment income	9	1,704	1,608	2,567	1,842
Donations and endowment income	10	1,047	1,047	921	921
Total income		129,330	102,085	127,815	100,740
Expenditure					
Staff costs	11	49,124	40,223	45,989	36,704
Pension deficit funding costs		-	-	(20,065)	(20,065)
Other operating expenditure	13	73,387	57,974	76,309	59,845
Depreciation	16	4,101	3,613	2,858	2,570
Interest payable	14	524	232	500	200
Total expenditure		127,136	102,042	105,591	79,254
Surplus on continuing operations before other gains/(losses)		2,194	43	22,224	21,486
Unrealised surplus/(deficit) on revaluation of investments and endowments		632	629	3,022	3,040
(Deficit)/surplus on disposal of investments		-	-	(218)	(218)
Surplus on continuing operations before taxation		2,826	672	25,028	24,309
Taxation	15	(5)	-	(4)	-
Surplus for the year		2,821	672	25,024	24,309
Total Comprehensive Income for the year		2,821	672	25,024	24,309

Represented by :

Restricted endowment comprehensive Income for the year	943	943	1,140	1,140
Unrestricted endowment comprehensive (Expenditure)/income for the year	(967)	(967)	462	462
Expendable restricted endowment comprehensive (Expenditure) for the year	(350)	(350)	(32)	(32)
Unrestricted comprehensive Income for the year	1,683	1,046	23,351	22,702
Restricted comprehensive Income/(Expenditure) for the year	1,512	-	103	37
Total Comprehensive Income for the year	2,821	672	25,024	24,309

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

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

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2025

Statement of Changes in Reserves

GROUP	Unrestricted General Reserve £'000	Restricted General Reserve £'000	Permanent Unrestricted Endowments £'000	Permanent Restricted Endowments £'000	Expendable Restricted Endowments £'000	TOTAL £'000
Balance at 31 July 2023	25,869	11,873	9,528	8,017	388	55,676
Surplus/(deficit) for the year	23,388	66	463	1,139	(32)	25,024
Movement between reserves	(32)	37	-	-	-	5
Surplus/(deficit) from statement of comprehensive income	23,356	103	463	1,139	(32)	25,029
Balance at 31 July 2024	49,226	11,976	9,991	9,156	356	80,705
Surplus/(deficit) for the year	1,798	1,397	(967)	943	(350)	2,821
Movement between reserves	(757)	115	642	(220)	220	-
Other movements on reserves	(1,027)	-	-	-	-	(1,027)
Rounding	(17)	-	-	-	-	(17)
Surplus/(deficit) from statement of comprehensive income	(3)	1,512	(325)	723	(130)	1,777
Balance at 31 July 2025	49,223	13,488	9,666	9,879	226	82,482

LSTM	Unrestricted General Reserve £'000	Restricted General Reserve £'000	Permanent Unrestricted Endowments £'000	Permanent Restricted Endowments £'000	Expendable Restricted Endowments £'000	TOTAL £'000
Balance at 31 July 2023	25,572	587	9,528	8,017	388	44,092
Surplus/(deficit) for the year	22,739	-	463	1,139	(32)	24,309
Movement between reserves	(35)	37	-	-	-	2
Surplus/(deficit) from statement of comprehensive income	22,704	37	463	1,139	(32)	24,311
Balance at 31 July 2024	48,276	624	9,991	9,156	356	68,403
Surplus/(deficit) for the year	1,046	-	(967)	943	(350)	672
Transfer within reserves	(642)	-	642	(220)	220	-
Other movements on reserves	(1,027)	-	-	-	-	(1,027)
Rounding	14	-	-	-	-	14
Surplus/(deficit) from statement of comprehensive income	(609)	-	(325)	723	(130)	(341)
Balance at 31 July 2025	47,667	624	9,666	9,879	226	68,062

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2025

Company registration number : 00083405

Balance Sheets as at 31 July

	Notes	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Fixed Assets					
Tangible assets	16	79,799	57,600	71,240	52,650
Intangible assets	16	2,259	2,217	1,598	1,550
Investments in subsidiaries	17	-	54	-	54
		82,058	59,871	72,838	54,254
Current Assets					
Stock	18	68	-	97	-
Debtors	19	27,923	32,170	23,770	30,925
Investments and endowments	20	36,383	24,526	65,604	48,791
Cash at bank and in hand	28	50,831	44,421	19,870	12,300
		115,205	101,117	109,341	92,016
Creditors : amounts falling due within 1 year	21	65,085	46,339	54,636	35,203
Net Current Assets		50,120	54,778	54,705	56,813
Total Assets less Current Liabilities		132,178	114,649	127,543	111,067
Creditors : amounts falling due after 1 year	22	48,235	42,935	43,830	38,330
Provisions : other provisions	23	1,461	3,652	3,008	4,334
NET ASSETS		82,482	68,062	80,705	68,403
Reserves					
Permanent restricted endowments	25	9,879	9,879	9,156	9,156
Expendable restricted endowments	25	226	226	356	356
		10,105	10,105	9,512	9,512
Restricted general reserve	26	13,488	624	11,976	624
Unrestricted Reserves					
Permanent unrestricted endowments	25	9,666	9,666	9,991	9,991
Unrestricted general reserve		49,223	47,667	49,226	48,276
		58,889	57,333	59,217	58,267
TOTAL FUNDS		82,482	68,062	80,705	68,403

The Financial Statements were approved by the Board of Trustees on 20 November 2025 and were signed on behalf of the Directors by :



J O'Brien - Honorary Treasurer



Professor D Lalloo - Director

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2025

Statement of Cash Flows

		Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
	Notes				
Surplus for the year		2,821	672	25,024	24,309
Adjustment for non-cash items :					
Depreciation	16	4,101	3,613	2,858	2,570
Write off of assets		25	25	-	-
Deferred capital grants released to income	24	(4,665)	(4,665)	(2,320)	(2,320)
Decrease/(increase) in stock		29	(5,830)	3,688	3,710
(Increase) in debtors		(4,153)	4,585	(218)	(2,476)
Increase/(decrease) in creditors		10,322	11,010	(9,396)	(12,913)
(Decrease)/increase in other provisions		(1,547)	(682)	(1,223)	(475)
(Decrease) in USS pension provision		-	-	(20,065)	(20,065)
Unrealised revaluation (gains)/losses on investments and endowments		(632)	(632)	(3,022)	(3,040)
Interest payable	14	524	232	500	200
Interest receivable		(2,606)	(2,510)	(2,998)	(2,273)
Taxation	15	5	-	4	-
		<u>1,403</u>	<u>5,146</u>	<u>(32,192)</u>	<u>(37,082)</u>
Cash flow from operating activities		4,224	5,818	(7,168)	(12,773)
Taxation paid		(5)	-	(4)	-
Net cash (utilised)/generated from operating activities		4,219	5,818	(7,172)	(12,773)
Cash flows from investing activities :					
Income from long term investments and unrestricted permanent endowments		1,091	1,091	618	618
Other interest received	9	1,515	1,419	2,380	1,655
Decrease in investments in subsidiaries		-	-	-	-
Purchase of tangible fixed assets	16	(13,496)	(9,255)	(6,911)	(3,571)
Receipts from sales of tangible fixed assets		150	-	14	-
Payments to acquire investment & endowment assets	20	(2,542)	(2,330)	(115,812)	(64,023)
Receipt from sale of investments and endowments		9,736	4,100	99,049	59,857
Movements through equity		21,612	22,111	(32)	(463)
Deferred capital grants received	24	9,399	9,399	8,357	8,357
Net cash generated from/(used in) investing activities		27,465	26,535	(12,337)	2,430
Cashflows from financing activities :					
(Repayment)/receipt of external loans		(200)	-	(200)	-
Interest paid on external loans		(524)	(232)	(500)	(200)
Net cash used in financing activities		(724)	(232)	(700)	(200)
Increase/(decrease) in cash in the year		30,961	32,121	(20,211)	(10,543)
Cash and cash equivalents at beginning of the year		19,870	12,300	40,081	22,843
Cash and cash equivalents at end of the year		50,831	44,421	19,870	12,300
Cash and cash equivalents movements in year		30,961	32,121	(20,211)	(10,543)

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2025

Notes to the Accounts

1 Company Information

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

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

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

2 Basis of Preparation

i) Basis of Preparation

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

The financial statements are presented in Sterling (£).

ii) Going Concern

These financial statements have been prepared on a going concern basis. The research pipeline continues to look strong and is significantly higher than last year. The macro economic risks of inflation and rising energy costs have largely subsided. LSTM has continued to invest in its infrastructure, with new cutting edge facilities, investment in professional service and active recruitment of strategic academic appointments. However, uncertainly over grant funding from the US Government, following the closure of USAID and changes in UK Government funding, are causing a lot of uncertainty and making it increasingly difficult to forecast future inflows of research grants.

In assessing going concern management analysed the 2025/26 budget, extrapolated to end of November 2026 and produced related cashflow forecasts. On the basis of this the Board of Trustees consider that it continues to be appropriate to account for the group and LSTM as a going concern for the foreseeable future.

iii) Basis of Consolidation

The Consolidated financial statements include LSTM and entities controlled, both unilaterally and jointly, by LSTM, for the financial year to 31 July 2025. Where LSTM does not exercise control over an entity and is not in a position to extract economic benefits, the results of that entity are not consolidated. A full list of subsidiaries and NGOs in which LSTM has an interest is shown in note 17.

3 Significant Judgements and Estimates

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

Judgements

i) Deferral of balances

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

Liverpool School of Tropical Medicine
Financial Statements for year ended 31 July 2025

Notes to the Accounts

ii) Accounting for the Malawi Liverpool Wellcome Organisation

LSTM works closely with the Malawi Liverpool Wellcome Organisation (MLW). MLW is funded by the UK Wellcome Trust and all funding is directed via LSTM UK. Management analysed the organisational structure to determine the level of influence and whether MLW should be considered a subsidiary, associate or jointly controlled entity. Local management rests with the executive committee, made up of representatives of 5 organisations including LSTM. LSTM holds only 3 seats out of 21 (14%) and Kamuzu University of Health Sciences holds the position of Chair. Therefore, in the judgement of LSTM management, due to the independent local management and operations, LSTM does not exercise sufficient control to consider this entity as a subsidiary, associate or joint venture.

Estimates

iii) Provisions

Provisions have been set up in relation to operational receipts : Provisions have been made where cash receipts have a possibility that an element may have to be repaid or where a liability has been incurred prior to 31 July 2025 and where the amount can be reasonably calculated or estimated.

Provisions have also been set up in relation to onerous research grants where activity on some research grants has been impacted. Provisions are ascertained through the forecasting and monitoring process that the research management services team undertake on a quarterly basis with delivery teams. This process monitors progress and highlights any issues within projects which may impact receipt of income or overrun of costs, which are reflected in the financial statements as a provision where the amount can be reliably calculated or estimated.

iv) Gifts in Kind

Gifts in kind include 2 material items where significant estimates have been made :

- a) Gifts contributed towards 3 projects which form part of the iiCon collaboration of £842,000 (2024 : £1,472,000). Three companies have provided primarily staff time along with some consumables, materials and space, as part of a 5 year research project which falls under the iiCon collaboration. The value of the gift is based on actual costs incurred by the donors.
- b) Mosquito nets gifted for an effectiveness study in Uganda of £ Nil (2024 : £3,793,000). The valuation of the gifts is based on the purchase cost of the nets had LSTM had to purchase the nets directly for the study. The quantification of the number of nets included as the purchase cost as a gift in kind was based on the number of nets distributed during the financial year under the control and direction of LSTM. At July 2025 Nets with a value of £5,830,000 (2024 : £ Nil) were held in prepayments for use in 2025/26.

v) Accounting for the USS pension deficit

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as the Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the Statement of comprehensive income in accordance with section 28 of FRS 102. The trustees are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and LSTM has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

At 31 July 2025, LSTM's balance sheet included a liability of £ Nil (2024 : £ Nil) for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the institution was no longer required to make deficit recovery contributions. The remaining liability of £20,065,000 was fully released to the profit and loss account in 2023/24. Further disclosures relating to the release of the USS pension provision can be found in note 23.

4 Statement of Principal Accounting Policies

i) Income Recognition

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

Liverpool School of Tropical Medicine

Financial Statements for year ended 31 July 2025

Notes to the Accounts

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

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

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

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

ii) Grant Funding

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

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

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

iii) Expenditure and Irrecoverable VAT

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

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

iv) Donations and Endowments

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

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

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

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

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

v) Gifts in Kind

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

Notes to the Accounts

vi) Accounting for Retirement Benefits

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

Liverpool International Health Ventures Limited operates a defined contribution scheme for its staff.

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

LSTM participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. LSTM is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", LSTM therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme and the deficit recovery contributions payable under the scheme's Recovery Plan.

Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case following the 2020 valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund an overall deficit. LSTM recognises a liability for the contributions payable that arise from such an agreement (to the extent that they relate to a deficit) with related expenses being recognised through the income statement.

vii) Defined Contribution Plan

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

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

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

viii) Employment Benefits

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

ix) Holiday Pay Accrual

The liability for untaken staff holiday entitlement at 31 July 2025 is accrued. The accrual is based on actual hours untaken at 31 July and valued using an estimate made of average salaries within LSTM. A 50% weighting factor is applied to acknowledge the limited probability that such a pay-out would be required for 100% of staff - LSTM is a going concern and 100% pay-out would only likely be required in the event of a wind up of an organisation.

Notes to the Accounts

x) Foreign Currency

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

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

xi) Finance Leases

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

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

xii) Operating Leases

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

xiii) Tangible assets

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

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

LSTM capitalises all items, individual or purchased as a group with a cost of greater than £5,000.

Land and Buildings

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

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

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

Leasehold improvements are depreciated at the same rate as the building they relate to.

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

Where an asset comprises two or more separate components with substantially different useful economic lives, each component should be accounted for separately for depreciation purposes. Component accounting is applied by LSTM and LLSA for the first year in 2024/25 and is applied to components of all the group's buildings if it is deemed material. A material cost is where the cost of the component is material to the overall cost of the assets, or if it has a material impact on the depreciation charge.

LSTM and LLSA have determined that component accounting is appropriate for Elevators (25 years useful economic life), HVAC systems (25 years) and roofs (20 years). LSTM has reflected a cumulative adjustment of £1,048,000 additional depreciation in the financial statements, and an additional release of deferred capital of £1,048,000 as all capital projects are fully externally funded. LLSA has reflected a cumulative increase of £175,000 depreciation in the financial statements.

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Notes to the Accounts

Fixtures and Equipment

Fixtures and equipment, including computers and software, costing less than the de minimis of £5,000 per individual item is recognised as expenditure. All other equipment is capitalised.

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

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

Intangible assets

Computer software systems

LSTM capitalises all items, individual or purchased as a group with a cost of greater than £5,000.

Historically such software has been depreciated at the fixtures and equipment rate over 4 years. From 2022/23 large software systems will be depreciated over 10 years which aligns more closely to the expected life of such large and complex systems.

xiv) Investments

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

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

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

xv) Stock

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

xvi) Cash and Cash Equivalents

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

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

xvii) Debtors

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

xviii) Creditors

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

xix) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised in the Financial Statements when:

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

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

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

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

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

Notes to the Accounts

xx) Financial Instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks, loans from related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans, investments and short term deposits

All loans, investments and short term deposits held by LSTM are classified as basic financial instruments in accordance with FRS 102. These transactions are measured and held at transaction price less any transaction costs (historic cost).

Derivative instruments

Derivative instruments are considered to be non-basic financial instruments and are initially measured at transaction price, then subsequently measured to fair value each reporting date. Derivative financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in the Statement of comprehensive income. Outstanding derivatives at the reporting date are included under the appropriate category depending on the nature of the derivative.

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

xxi) Taxation

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

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

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

xxii) Reserves

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

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

The Board of Trustees approved a strategic plan covering a six year period to 31 July 2028. This plan anticipates LSTM's general reserves being augmented by the end of the period. The Board has targeted for cash reserves to represent a minimum of 6 months pay expenditure. Unrestricted reserves at 31 July 2025 are £49,223,000 (2024 : £49,226,000)

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5 Funding Body Grants

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Recurrent teaching grants	1,149	1,149	1,254	1,254
Recurrent research grants	15,649	15,649	14,523	14,523
Specific grants	4,346	4,346	5,214	5,214
Release of deferred capital grants (note 24) :				
Buildings	2,433	2,433	228	228
Equipment	1,666	1,666	593	593
	25,243	25,243	21,812	21,812

6 Tuition Fees and Education Contracts

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Masters fee income	978	978	616	616
PhD fee income	226	226	187	187
Fee income from diplomas	311	311	420	420
Fee income from short courses	39	39	33	33
Training and other courses	683	683	325	325
Fee income from University of Liverpool	436	436	470	470
	2,673	2,673	2,051	2,051

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

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Grant income from the OfS	1,149	1,149	1,254	1,254
Grant income from other bodies	24,094	24,094	20,558	20,558
	25,243	25,243	21,812	21,812
Fee income for taught awards (exclusive of VAT)	1,730	1,730	1,524	1,524
Fee income for research awards (exclusive of VAT)	904	904	493	493
Fee income for non-qualifying courses (exclusive of VAT)	39	39	33	33
	2,673	2,673	2,050	2,050
	27,916	27,916	23,862	23,862

7 Research Grants and Contracts

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Research Councils	12,252	12,206	10,761	10,527
UK based charities	16,905	16,488	21,456	21,420
UK Central Government and other bodies	21,719	13,925	16,787	11,904
UK industry and commerce	1,728	1,728	2,562	2,565
European Union	4,509	3,995	4,148	3,705
Other overseas bodies	26,963	15,815	30,090	16,306
Other	316	291	247	263
	84,392	64,448	86,051	66,690

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Included within LSTM is £1,899,000 (2024 : £2,180,000) allocated to LSTM by IVCC, a UK registered charity under the control of LSTM. This income has been recognised as other overseas bodies income of £218,000 (2024 : £1,244,000) and UK central government and other bodies income of £1,467,000 (2024 : £ 935,000) and non-EU Charities of £214,000 (2024 : £ Nil) by being matched against the related charitable expenditure incurred by the Group. IVCC allocates funding to research institutions on a competitive basis as validated by its External Scientific Advisory Committees.

Also included in UK Charities are amounts relating to gifts of mosquito nets of £ Nil from UK charities (2024 : £ 3,793,000), included in UK Industry are amounts relating mainly to donated staff time of £842,000 (2024 : £1,425,000) from UK Industry donors, and included in UK Charities (competitive) are amounts relating mainly to donated staff time of £ Nil (2024 : £46,000) from UK charity donors. In accordance with FRS 102 the income has been shown above and offsetting costs are included in Other Operating Expenses (note 13).

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

8 Other Income

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Diagnostic lab	409	409	480	480
Travel health related activities	1,340	-	1,242	-
Implementation research consultancy	8,899	2,459	8,754	2,085
Forward currency contracts	661	661	18	-
Health authority contracts	381	381	226	226
Health authority funded posts	144	144	212	212
Non Government capital grant income	1,355	1,355	1,084	1,084
Non-funding council releases of deferred capital grants (Note 24)	567	567	1,500	1,500
Other	515	1,090	897	1,837
	14,271	7,066	14,413	7,424

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

9 Investment Income

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Dividend income and interest receivable	189	189	187	187
Other interest receivable	1,515	1,419	2,380	1,655
	1,704	1,608	2,567	1,842

10 Donations and Endowment Income

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Endowment income	902	902	431	431
Unrestricted donations	86	86	274	274
Restricted donations	59	59	216	216
	1,047	1,047	921	921

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11 Staff Costs

	Group Year ended 31 July 2025 Number	LSTM Year ended 31 July 2025 Number	Group Year ended 31 July 2024 Number	LSTM Year ended 31 July 2024 Number
The number of persons (including senior post holders) employed at 31 July each year, expressed as full-time equivalents, was :				
<i>Academic contracts</i>				
Teaching staff	15	14	10	10
Research staff	142	142	120	120
Teaching and research staff	82	83	81	81
Clinicians	22	22	21	21
<i>Non-academic contracts</i>				
Other	526	356	588	357
	787	617	820	589

The decrease in other staff in the Group largely reflects a decrease in staff in CeSHHAR Zimbabwe.

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Staff costs for the above persons were :				
Salaries	41,177	32,379	38,501	29,292
Social security costs	3,608	3,545	3,059	3,014
Pension costs	4,102	4,062	4,219	4,187
Restructuring and redundancy costs	316	316	62	62
Accrued but untaken holiday costs	(79)	(79)	148	148
Total staff costs	49,124	40,223	45,989	36,704
Pension deficit funding costs	-	-	(20,524)	(20,524)
Total staff costs	49,124	40,223	25,465	16,179

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

	Group Year ended 31 July 2025		Group Year ended 31 July 2024	
	Number of Key Management Personnel	Number of Other Staff	Number of Key Management Personnel	Number of Other Staff
£100,000 - £104,999	-	6	-	3
£105,000 - £109,999	-	1	-	8
£110,000 - £114,999	-	5	-	1
£115,000 - £119,999	-	4	1	3
£120,000 - £124,999	1	7	-	7
£125,000 - £129,999	-	2	-	3
£130,000 - £134,999	-	7	2	8
£135,000 - £139,999	1	4	-	1
£140,000 - £144,999	1	-	1	3
£145,000 - £149,999	1	4	1	1
£150,000 - £154,999	-	-	-	1
£155,000 - £159,999	1	2	-	2
£170,000 - £174,999	1	-	1	1
£175,000 - £179,999	1	1	1	1
£180,000 - £184,999	1	-	-	-
£190,000 - £194,999	-	1	-	1
£195,000 - £199,999	-	1	-	1
£210,000 - £214,999	-	1	-	-
£215,000 - £219,999	-	-	-	1
£230,000 - £234,999	-	-	1	1
£240,000 - £244,999	-	1	-	-
£320,000 - £324,999	-	-	1	1
£325,000 - £329,999	1	-	-	-
	9	47	9	48

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12 Key Management Personnel

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

	Group/LSTM Year ended 31 July 2025 Number	Group/LSTM Year ended 31 July 2024 Number
The number of key management personnel including the Vice Chancellor was :	<u>8</u>	<u>9</u>

Key management personnel include the Vice Chancellor. In 2023/24 there were 2 new members of KMP, taking over from 2 KMP retiring. One retiree was still in post at 31 July 2024. One new KMP joined late in the year and therefore is included in the bandings above but their remuneration is included below for the last 3 months of the year they were in post. In 2024/25 there was one retirement who earned under £100k in the year and is therefore excluded from the bandings for the year

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

	Group/LSTM Year ended 31 July 2025 £'000	Group/LSTM Year ended 31 July 2024 £'000
Salaries	1,421	1,494
Social security costs	158	152
Pension Contributions	193	195
Total emoluments	<u>1,772</u>	<u>1,841</u>

Remuneration specifically for the Vice Chancellor, Prof David Laloo is as follows :

	Group/LSTM Year ended 31 July 2025 £'000	Group/LSTM Year ended 31 July 2024 £'000
Salaries	324	320
Social security costs	45	43
Pension Contributions	-	-
Total emoluments	<u>369</u>	<u>363</u>

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

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

The total expenses paid to or on behalf of trustees was £10,042 (2024 : £6,870). This represents travel and subsistence expenses incurred in attending meetings and events in their official capacity.

Senior staff pay

LSTM is a world leading research institution. We benchmark our rates of pay and HR practices against the higher education sector in general, as well as key comparator groups such as Russell Group institutions. This enables us to ensure our reward practices are well-placed in order to attract and retain the most talented people in our predominantly research field, particularly against global and national competition.

The Vice Chancellor's pay is linked to a structured pay scale. Incremental progression is not automatic, and pay awards are based on any pay awards are based on consideration of institutional and individual contribution, supported by evidence of exceptional performance. Determinations of pay for the Vice Chancellor and senior executive staff are made by the Remuneration Committee, the members of which are Board trustees, and which is chaired by the Chair of the Board. The Remuneration Committee adopts the CUC's Higher Education Senior Staff Remuneration Code. The Committee meets annually to review LSTM's pay policy and determine any pay awards. It also monitors pay benchmarks including the Vice Chancellor pay ratio – the comparison of pay to the median pay of staff across the organisation

For 2024-2025, the external benchmarking exercise has been completed and a report prepared for consideration by Remuneration Committee. It will meet in November 2025 to review

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Median salary info

The FTE salary of the Vice Chancellor, expressed as a multiple of the median salary of all LSTM UK staff is 7.44 (2024 : 7.45).

The FTE total remuneration of the Vice Chancellor, expressed as a multiple of the median total remuneration of all LSTM UK staff is 6.51 (2024 : 6.55).

The basis of the calculation is as follows:

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

Total remuneration includes employer pension payments and allowances.

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

Overseas activities

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

13 Other Operating Expenditure

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Projects				
Research Grants and Contracts	56,388	41,984	55,408	41,720
Consultancy Contracts	1,601	1,560	2,183	1,514
Gifts in kind : Nets	-	-	3,793	3,793
Gifts in kind : Combined staff time, consumables and space	842	842	1,472	1,472
Gifts in kind : smaller items	-	-	10	10
Forward currency contracts	-	-	380	380
Premises costs	6,039	5,683	4,294	4,193
Academic and related expenditure	1,982	1,982	3,294	3,294
Administrative and central services	6,535	5,923	5,475	3,469
	73,387	57,974	76,309	59,845

Other operating expenses include :

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Financial statements auditor's remuneration				
Financial statements audit	203	95	191	81
Other auditors' remuneration				
Taxation compliance services	15	3	14	3
Taxation advisory services	35	35	36	25
Internal audit	61	61	66	66
Component auditors	16	-	16	-
Research grant audit services	32	18	14	14

14 Interest Payable

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Loan interest	524	232	500	200
	524	232	500	200

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15 Taxation

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Tax charge in year	5	-	4	-
	<u>5</u>	<u>-</u>	<u>4</u>	<u>-</u>
	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Surplus before taxation	2,826	672	25,028	24,309
Corporation tax in LSTM Consulting USA	(5)	-	(4)	-
Surplus after taxation	<u>2,821</u>	<u>672</u>	<u>25,024</u>	<u>24,309</u>

16 Tangible and intangible Assets

	Leasehold Buildings £'000	Freehold land and buildings £'000	Fixtures & Equipment £'000	TOTAL £'000
Group				
Cost or valuation				
At 1 August 2024 (restated)	3,323	84,120	6,220	93,663
Additions	-	8,730	3,846	12,576
Disposals	-	(25)	(150)	(175)
At 31 July 2025	<u>3,323</u>	<u>92,825</u>	<u>9,916</u>	<u>106,064</u>
Depreciation				
At 1 August 2024	913	17,711	3,799	22,423
Charge for the year	126	2,701	1,015	3,842
At 31 July 2025	<u>1,039</u>	<u>20,412</u>	<u>4,814</u>	<u>26,265</u>
Net book value at 31 July 2025	<u>2,284</u>	<u>72,413</u>	<u>5,102</u>	<u>79,799</u>
Net book value at 31 July 2024	<u>2,410</u>	<u>66,409</u>	<u>2,421</u>	<u>71,240</u>
Financed by Funding body capital grants	-	24,683	266	24,949
Financed by government capital grants	1,220	17,765	-	18,985
Financed by other grants and LSTM	1,064	29,965	4,836	35,865
	<u>2,284</u>	<u>72,413</u>	<u>5,102</u>	<u>79,799</u>

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Intangible assets	Software Systems £'000	TOTAL £'000
Group		
Cost or valuation		
At 1 August 2024 (restated)	3,649	3,649
Additions	920	920
At 31 July 2025	4,569	4,569
Depreciation		
At 1 August 2024	2,051	2,051
Charge for the year	259	259
Transfers from tangible assets	-	-
At 31 July 2025	2,310	2,310
Net book value at 31 July 2025	2,259	2,259
Net book value at 31 July 2024	1,598	1,598
Financed by Funding body capital grants	-	-
Financed by government capital grants	-	-
Financed by other grants and LSTM	2,259	2,259
	2,259	2,259

The amount for freehold land and buildings includes a value for land of £3,907,000 in LSTM and £1,650,000 in Liverpool Life Science Accelerator Limited (LLSAL) which is not depreciated.

LLSAL bought the Liverpool Life Science Accelerator building on 29 November 2022 for £15,000,000. Valuation is at cost and the building is being depreciated over 50 years

At 31 July 2025 additions to freehold land and buildings include £11,899,000 in respect of assets under construction which have not been depreciated (2024 : £3,572,000).

Opening balance for software has been reduced by £1,157,000 and opening balance for freehold land and buildings has been increased by £1,157,000, to correct the classification of work done on building renovations in 2023/24

Tangible assets	Leasehold Buildings £'000	Freehold land and buildings £'000	Fixtures & Equipment £'000	TOTAL £'000
LSTM				
Cost or valuation				
At 1 August 2024 (restated)	2,971	65,323	6,155	74,449
Additions	-	4,676	3,659	8,335
Disposals	-	(25)	-	(25)
Write offs	-	-	-	-
At 31 July 2025	2,971	69,974	9,814	82,759
Depreciation				
At 1 August 2024	805	17,256	3,738	21,799
Charge for the year	119	2,252	989	3,360
Eliminated in respect of disposals	-	-	-	-
Write offs	-	-	-	-
Transfers	-	-	-	-
At 31 July 2025	924	19,508	4,727	25,159
Net book value at 31 July 2025	2,047	50,466	5,087	57,600
Net book value at 31 July 2024	2,166	48,067	2,417	52,650
Financed by Funding body capital grants	-	24,683	266	24,949
Financed by government capital grants	1,220	17,765	-	18,985
Financed by other grants and LSTM	827	8,018	4,821	13,666
	2,047	50,466	5,087	57,600

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Intangible assets	Software Systems £'000	TOTAL £'000
LSTM		
Cost or valuation		
At 1 August 2024 (restated)	3,594	3,594
Additions	920	920
At 31 July 2025	4,514	4,514
Depreciation		
At 1 August 2024	2,044	2,044
Charge for the year	253	253
Transfers	-	-
At 31 July 2025	2,297	2,297
Net book value at 31 July 2025	2,217	2,217
Net book value at 31 July 2024	1,550	1,550
Financed by Funding body capital grants	-	-
Financed by government capital grants	-	-
Financed by other grants and LSTM	2,217	2,217
	2,217	2,217

At 31 July 2025 additions to freehold land and buildings include £4,396,000 in respect of assets under construction which have not been depreciated (2024 : £659,000).

Opening balance for software has been reduced by £1,157,000 and opening balance for freehold land and buildings has been increased by £1,157,000, to correct the classification of work done on building renovations in 2023/24

17 Investments in Subsidiaries

	LSTM Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2024 £'000
Cost at 31 July 2025/2024	54	54

LSTM owns 100% of the issued ordinary £1 shares of LSTM Consulting Limited, a company incorporated in England and Wales. Its principal business activity is carrying out technical assistance on health issues in tropical countries. LSTM Consulting became dormant effective 31 August 2022. LSTM Consulting Limited has interests in the following companies and NGOs :

- LATH Nigeria (Dormant NGO)
- LATH Umoyo, Malawi (Dormant) - 50%
- LSTM Kenya - 100% : Registered office - Rosami Court, House No. 4, Muringa Rd, PO Box 24672-00100, Nairobi, Kenya
- LSTM Consulting USA - 100% : Registered office - 124, Cardinal Ridge Road, Chapel Hill, NC 27516, USA
- LMS (Dormant) - 100%
- LATH South Sudan (NGO) (Dormant)

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

- Well Travelled Clinics Limited (WTC) : Registered office - Pembroke Place, Liverpool, L3 5QA
- Liverpool International Health I.P. Limited (LIHIP) : Registered office - Pembroke Place, Liverpool, L3 5QA

LSTM owns 100% of the issued ordinary £1 shares of iiDiagnostics Limited, a company incorporated in England and Wales. iiDiagnostics Limited's principal activity is research and experimental development. Its registered office is at Pembroke Place, Liverpool, L3 5QA.

LSTM is the sole member of IVCC, a company and registered charity incorporated in England and Wales. IVCC is a company limited by guarantee and holds no share capital. Its principal business activity is to carry out research into controlling vector-borne diseases such as malaria and dengue. Its registered office is at Pembroke Place, Liverpool, L3 5QA.

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LSTM is the sole member of Liverpool Life Science Accelerator Limited, a company and registered charity incorporated in England and Wales. LLSAL is a company limited by guarantee and holds no share capital. Its principal business activity is the advancement of health for public benefit and advance related education. Its registered office is at Pembroke Place, Liverpool, L3 5QA.

The registered office of all UK subsidiaries is : Pembroke Place, Liverpool, L3 5QA, UK.

LSTM owned 99% of the issued ordinary 10 Rupee shares of Liverpool School of Tropical Medicine India Private Limited, a company incorporated in India. The company was put into liquidation in January 2022, the investment in India of £72,000 was fully written off in 2023/24 and the company was closed by the Indian Government in June 2024.

LSTM also has an interest in the following, which are all NGOs :

Consolidated in LSTM Group Financial Statements

- CeSHHAR Zimbabwe (Charity)

Registered office : 10,Coronation Avenue, Greendale, Harare, Zimbabwe

Not consolidated due to negligible activity

- Liverpool Initiative for Health Development (Nigeria)

- LSTM Sierra Leone

- LSTM Uganda

Registered office : Bakuli-Mergo Road, PO Box 3341, Kampala, Uganda

18 Stock

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Stock of consumables	68	-	97	-
	<u>68</u>	<u>-</u>	<u>97</u>	<u>-</u>

19 Debtors : Amounts falling due within 1 year

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Trade debtors	817	716	1,481	1,225
Amounts owed by subsidiary undertakings	-	915	-	1,860
Amounts owed by subsidiary undertakings - LLSA loan due in more than 1 year	-	9,000	-	9,000
Balances due on research grants and contracts	17,693	12,373	18,671	15,902
Prepayments and accrued income	8,752	8,505	2,681	2,001
Forward currency contracts	661	661	937	937
	<u>27,923</u>	<u>32,170</u>	<u>23,770</u>	<u>30,925</u>

A bad debt provision of £161,000 (2024 : £295,000) has been recognised against debtors of LSTM and the Group.

Prepayments and accruals include an amount of £ Nil (2024 : £ 14,000) in relation to an interest rate swap on the long term secured loan, held at fair value at the balance sheet date.

The intercompany loan from LSTM to LLSAL of £9m is based on an intercompany loan agreement. The loan is due in November 2027, interest is calculated daily at 1% above the Bank of England base rate.

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20 Investments and Endowments

	Group Investments Year ended 31 July 2025 £'000	Group Endowments Year ended 31 July 2025 £'000	Group Total Year ended 31 July 2025 £'000	Group Total Year ended 31 July 2024 £'000
Cost at 1 August 2024/2023	45,817	16,113	61,930	45,630
Additions	212	2,330	2,542	115,812
Disposals	(5,175)	(4,099)	(9,274)	(99,049)
Transfers	(22,664)	-	(22,664)	-
Cost at 31 July 2025/2024	18,190	14,344	32,534	62,393
Realised loss on disposals in year	-	-	-	(218)
Unrealised revaluation reserve at 1 August 2024/2023	652	2,777	3,429	2,401
Restatement of prior year realised loss as unrealised loss	-	-	-	(1,994)
Unrealised revaluation in the year	96	324	420	3,022
Unrealised revaluation reserve at 31 July 2025/2024	748	3,101	3,849	3,429
Market value at 31 July 2025/2024	18,938	17,445	36,383	65,604
<i>Represented by :</i>				
Fixed interest stocks (listed)	2,344	1,469	3,813	6,263
Equities (listed)	4,857	15,729	20,586	17,734
Other	11,737	247	11,984	41,607
	18,938	17,445	36,383	65,604
<i>Represented by :</i>				
Fellowships and scholarship funds	-	7,211	7,211	6,263
Prize funds	-	125	125	17,734
Other funds	18,938	10,109	29,047	41,607
	18,938	17,445	36,383	65,604

Investments include bank deposits of greater than 3 months duration of £Nil (2024 : £10,236,000).

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	LSTM Investments Year ended 31 July 2025 £'000	LSTM Endowments Year ended 31 July 2025 £'000	LSTM Total Year ended 31 July 2025 £'000	LSTM Total Year ended 31 July 2024 £'000
Cost at 1 August 2024/2023	28,986	16,113	45,099	40,933
Additions	212	2,330	2,542	64,486
Disposals	(1)	(4,099)	(4,100)	(59,857)
Transfers	(22,664)	-	(22,664)	-
Cost at 31 July 2025/2024	6,533	14,344	20,877	45,562
Realised loss on disposals in year	-	-	-	(218)
Unrealised revaluation reserve at 1 August 2024/2023	452	2,777	3,229	1,759
Unrealised revaluation in the year	96	324	420	1,688
Unrealised revaluation reserve at 31 July 2025/2024	548	3,101	3,649	3,447
Market value at 31 July 2025/2024	7,081	17,445	24,526	48,791
<i>Represented by :</i>				
Fixed interest stocks (listed)	2,344	1,469	3,813	6,263
Equities (listed)	4,857	15,729	20,586	17,734
Other	(120)	247	127	24,794
	7,081	17,445	24,526	48,791
<i>Represented by :</i>				
Fellowships and scholarship funds	-	7,211	7,211	6,263
Prize funds	-	125	125	17,734
Other funds	7,081	10,109	17,190	24,794
	7,081	17,445	24,526	48,791

Investments include bank deposits of greater than 3 months duration of £Nil (2024 : £10,236,000).

21 Creditors : Amounts falling due within 1 year

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Unexpended balances of research grants and contracts	41,990	30,828	37,607	25,001
Trade creditors	1,818	520	1,175	535
Amounts owed to subsidiary undertakings	-	-	-	-
Other taxation and social security	1,122	1,035	931	911
Holiday accrual	554	554	633	633
Accruals and deferred income	14,401	8,402	9,203	3,240
Forward currency contracts	-	-	16	12
Unsecured loan	4,000	4,000	4,000	4,000
Short term element of secured loan	200	-	200	-
Short term element of deferred capital grants (note 24)	1,000	1,000	871	871
	65,085	46,339	54,636	35,203

Prepayments and accruals include an amount of £24,000 (2024 : £ Nil) in relation to an interest rate swap on the long term secured loan, held at fair value at the balance sheet date.

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22 Creditors : Amounts falling due after 1 year

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Long term element of deferred capital grants (note 24)	42,935	42,935	38,330	38,330
Long term element of secured loan	5,300	-	5,500	-
	48,235	42,935	43,830	38,330

Analysis of loans

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Unsecured loans				
Due within 1 year or on demand (note 21)	4,000	4,000	4,000	4,000
Secured loans				
Due within 1 year or on demand (note 21)	200	-	200	-
Due between one and two years (note 22)	200	-	200	-
Due between two and five years (note 22)	5,100	-	5,300	-
Total loans	5,500	-	5,700	-
	9,500	4,000	9,700	4,000

The unsecured and secured loan facilities comprise :

			Maturity	Borrower
Unsecured loan with HSBC private bank	4,000	4,000	on demand	LSTM
Secured loan with HSBC commercial bank	5,500	-	2027	LLSA Limited
	9,500	4,000		

The LSTM loan with HSBC private bank is an on demand loan. There is no security held for this loan but HSBC does have defacto security due to LSTM holding investments greater than this loan value with HSBC. Interest is calculated daily and equals a margin above the HSBC base rate which is applied to private banking clients. Interest is paid quarterly.

The LLSAL loan with HSBC commercial bank is a 5 year loan. There is a covenant in place with 4 covenant requirements needing to be met each quarter. Capital repayments are fixed at £50,000 per quarter. The interest rate is calculated daily as the % rate p.a which is the aggregate of the margin and compounded reference rate for that day. Interest is paid quarterly. LLSAL has also entered into an interest rate swap with the agreement of HSBC to hedge against the movement in interest rates. The unrealised loss on the interest rate swap at 31 July 2025 (2024 : unrealised gain) is reflected in income in LLSAL and the consolidated financial statements. The loan is secured against the LLSA property

LSTM has provided a guarantee to HSBC for the £5,700,000 loan which LLSA holds with HSBC commercial bank.

23 Other Provisions

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000
At 31 July 2023	4,233	4,809
Net movement of provisions in the year	(1,225)	(475)
At 31 July 2024	3,008	4,334
Net movement of provisions in the year	(1,547)	(682)
At 31 July 2025	1,461	3,652

Other provisions comprise provisions for issues in meeting project deliverables on research grants of £1,870,000 (2024 : £2,227,000), a provision for additional costs for the Creator building in Malawi of £1,031,000 (2024 : £675,000) and in LSTM only a provision for the negative assets for the subsidiary intellectual property company and Well Travelled Company of £750,000 (2024 : £750,000).

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24 Deferred Capital Grants

	Group/LSTM Funding Council Year ended 31 July 2025 £'000	Group/LSTM Other Funding Year ended 31 July 2025 £'000	Group/LSTM TOTAL Year ended 31 July 2025 £'000
At 1 August 2024			
Buildings	20,481	18,799	39,280
Equipment	(79)	-	(79)
Cash received			
Buildings	6,907	324	7,231
Equipment	2,168	-	2,168
Released to Statement of comprehensive income			
Buildings	(2,433)	(567)	(3,000)
Equipment	(1,665)	-	(1,665)
At 31 July 2025	25,379	18,556	43,935

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

Creditors < 1 year	1,000
Creditors > 1 year	42,935
	43,935

At 1 August 2023			
Buildings	12,352	20,299	32,651
Equipment	513	-	513
Cash received			
Buildings	8,357	-	8,357
Equipment	-	-	-
Released to Statement of comprehensive income			
Buildings	(228)	(1,500)	(1,728)
Equipment	(592)	-	(592)
At 31 July 2024	20,402	18,799	39,201

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

Creditors < 1 year	871
Creditors > 1 year	38,330
	39,201

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25 Endowment Reserves

	Group/LSTM Permanent endowments Restricted Year ended 31 July 2025 £'000	Group/LSTM Unrestricted Year ended 31 July 2025 £'000	Group/LSTM Expendable Restricted Year ended 31 July 2025 £'000	Group/LSTM TOTAL Year ended 31 July 2025 £'000
At 1 August 2024				
- Capital value	8,948	8,839	577	18,364
- Accumulated income	105	-	(221)	(116)
- TOTAL	9,053	8,839	356	18,248
Reclassification between restricted and unrestricted	(220)	642	220	642
Depreciation of endowment assets investments (realised)	(482)	(919)	(368)	(1,769)
Appreciation of endowment assets investments (unrealised)	166	139	19	324
Income for the year	253	(202)	-	51
Transferred to statement of comprehensive income	(253)	202	-	(51)
At 31 July 2025				
- Capital value	7,824	8,701	593	17,118
- Accumulated income	693	-	(367)	326
- TOTAL	8,517	8,701	226	17,444
<i>Representing :</i>				
Fellowship and scholarship funds	6,983	-	226	7,209
Prize funds	125	-	-	125
Other funds	1,409	8,701	-	10,110
Investments	8,517	8,701	226	17,444
Cash relating to endowments	1,362	965	-	2,327
Reserves	9,879	9,666	226	19,771
	Year ended 31 July 2024 £'000	Year ended 31 July 2024 £'000	Year ended 31 July 2024 £'000	Year ended 31 July 2024 £'000
At 1 August 2023				
- Capital value	7,540	8,012	370	15,922
- Accumulated income	74	202	18	294
- TOTAL	7,614	8,214	388	16,215
Appreciation of endowment assets investments (realised)	464	227	-	691
Appreciation of endowment assets investments (unrealised)	943	398	-	1,341
Income for the year	170	-	10	180
Transferred to statement of comprehensive income	(138)	-	(42)	(180)
At 31 July 2024				
- Capital value	8,948	8,839	356	18,143
- Accumulated income	105	-	-	105
- TOTAL	9,053	8,839	356	18,248
<i>Representing :</i>				
Fellowship and scholarship funds	8,390	-	356	8,746
Prize funds	169	-	-	169
Other funds	494	8,839	-	9,333
Investments	9,053	8,839	356	18,248
Cash relating to endowments	103	1,152	-	1,255
Reserves	9,156	9,991	356	19,503

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26 Restricted General Reserve

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000
At 31 July 2023	11,873	587
Surplus from Statement of comprehensive income	103	37
At 31 July 2024	11,976	624
Surplus from Statement of comprehensive income	1,512	-
At 31 July 2025	13,488	624

The reserves of IVCC, LLSA and CeSHHAR Zimbabwe are considered to be restricted due to their status as charities/Private voluntary organisations (PVOs) and their objects being narrower than those of the group. In addition the balance includes amounts in relation to restricted donations in LSTM.

27 Financial Instruments

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

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Financial assets				
<i>Financial assets that are debt instruments measured at amortised cost :</i>				
Trade, research and other receivables	25,837	21,459	20,934	19,938
Cash and cash equivalents	50,831	44,421	19,870	12,300
<i>Financial assets at fair value through surplus or deficit :</i>				
Listed investments and endowments	36,383	24,526	65,604	48,791
Forward currency contracts	661	661	937	937
Interest rate swap	-	-	13	-
	113,712	91,067	107,358	81,966
Financial liabilities				
<i>Financial liabilities measured at amortised cost</i>				
Trade, research and other payables and accruals	57,072	38,721	46,848	27,748
<i>Financial liabilities measured at fair value through surplus or deficit</i>				
Forward currency contracts	-	-	16	12
Interest rate swap	25	-	-	-
	57,097	38,721	46,864	27,760

Cash flows on both the US dollar and Euro research income and the foreign currency forward contracts are at regular intervals, and are based on predicted project related cash flows. The forward contracts had a mark to market valuation as at 31 July 2025 amounting to an asset of £661,000 (2024 : £921,000 asset). During 2024/25 a loss of £264,000 was recognised in income for the year (2024 : a loss of £362,000).

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

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

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Financial assets				
Total interest income for financial assets at amortised cost	<u>1,515</u>	<u>1,419</u>	<u>2,380</u>	<u>1,655</u>
Fair value gains and (losses)				
On financial assets measured at fair value through income and expenditure	<u>(264)</u>	<u>(264)</u>	<u>(362)</u>	<u>(380)</u>

28 Cash and Cash Equivalents

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000
At 1 August 2024	19,870	12,300
Cashflows	30,961	32,121
At 31 July 2025	<u>50,831</u>	<u>44,421</u>

29 Pension and similar obligations

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

The defined benefit funds are normally valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by each fund's trustee on the advice of the actuary. In the intervening years the actuary reviews the progress of the scheme. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the institution benefits from the employee's services. The total group pension cost for the year was £4,102,000 (2024 : £4,349,000).

Universities Superannuation Scheme (USS)

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

The total contributions charged to the Statement of comprehensive income is £3,742,000 (2024 : £3,992,000).

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. LSTM was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the statement of income and expenses in the prior year.

The latest available completed actuarial valuation of the USS Retirement Income Builder, the defined benefit part of the scheme is at 31 March 2023 (the valuation date), which was carried out using the projected unit method.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

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The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion, and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principals (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles) .

Price inflation - Consumer Price Index (CPI)	3.0% p.a.(based on a long term average expected level of CPI, broadly consistent with long term market expectations)
RPI/CPI gap	1.0% p.a. until 2030, reducing to 0.1% p.a. from 2030
Pension increases (subject to a floor of 0%)	Benefits with no cap : CPI assumption +3bps Benefits subject to a “soft cap” of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount rate (forward rates)	Fixed interest gilt yield curve plus : Pre-retirement : 2.5% Post-retirement : 0.9%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

2023 Valuation

Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI_2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a and a long term improvement rate of 1.8% p.a for males and 1.6% p.a. for females

The current life expectancies on retirement at age 65 are :

	2025	2024
Males currently aged 65 (years)	23.8	23.7
Females currently aged 65 (years)	25.5	25.6
Males currently aged 45 (years)	25.7	25.4
Females currently aged 45 (years)	27.2	27.2

University of Liverpool Pension Fund (ULPF)

LSTM participates in the University of Liverpool Pension Fund (ULPF), a defined benefit scheme in the UK. The final salary section of the Fund is closed to new entrants with effect from 31 July 2011 and from 1 August 2011 new members are eligible to join the CARE section of the Fund. A full actuarial valuation was carried out at 31 July 2024.

The contributions made by the employer over the period have been £85,000 (2024 : £113,000). The employer currently is on a 3 year contribution holiday from 1 April 2025 (2024 : 16%). Member contributions are payable in addition at the rate of 6.5% of pensionable pay for Final Salary members and 5.5% of pensionable pay for CARE members.

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The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest) and the rates of increase in salary and pensions. In relation to the past service liabilities the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the discount rate would be 4.90% per annum (2024 : 4.90%) and salary increases would be 3.05% per annum (2024 : 3.05%). The valuation was carried out using the projected unit method.

At the valuation date the market value of the assets of the scheme was £608.3m (2024 : £570.5m) and the value of the past service liabilities was £285.9m (2024 : £380.3m) leaving a surplus of £322.4m (2024 : £190.2m).

There was a total of 24 LSTM active members in this scheme at 31 July 2025 (2024 : 27)

National Health Service Superannuation Scheme (NHSSS)

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

The contributions made by the employer over the financial year have been £438,000 (2024 : £306,000), equivalent to 14.38% of pensionable salaries.

There were a total of 45 LSTM active members in this scheme at 31 July 2025 (2024 : 40).

30 Contingent Liability

A composite cross guarantee structure exists between Liverpool School of Tropical Medicine, IVCC, Well Travelled Clinics Limited, Liverpool International Health Ventures Limited, Liverpool International Health I.P. Limited, LSTM Consulting Limited, iiDiagnostics Limited and Liverpool Life Sciences Accelerator Limited in respect of bank overdrafts. The aggregate amount outstanding under this agreement at the balance sheet date was £8,429,011 (2024: £4,413,792).

31 Operating Lease Commitments

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Amounts due in less than one year	44	721	38	1,021
Amounts due between one and five years	37	2,228	19	2,145
Amounts due after 5 years	-	6,951	-	6,427
	81	9,900	57	9,593

Operating Lease commitments in LSTM at 31 July 2025 reflect leases with subsidiary Liverpool Life Science Accelerator Limited (LLSA) for rental space in the Liverpool Life Science Accelerator building owned by LLSA.

32 Capital Commitments

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2024 £'000
Building capital works - Mary Kingsley building renovations	37	37	4,359	4,359
Building capital works - Human Challenge Facility	361	-	2,410	-
Equipment - Air HC	1,545	1,545	-	-
Building capital works - Air HC	3,032	-	-	-
	4,975	1,582	6,769	4,359

33 Related Party Transactions

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

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

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

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

	Group Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000
Sustainable Insecticides for Public Health	9,145	6,072
LIGHT RPC	1,532	1,750
ReBuild	1,576	1,565
READ-It	917	732
Reducing Maternal and Neonatal Deaths in Kenya	39	-
TDDAP	25	-
ACRC Foundation	25	82
Royal Society Award	11	-
K4D	10	-
K4DD	13	-
	13,293	10,201

35 LifeArc

In 2022/23 LSTM was awarded £2.7m funding from LifeArc relating to the LifeArc Translational Development Funds for 33 months, starting July 2023. Funding in the year to 31 July 2025 was £663,499

36 Consolidated Reconciliation of Net Funds

	Group Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2025 £'000
Net funds 1 August 2024	20,791	13,225
Movement in cash and cash equivalents	30,961	32,121
Other non-cash changes	(260)	(264)
Net funds 31 July 2025	51,492	45,082
Change in net funds	30,701	31,857

	Group Year ended 31 July 2025 £'000	Group Year ended 31 July 2024 £'000	LSTM Year ended 31 July 2025 £'000	LSTM Year ended 31 July 2024 £'000
Cash and cash equivalents	50,831	19,870	44,421	12,300
Borrowings: amounts falling due within one year				
Forward contracts	(661)	(921)	(661)	(925)
	(661)	(921)	(661)	(925)
	-	-	-	-
Net funds	51,492	20,791	45,082	13,225