THE ROYAL COLLEGE OF PHYSICIANS OF LONDON

England & Wales · Charity number 210508

Details

Status	Registered
Legal form	Other
Registered	1963-07-25
Register	View on the Charity Commission register

Contact

Address	Royal College Of Physicians 11 St. Andrews Place London NW1 4LE
Phone	02030751649
Email	treasury@rcp.ac.uk
Website	www.rcplondon.ac.uk

Activities

Objects: THE MAINTENANCE OF A HIGH STANDARD OF MEDICAL ETHICS AND EDUCATION.

Activities: The Charity plays a leading role in the delivery of high quality patient care, by high standards of medical practice and promoting clinical excellence. The Charity provides Physicians in the UK and overseas with education, training and support throughout their careers. The Charity also advises and works with Government, the public, patients and other professions to improve healthcare.

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Environment/conservation/heritage
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

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Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£44,369,066	£44,727,705	£47,661,853	430
2023-12-31	£42,474,508	£43,258,918	£46,520,945	409
2022-12-31	£38,418,000	£38,901,000	£46,870,000	387
2021-12-31	£34,648,000	£33,898,000	£52,695,000	403
2020-12-31	£31,023,000	£34,307,000	£45,046,000	413

Trustees

Name	Role	Appointed
Anne Marie Millar		2023-02-07
Dominic Whittle		2023-06-27
Dr Ananthakrishnan Raghuram		2023-03-01
Dr Diana Marion Walford		2025-03-11
Dr Eileen Burns		2024-08-01
Dr Fiona Pathiraja		2023-06-27
Dr Ganesh Subramanian		2024-08-01
Dr Hilary Jane Williams		2025-08-01
Dr Omar Mustafa		2024-04-01
Katie Smith		2023-02-07
Professor John Bateson		2023-06-27
Professor Mumtaz Patel		2024-06-20
Professor Rowan Harwood		2026-03-17
Professor Simon Bowman		2022-03-31
Professor Thomas Solomon		2024-08-01

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Linked charities

- BERTRAM LOUIS ABRAHAMS LECTURESHIP IN PHYSIOLOGY (210508-1)
- ERNESTINE HENRY LECTURESHIP (210508-10)
- JEAN HUNTER PRIZE (210508-11)
- LANGDON-BROWN LECTURESHIP (210508-12)
- LLOYD ROBERTS LECTURE (210508-13)
- LUMLEIAN TRUST (210508-14)
- MILROY TRUST (210508-15)
- MITCHELL TRUST (210508-16)
- STREATFIELD RESEARCH FUND (210508-17)
- MACKENZIE MACKINNON TRUST (210508-18)
- MOXON TRUST (210508-19)
- BISSET HAWKINS TRUST (210508-2)
- MURCHISON TRUST (210508-20)
- FREDERICK MURGATROYD MEMORIAL PRIZE (210508-21)
- OLIVER SHARPEY LECTURE (210508-22)
- PARKES WEBER FUND (210508-23)
- HUMPHRY DAVY ROLLESTON TRUST (210508-25)
- JOHN ROSSER SCHOLARSHIP (210508-26)
- DAME MARY SADLEIR (210508-27)
- WATSON SMITH TRUST (210508-28)
- T K STUBBINS TRUST (210508-29)
- AMBUJ NATH BOSE (210508-3)
- TEALE LECTURE (210508-30)
- WEBER-PARKES TRUST (210508-31)
- CHARLES WEST TRUST (210508-32)
- JOSEPH SENIOR WHITE TRUST (210508-33)
- F E WILLIAMS TRUST (210508-34)
- T PEARSE WILLIAMS FUND (210508-35)
- JAMES MAXWELL GRANT PROPHIT (210508-36)
- THE LEWIS THOMAS GIBBON JENKINS OF BRITON FERRY MEMORIAL TRUST (210508-37)
- S LEONARD SIMPSON FELLOWSHIPS IN ENDOCRINOLOGY (210508-38)
- BRADSHAW LECTURE (210508-4)
- MARC DANIELS LECTURESHIP (210508-5)
- DYSTER TRUST (210508-6)

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- PHILLIP ELLMAN (210508-7)
- FITZPATRICK TRUST (210508-8)
- GOULSTONIAN TRUST (210508-9)

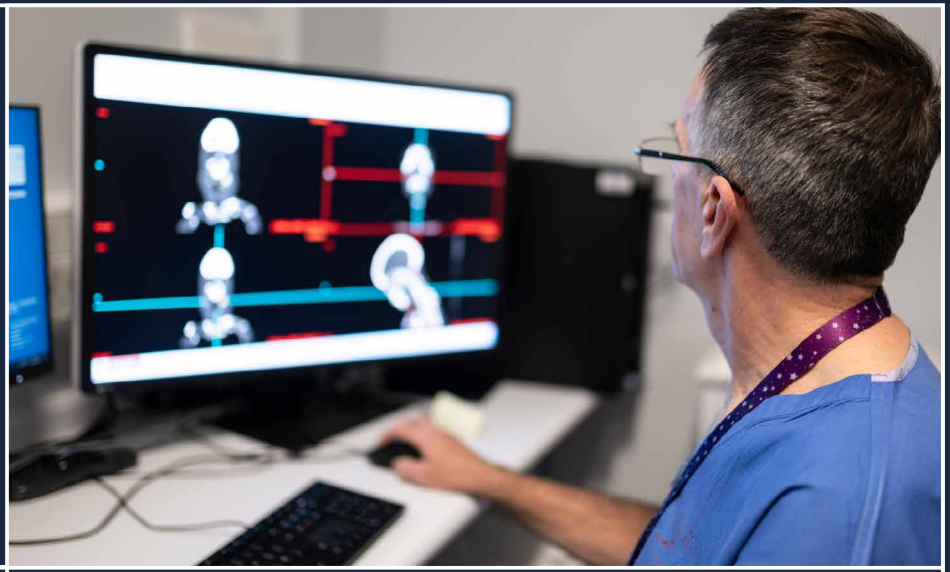
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THE ROYAL COLLEGE OF PHYSICIANS OF LONDON

England & Wales - Charity number 210508

Accounts

Listening to our members





RCP annual report 2024



Royal College of Physicians

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Who we are and what we do

About the RCP

The Royal College of Physicians (RCP) is a professional membership body for physicians, with around 40,000 members and fellows around the globe working in hospitals and communities across 30 medical specialties. Physicians diagnose and treat illness, and promote good health. They care for millions of medical patients with a broad range of conditions, from asthma and diabetes to stroke and dengue fever.

Everything that we do at the RCP aims to improve patient care and reduce illness. Our work is patient centred and clinically led. We drive improvement in the diagnosis of disease, the care of individual patients and the health of the whole population, both in the UK and across the globe. We work to ensure that physicians are educated and trained to provide high-quality care. We also develop doctors to become leaders, providing advice and expertise to deliver service improvements across the NHS and more broadly.







Our partnership with patients

Our Patient and Carer Network (PCN) was established in 2004. A network of volunteers throughout England and Wales, PCN members are involved in the full range of RCP activities. Their invaluable contribution helps to ensure a continuous focus on patient-centred care, patient safety and health improvement. Partnership is key, with patients and carers providing a vital range of lived experiences and perspectives, which help to inform the design and delivery of healthcare.

Our vision, mission and values

Our vision

As the leading body for physicians in the UK and internationally, the RCP envisages a world in which everyone has the best possible health and healthcare.

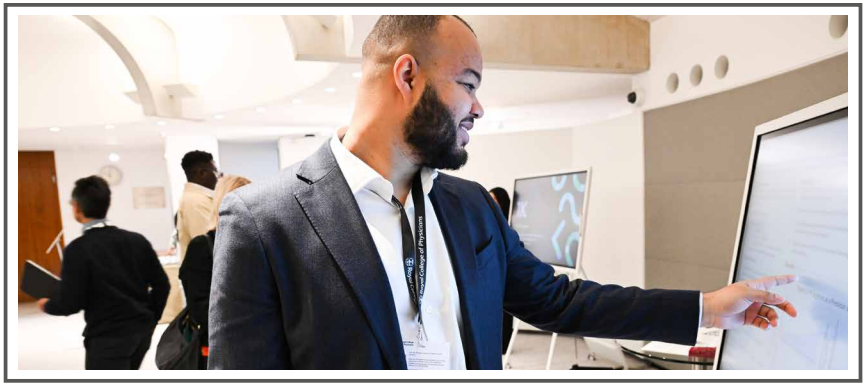
Our mission

The RCP understands its purpose in realising that vision to be:

- **educating** physicians and supporting them to fulfil their potential
- **improving** health and care and leading the prevention of ill health across communities
- **influencing** the way that healthcare is designed and delivered.

Our values

Our values – **taking care**, **learning** and **being collaborative** – drive the way we behave, how we interact with each other, and how we work together to achieve our vision and improve patient care.



Public benefit

The Royal College of Physicians (RCP) was established by royal charter from King Henry VIII in 1518. It is a registered charity, and the trustees are mindful of their duty to ensure that the charity's purpose accords with the objects set out in its governing document (the charter).

Uniquely for the time, through the charter the king established the RCP in perpetuity as a professional body in the name of the public benefit. He empowered it to set standards by regulating practice, to protect the public.

Today the RCP continues to focus its work to support high standards of medical training and patient care through activities within the meaning of charitable purpose, as defined by the Charities Act 2011, that are carried out for the general public benefit.

In particular, most of our activities fall within the purposes of the advancement of health or the saving of lives; the advancement of education; and the advancement of the arts, culture, heritage or science.

Our work in these areas is made possible through the involvement of our fellows and members wherever they work, in the UK or overseas, and is summarised annually in this report.



Foreword



Dr Mumtaz Patel, RCP president

Having been actively involved with the RCP for over 20 years, I was so proud and honoured to be elected as the 123rd president in April 2025. As president, my goal is to lead the RCP to be the best organisation it can be, supporting our members throughout every career stage to deliver the best possible healthcare for our patients. It is an enormous privilege.

This annual report covers 2024. The year marked a very challenging period in the RCP's long history, dominated by increasing concerns from our members about the role of physician associates, an extraordinary general meeting (EGM) and changes in leadership. It is without a doubt a difficult year to reflect on.

Following the EGM, we commissioned The King's Fund to undertake an independent review to support our learning. We accepted the report's recommendations in full and developed an action plan to implement them.

We refocused and, despite these challenges, achieved a huge amount of activity and a great deal of excellent work across our three strategic priority areas of educating, improving and influencing. This was delivered through the continued support and hard work of our volunteers – members and fellows – and staff.

Highlights include successful Medicine and Med+ conferences, the launch of a new leadership programme for SAS doctors, the next generation of physicians campaign and the publication of a wealth of new materials, including educational and career guidance for SAS doctors, an evidence report on e-cigarettes, a *Green physician toolkit* and guidance on tackling health inequalities.

During 2024, our former chief executive officer Ian Bullock announced his departure. I'd like to thank Ian for his 16 years of service to the RCP, including 10 as CEO. Thanks too to executive directors Catherine Powell and Tom Baker, who together have been carrying out the CEO role on an interim basis and maintaining stability. We will soon be welcoming a new substantive chief executive officer to lead the executive team.

And thank you to Professor David Croisdale-Appleby, who departed after 5 years in the role of chair of Board of Trustees. We welcome Dr Diana Walford as our new chair from March 2025. Diana brings a wealth of experience and will play a pivotal role in steering the college through a period of transformation.

Following a challenging year, we want to focus on stability for the college and working hard to regain the trust and confidence of our membership. This means continuing to take action to support the next generation of physicians, as well as delivering on the recommendations of The King's Fund review. We are also determined to modernise the RCP through a constitutional and governance review and become a membership body that supports and is relevant to all the doctors we serve.

Finally, thank you to everyone who has supported us this year. The RCP has pledged to learn lessons and committed to significant change. We know that we still have a lot of work to do to get our house in order. We will ensure that we keep listening to our members and we will act on what you tell us.

Report of trustees

The trustees of the RCP are pleased to present their annual report for the year ended 31 December 2024. The report presents our activities, significant achievements and successes in 2024.

Our 2022–24 strategy

The RCP is both a professional membership body and a registered charity. Our strategy for 2022–24 is mindful of our responsibilities in both of these roles and was developed following consultation with our members and stakeholders. This 3-year plan sets out our three main priorities of **educating**, **improving** and **influencing**. These priorities are underpinned by a set of five 'enablers': close engagement with the RCP membership, patient and carer involvement, a focus on diversity and inclusion, good governance and working in a sustainable way.

This annual report covers our main activities and achievements under the three priority areas with a section on our enablers.



Federation of the Royal Colleges of Physicians of the UK

The Federation of the Royal Colleges of Physicians of the UK is a collaboration between the Royal College of Physicians of Edinburgh, the Royal College of Physicians and Surgeons of Glasgow, and the RCP. Together, the three colleges represent more than 60,000 physicians worldwide.

The Federation develops and delivers services to support doctors at every stage of their careers, including:

- providing frameworks for continuing professional development (CPD) and its accreditation
- examinations, comprising Membership of the Royal Colleges of Physicians of the UK – MRCP(UK), specialty certificate examinations and international clinical examinations
- training curricula and quality criteria for training environments (Joint Royal Colleges of Physicians Training Board – JRCPTB).

Highlights of key Federation activities are included in this report.

2024 – a challenging year for the RCP

It is important to recognise and acknowledge that 2024 was a difficult year for the RCP. Our governance and leadership were questioned, our culture and processes were scrutinised, and our behaviour, relationship with our membership and perceived lack of transparency were criticised. All of which impacted on our reputation and led to a series of changes, along with pledges to modernise and do better.

Extraordinary general meeting

Increasingly, concerns from fellows and members about the role of physician associates (PAs) and the college's position in hosting the Faculty of Physician Associates were raised and we didn't respond sensitively or quickly enough.

Following a request from fellows, in March we held an extraordinary general meeting (EGM) – only the third in our long history – to debate the role and regulation of PAs. The meeting covered five motions: scope of practice, accountability, evaluation, the impact on training opportunities, and the pace and scale of roll-out of PAs.

Prior to the EGM the RCP commissioned a survey to learn more about our members' experience of working with PAs. The data were analysed and shared at the meeting. Following the EGM, significant concerns were raised in relation to the presentation of information and the conduct of participants.

We acknowledged that the handling of the meeting and the presentation of the survey data fell far short of the high standards expected of us. We also recognised the strength of feeling among some of our members and fellows.

The King's Fund independent learning review

In response to these concerns, the RCP commissioned The King's Fund to independently examine the events surrounding the EGM. The resulting report – an independent learning review – set out 10 key recommendations that focus on improving leadership, management and culture, and structure and processes, including a governance review that considers Board effectiveness, college bye-laws and how RCP Council operates.

We accepted the recommendations in full and developed an action plan to support their implementation. We hope to complete much of this work by the end of 2025, although governance and constitutional changes will include active engagement with the membership and may take longer.

Scale and scope

The EGM included an online ballot of fellows on the five motions considered. All five EGM motions were passed, and we acted swiftly to form a short life working group tasked with developing detailed recommendations, and a PA Oversight Group tasked with implementing them.

The General Medical Council (GMC) became the statutory regulatory body for PAs in early December and the Faculty of Physician Associates closed on 31 December 2024.

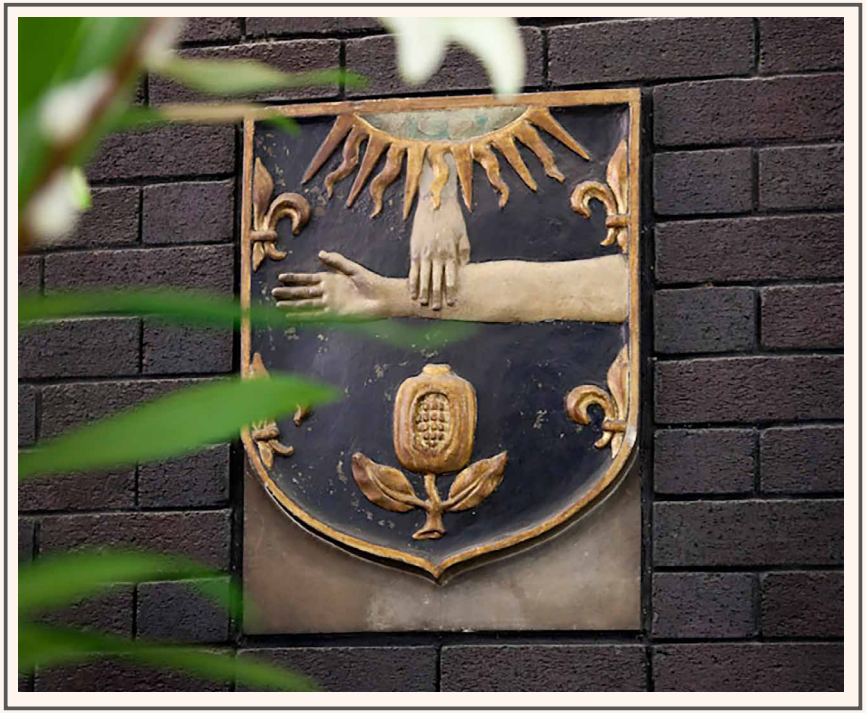
In 2025 the RCP responded to the government's independent review of PAs (the Leng review). We supported the request from our Resident Doctor Committee for a change in nomenclature to 'physician assistant'. We are clear that there must be a limit to the pace and scale of the proposed roll-out of the PA role and that these projections must be reviewed in any new iteration of the NHS Long Term Workforce Plan.

Listening to our members

The events of 2024 underline how vital it is that we listen to the lived experience of our members and colleagues and act on their concerns. It is clear that early career doctors in particular – the next generation of physicians – felt that the RCP was not representing them and that our processes and governance were outdated.

Against these challenges, we refocused our activities and continued to provide a programme of work aligned with our strategic priorities and mission to improve health and healthcare for everyone – highlights of these activities are outlined in this report.

2025 is the year of generation next. This will mark the start of a new chapter for the RCP as we plan and develop our new 3-year strategy. We will focus on constitutional review and a modernising agenda. New senior leadership, including a new president, chair of the Board of Trustees and CEO will take us into a new era where we ensure that listening to our members and responding to their needs and concerns remain a top priority.



Educating

physicians and supporting them to fulfil their potential

We strive for excellence in the training and continuing professional development of physicians throughout their multifaceted careers. We develop them as career-long learners and improvers, leaders, educators and researchers. We formulate and present the knowledge of our members for wider public benefit.

> **Educating physicians to fulfil their potential is a core RCP priority. Our education offer aims to support our members at each stage of their career to enable their progression and meet the changing demands of our profession.'**
>
> – Dr Mumtaz Patel, senior censor and vice president for education and training



Educating
Key activities in 2024



Over
90
chief registrars joined our flagship development programme



More than
3,300
delegates attended our annual conferences Medicine 2024 and Med+



In feedback, over
96%
of people accessing our e-learning resources said they would refer a friend



Our new leadership programme to support career development for SAS doctors welcomed
56 delegates

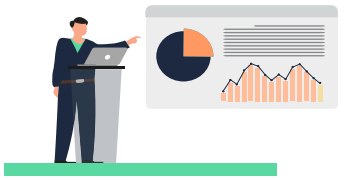


We facilitated over
100
new NHS placements for international medical graduates through the Medical Training Initiative





Our RCP Medicine podcasts covering topics such as smoking, osteoporosis and pandemic preparedness were downloaded over
125,000
times



1,400
delegates attended one of our popular face-to-face ‘Update in medicine’ conferences across the UK

Our activities and achievements

Our new education strategy for the next 3 years aims to align what we offer with the changing needs of the workforce and challenging healthcare climate. Following consultation with our stakeholders, the strategy focuses on providing relevant and engaging education and leadership programmes alongside assessment to ensure that we support doctors to learn and thrive at all career stages.

Supporting physicians throughout their careers

We continued to expand our range of development programmes, supporting the full career spectrum of our members and fellows. New initiatives in 2024 included a development programme for medical directors, a leadership programme for SAS doctors, and a new programme to support doctors through the portfolio pathway. We also launched the second cohort of our postgraduate certificate focused on the medical care needs of adults with learning disabilities, providing fully funded places on this important programme.

More than 3,300 delegates attended our two flagship annual conferences Medicine 2024 and Med+, which provided key learning and networking opportunities as well as vital continuing professional development for doctors at all stages.

Our medical streaming service RCP Player hosted over 30 lectures and webinars, including our acute medicine series which drew an average of 1,500 delegates per episode. Our popular 'Call the medical registrar' conference returned in the summer, helping over 1,700 resident doctors to prepare for the next step in their career.

We successfully delivered commissioned leadership programmes for the UK Kidney Association, the Faculty of Sport and Exercise Medicine and British Association of Sports and Exercise Medicine, as well as continuing the GIRFT Leadership Academy Stroke Specific Programme, which has been shortlisted for an HSJ award.

The Read app current awareness tool allows our members and fellows to keep up to date with the latest research in their specialty. In 2024 there were over 7,000 unique interactions with the RCP e-library.

Federation issued new CPD guidance for communications companies, along with guidelines and updated fees, to ensure that they align more closely with international standards.



Assessment and exams

We established new PACES delivery centres for assessing the key clinical skills of doctors. These will be operational in 2025, increasing the capacity for exam places and number of locations across England.

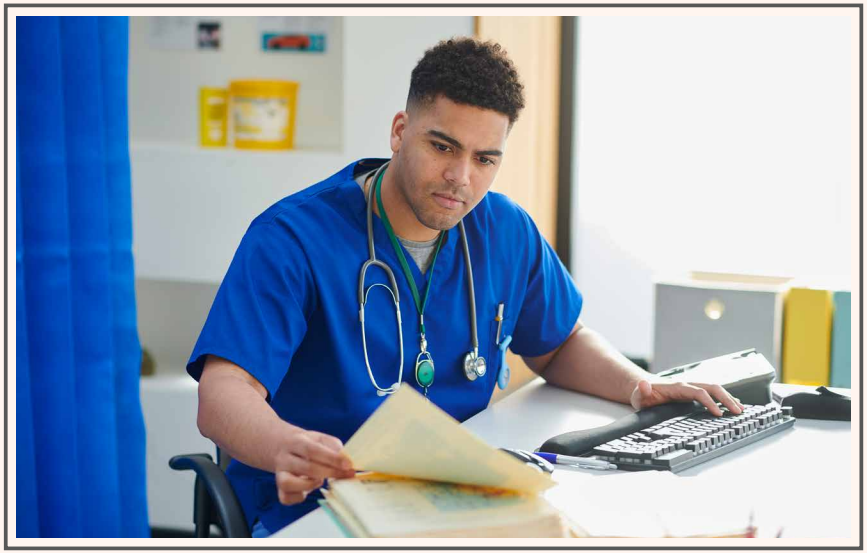
We supported the move of the Diploma in Tropical Medicine and Hygiene examination from the RCP to the Worshipful Society of Apothecaries.

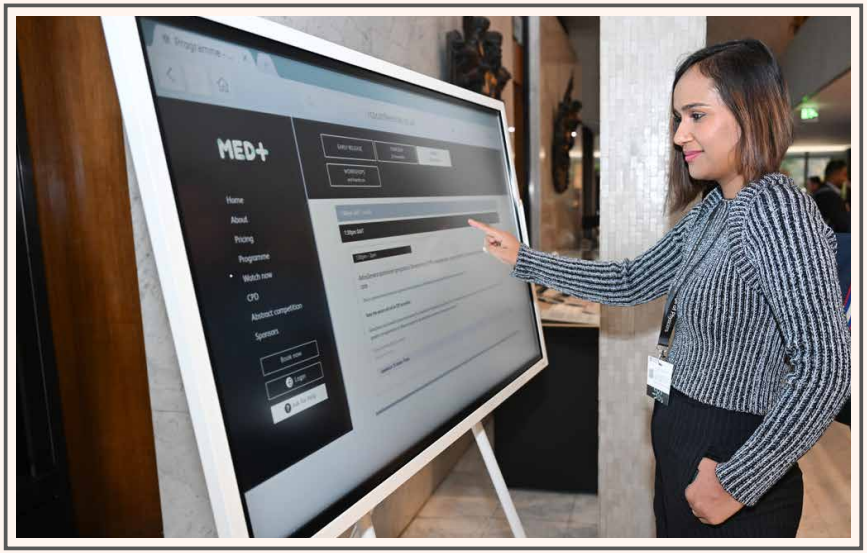
Almost 27,000 candidates took exams – a 7% increase on 2023 numbers – driven by increases in MRCP(UK) Part 1 and international PACES. Federation embedded the new PACES23 assessment format following completion of a final standard setting exercise. It prepared to move the delivery of the international MRCP(UK) Part 2 written, specialty certificate and European specialty examinations to an online platform from 2025.

Training and curriculum development

Federation's development initiatives included:

- evaluating the implementation of all group 1 specialties submitted to the GMC, and creating guidance in response to feedback
- introducing a new portfolio pathway process to replace the former Certificate of Eligibility for Specialty Registration (CESR), alongside new specialty-specific guidance for assessors
- increasing the number of assessors across all specialties and providing refresher training for existing assessors
- updating the Penultimate Year Review forms on the ePortfolio to coincide with the implementation of the new curriculum.





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Global work

We established a partnership with Médecins Sans Frontières to offer a new RCP Diploma in Global Health. Launching in spring 2025, the diploma aims to enhance patient care and improve the organisation of health services in resource limited and humanitarian settings.

We continued to expand our international education provision both online and in person, delivering training at new sites in China and India, as well as programmes to support members and fellows in the RCP Iraq Network. Our Global Women Leaders Programme also continued to expand its reach, delivering sessions and forging new partnerships in India.

Together with our partners at BMJ India we agreed to expand our portfolio of online and hybrid joint courses, building on the success of our existing 'Management of diabetes' course.

We delivered a range of educational and engagement events in 20 different countries throughout the year with in-person representation from RCP leaders, reaching an audience of several thousand.

Through the Medical Training Initiative, we facilitated over 100 time-limited, hands on, NHS placements for international medical graduates. This included monthly engagement and Q&A sessions for those interested in supervising or undertaking a placement.

Federation launched a new internal medicine training (IMT) stage 1 programme at Nanavati Hospital in Mumbai, India and completed the first accreditation of the Aster MIMS Kottakkal Hospital in Kerala, India. An overseas faculty development day received excellent feedback from participants, and led to a promotional video.

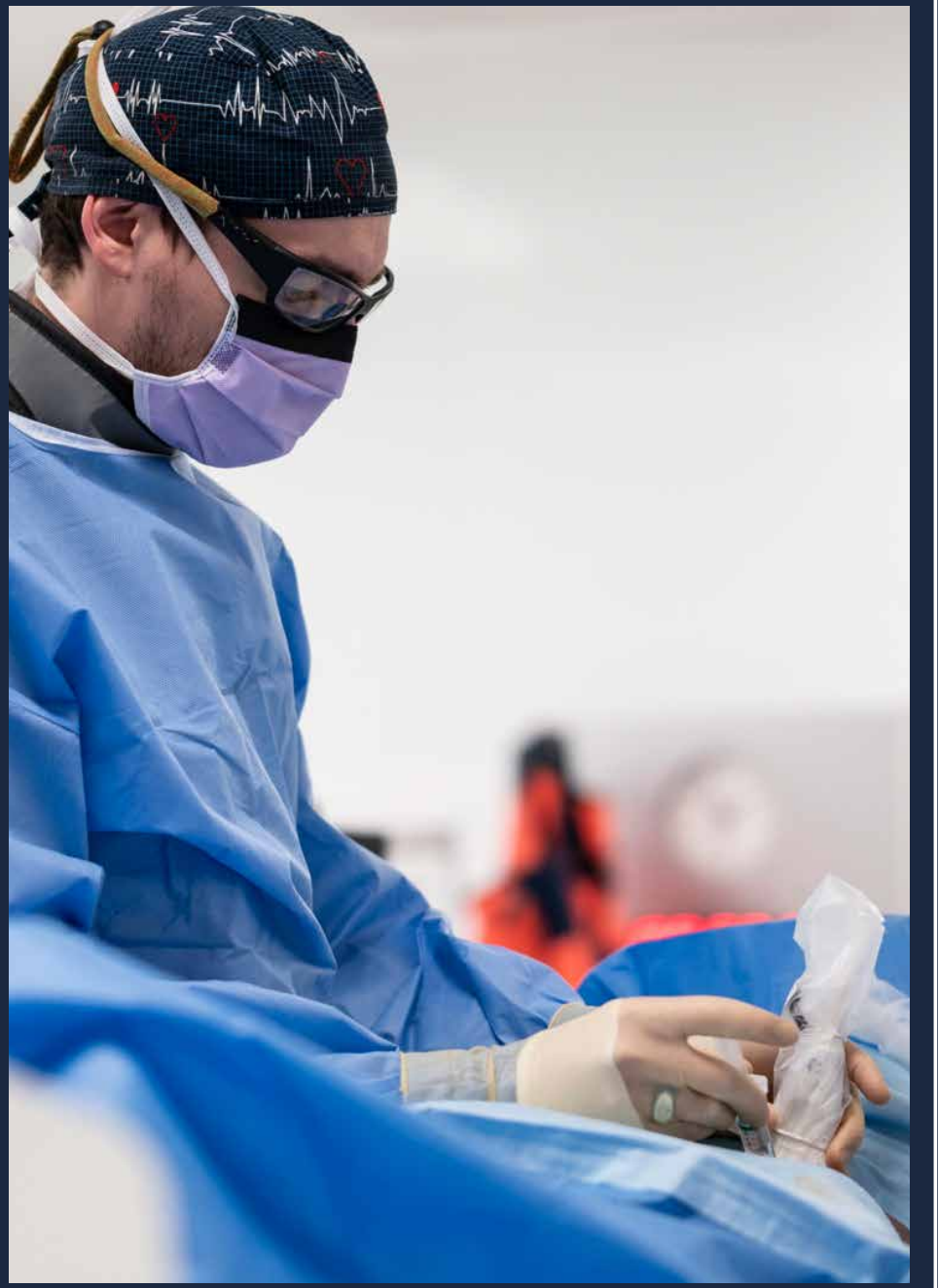
To increase the opportunities for international doctors to sit our clinical exams, Federation established new PACES centres in Bahrain and Nepal, and conducted successful pathfinder visits to the UAE and Egypt.

Improving

health and care and leading the prevention of ill health across communities

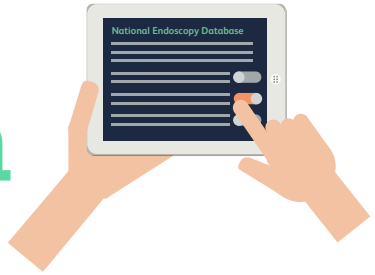
We improve the quality, outcomes, safety and experience of patient care by developing and setting standards. We support the clinical community to embed those standards by enabling and sharing local, regional, national and international quality and service improvement initiatives. We continually seek to identify and respond to the improvement challenges that our members face in practice.

> **“The RCP supports physicians to continuously improve care through setting clinical care standards, measuring care against these, identifying and sharing excellent and emerging practices and challenges, and guiding them to implement changes for better outcomes.’**
>
> **– Dr John Dean, clinical vice president**



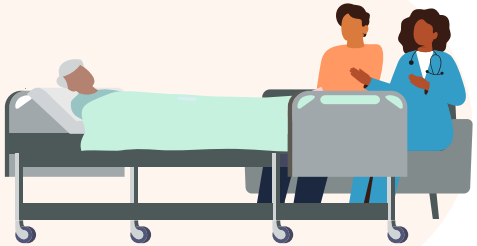
Improving
Key activities in 2024

Over
2 million
procedures were uploaded to the National Endoscopy Database



We celebrated 30 years of JAG, the Joint Advisory Group on GI endoscopy

Our new uncertain recovery guide supports doctors to have honest conversations with patients



We launched an acute care toolkit on managing multiple medications



58
delegates attended our medical director day to learn and share experiences





Data from our national audit programmes supported key improvements in falls and fractures prevention and respiratory care

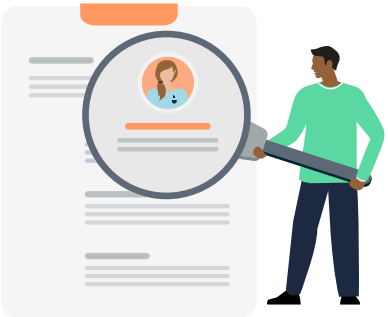
Medical Care – driving change, our online improvement hub, delivered
17
live webinars for clinicians



Over
100
clinical services met the accreditation standards across our six programmes



Our regional advisers reviewed over
900
consultant job descriptions



Our activities and achievements

We collaborated with patients, specialist societies and other partners on resources to assist clinical teams in delivering healthcare improvements. Our audit and accreditation programmes aimed to improve patient care by measuring care and outcomes. Our improvement hub, Medical Care – driving change, highlighted examples of best practice and innovation across the NHS.

Audit, accreditation and service review

Our National Respiratory Audit Programme (NRAP) improved online reporting to help clinicians act swiftly to address variations in care, leading to better patient outcomes. The data collected can also be used to advocate for necessary resources, making a real difference to respiratory care quality. We published state of the nation and organisational reports, featuring clear recommendations to drive improved patient outcomes and inform policy and decision-making processes in the NHS in England.

We broadened the scope of our Falls, Fractures, and Fragility Audit Programme and gathered data on around 6,000 more inpatient fall cases annually. We supported seven services identified as having high hip fracture mortality, with three now showing improved results. A new preoperative delirium assessment in the Best Practice Tariff is set to benefit over 80,000 frail patients each year, highlighting the programme's dedication to improving patient care through specific interventions and data collection.

We hosted a clinical summit to discuss a future vision for falls and fragility fracture patients, and our data were used to shape the new Getting it Right First Time non-ambulatory fracture pathway. The FLS-DB data has also been instrumental in supporting the ROS's campaign to ensure 100% FLS coverage across England and Wales, striving to provide equity across the UK.

The process of gaining accreditation is truly collaborative, with over 150 assessors, including medical, nurse and lay assessors conducting assessments and annual reviews – crucial for maintaining high standards and continuous improvement in healthcare services. Our Accreditation Unit increased the number of services registering and gaining accreditation from our six programmes covering endoscopy, allergy, pulmonary rehabilitation, primary immunodeficiency, liver and diabetes services, with over 100 services meeting the standards. Nearly 1,800 medical professionals attended an endoscopy course through the JETS Workforce programme, and more than 2 million endoscopy procedures were uploaded to the National Endoscopy Database – a unique repository of real-time data. We also launched new accreditation standards for IQILS, our liver accreditation programme.

We delivered 15 invited reviews to support healthcare organisations requiring independent advice. These complex reviews can involve high-profile, well-publicised patient safety issues. We collaborated with specialist societies and professional bodies to appoint review teams of consultants and members of the wider multidisciplinary team to ensure a range of expert opinions in the process.

Patient safety

We appointed a new clinical lead for acute deterioration, who will oversee NEWS2, our widely used early warning score.

We also appointed a new clinical lead for patient safety learning, who represents the RCP on NCEPOD and is leading a working party focused on 'Closing the loop' – how the NHS learns from patient safety events.

Patient safety formed a key theme on our Medical Care – driving change improvement hub. We also formed a new Digital Safety Group, and ran a workshop for resident doctors at our Med+ conference on 'Learning from mistakes'.

Enabling improvements in care

We delivered a medical director day for 58 delegates – a record number. This event brings together medical directors to share learning from the challenging situations they face in the role and discuss how we can help to resolve them.

Further NHSE funding has been confirmed to support the delivery of future credential cohorts in the key areas of obstetric medicine, adult gender identity healthcare, and supporting the medical needs of adults with learning difficulties.

We continued to work in partnership with the College of Physicians Malaysia to run the annual clinical audit and improvement workshop and leadership workshop for Malaysian resident doctors.

Guidance and resources

We continued to support chief registrars with a unique and bespoke leadership development programme and action learning sets for the duration of their time in post.

Our Medical Care – driving change website continued to provide a range of resources to support clinical teams with sustainable improvement and innovative practice. We ran 17 live CPD-accredited webinars, and collaborated with a range of key experts and influencers.

We launched a new acute care toolkit on managing multiple medications, which outlines key presentations and complications of polypharmacy, to support clinicians caring for patients who are admitted to acute care.

Our new guide 'Talking about uncertain recovery' was developed in collaboration with palliative care consultants. Using a simple framework and communication tips, it supports doctors to have honest conversations with patients. We also ran a popular and highly impactful live webinar on the subject that received nearly 23,000 impressions on social media.

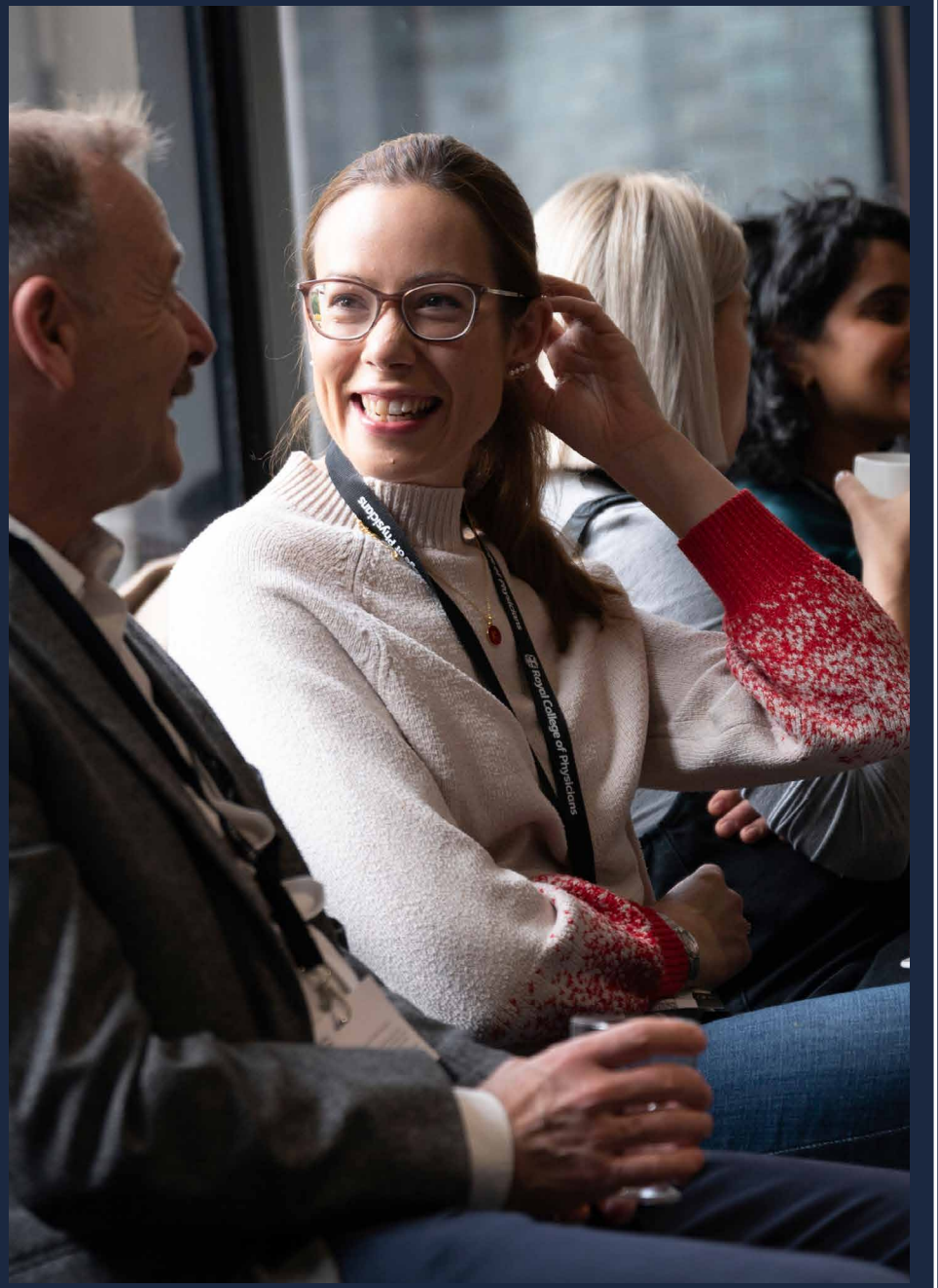


Influencing

the way that healthcare is designed and delivered

Using insights and feedback from our members, we provide leadership to shape government, health and care policy and practice. We constantly improve our understanding of the drivers of good health, the physician community and the NHS. We are the voice of medicine and set standards for medical care, working alongside the wider medical community, patients and our partners to develop, promote and publish solutions.

> **Highlights this year include the biggest (by numbers) and best (by feedback) conferences ever, increased submissions to our journals, and some major influences on policy and practice, such as through our Green physician toolkit.'**
>
> **– Professor Tom Solomon, academic vice president**



Influencing
Key activities in 2024

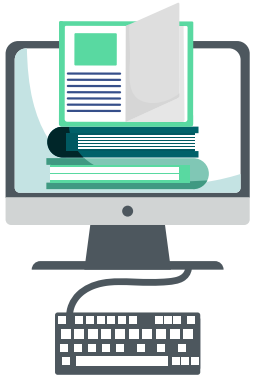


The results of the 2023 consultant physician census underpinned our campaign work to improve the lives of doctors



We launched our new, user-friendly website, a key step in our digital transformation

Publication of our journals *ClinMed* and *FHJ* successfully moved to Elsevier, widening their reach



Our new Green physician toolkit helps doctors mitigate and adapt to the impacts of climate change



We gained more than

13,500

new followers on social media



Over

3,870

doctors joined the RCP, including 600 new fellows





We launched guidance for members to tackle health inequalities in their work, a report on e-cigarettes, and a range of position statements on the NHS workforce



Spark, our popular staff intranet, recorded over

430,000

page views

Our activities and achievements

We continued to promote, advocate and campaign on the issues that we know matter most to our members. We launched a new report on e-cigarettes, secured commitments in party manifestos during the 2024 general election and responded to the voices of our members on the role of physician associates (PAs).

Policy and campaigns

We published a pre-election manifesto to influence the 2024 general election, setting out five priority areas for the next government. We welcomed the Labour Party manifesto commitment to publish independent workforce data, which we campaigned for, along with all party manifestos committing to reintroduce the Tobacco and Vapes Bill. Post-election, we responded to the Change NHS consultation with recommendations for the three proposed shifts from analogue to digital, sickness to prevention and hospital to community.

We campaigned for modelling of the medical specialty workforce in the revision of the NHS Long Term Workforce Plan (LTWP), and held our annual medical specialties roundtable with representatives from the GMC and NHSE to discuss key considerations for the 2025 iteration of the plan. We published the 16th survey reporting the experiences of and outcomes for physicians within a year of gaining their CCT (certificate of completion of training).

We launched our NextGenPhysicians campaign focused on early career doctors and called for a comprehensive review of postgraduate training. Ensuring that doctors feel supported and valued continued to be a priority, and we were one of many voices successfully persuading NHS England to continue funding NHS Practitioner Health.

Following an extraordinary general meeting (EGM) in March, we published a new policy position calling on NHS England to review the projections for growth in the PA workforce in the 2025 iteration of the LTWP. We delivered all 14 of the recommendations made by the RCP short life working group on PAs, and welcomed the government's



commitment to an independent review of the PA workforce led by Dame Gillian Leng.

We continued campaigning for a cross-government strategy to reduce health inequalities that tackles the factors that make us ill in the first place. We published a new report on e-cigarettes, gave evidence to the parliamentary committee scrutinising the Tobacco and Vapes Bill and developed guidance to help our members prioritise tackling health inequality in their work. Post-election, we welcomed a strengthened Tobacco and Vapes Bill and commitments to ban junk food advertising after sustained campaigning. We continued to lead the Inequalities in Health Alliance – marking its fourth anniversary – and contributed to the Alcohol Health Alliance, Obesity Health Alliance and UK Health Alliance on Climate Change.

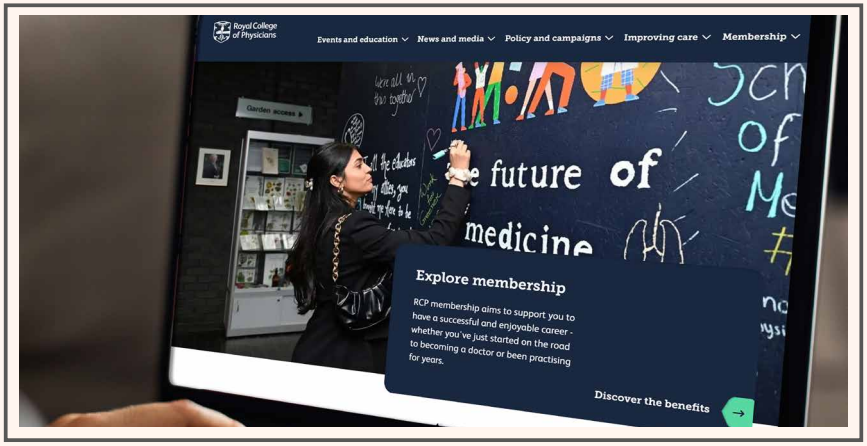
Our new *Green physician toolkit* suggested actions for physicians to help mitigate and adapt to the impacts of climate change. We also called on the secretary of state for net zero and energy security to prioritise health at COP29.

We launched a new campaign for NHS England to publish data on patients being treated in corridors, with our concerns highlighted in parliament.

We published the findings of the RCP 2023 census throughout the year, including a spotlight on physicians' research activity, the impact of health inequalities on physician workloads and a write-up about physicians' working lives.

In Wales, we hosted roundtables in order to develop our manifesto for the Senedd 2026 elections. We also provided written submissions to influence policy, including the Welsh Government's Health Impact Assessment regulations, the Health and Social Care Committee's inquiry into obesity and the Women's Health Plan in Wales.

We published new guidance focused on educational and career support for locally employed doctors and international medical graduates and specialist, associate specialist and specialty doctors.



Media and engagement

We launched our new website, following many months of development and user testing. Boasting an entirely new look and feel, it has a new, more intuitive structure. This makes content easier to find for our members and other audiences, allows us to better showcase our important work, and improves user journeys across the website.

Despite a challenging media landscape for the RCP in 2024, we secured more than 4,500 media mentions throughout the year, averaging more than 12 mentions per day. We almost doubled our share of sector media mentions, increasing our position among peer organisations.

Our presence on social media grew significantly, with post engagements more than doubling to 261,000. Our posts reached 3 million more people than in the previous year and we gained more than 13,500 new followers across all platforms.

In June our award-winning membership magazine *Commentary* moved entirely online, supporting the RCP's sustainability goals and our aim to adopt a digital-first strategy in 2025. Issues featured insightful interviews with healthcare leaders and RCP senior officers, as well as an edition edited by members of the RCP Resident Doctor Committee.

Data from our FFFAP audit programme were used to underpin news articles in the *Times*, *Daily Mail* and *Commentary*.

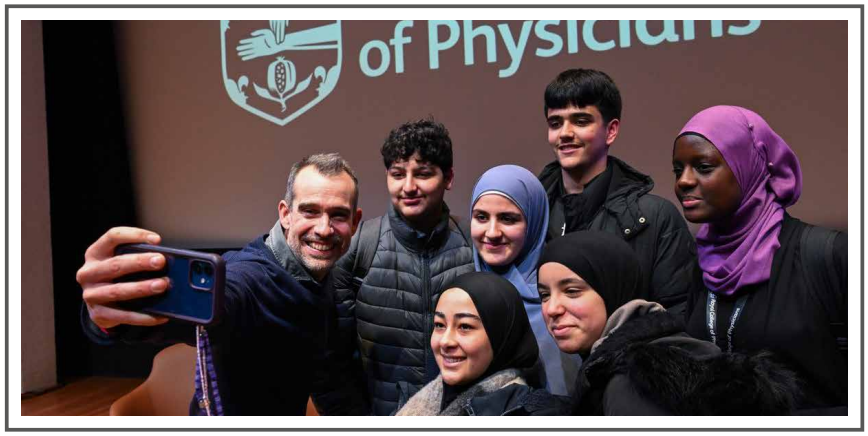
We continued to improve the way we communicate and collaborate with our staff by developing our intranet, Spark, including a new section for managers, integration of help desks and new types of content.

Spreading best practice

Our journals successfully partnered with publishing house Elsevier, transitioned to new systems and platforms, and won the Directory of Open Access Journals indexation. *Clinical Medicine* moved into top quartile of general and internal medicine journals. *Future Healthcare Journal* launched a new feature called the 'FHJ debate' to increase engagement with readers.

Submissions to our journals increased by 23% for *Clinical Medicine* and 87% for *Future Healthcare Journal* compared with 2023. There were almost 9 million article downloads across both journals, and more than 109,000 online views of *Commentary*, our member magazine.

We created engaging and topical programmes for our key conferences, offering delegates the opportunity to hear from expert speakers on the latest practice, new guidance and innovative thinking. We held a further 30 events, including webinars and lectures such as our prestigious Harveian Oration, and the highly popular Christmas lecture for young people, which was presented by Drs Chris and Xand van Tulleken.



Promoting medicine and the RCP

Our museum collections were viewed online and in person at our London site by more than 480,000 people in 2024, with loaned items viewed by over 440,000 visitors in other locations.

We opened Healing words, a new exhibition on medicine in early modern England, to positive reviews. Our free schools programme used our historic collections to promote future medical careers to over 100 students from the London and South East area. We delivered in-person and virtual tours to over 1,300 attendees, and our events programme attracted over 1,000 visitors.



Our enablers

Our enablers form threads that run through and support each of our three priorities.

1 Membership engagement

More than 3,870 doctors joined the RCP, with 618 becoming fellows.

We continued to support our network of 600 college and associate college tutors, delivering a half-day online conference and introducing a more interactive meeting format to increase engagement.

We appointed a new SAS lead to support opportunities for SAS doctors, and online and in-person meetings were hosted by the regional SAS leads.

We carried out eight visits to NHS trusts with RCP senior officers in England, Wales and Northern Ireland, hearing from physicians locally about their experiences of working in the NHS.

We held our New Consultants Conference as a digital event with over 400 delegates, 60% more than the previous one. We also held three forums for new consultants with 140 attendees in total.

We relaunched RCP Launchpad, our exclusive member-only resource that brings together information, tips and guidance for senior resident doctors, new consultants and SAS doctors.

The Advisory Appointments Committee (AAC) service supported the appointment of consultant and SAS posts in the NHS with 579 AAC panels supplied with an RCP representative, of which at least 376 led to appointments (about which we have been notified).

Our regional specialty advisers and regional advisers reviewed 912 job descriptions.

We held a regional virtual poster competition with 228 submissions by resident doctors and a published digest of the winning entries.

We hosted three Senior Physicians Society events for our retired community allowing them to connect with colleagues and enjoy scientific, cultural and educational talks.

We carried out the first RCP international membership survey to shape our future engagement and educational activities.

Members enjoyed free access to our e-learning programmes as well as discounted fees for workshops, conferences and events.

The RCP e-library provided access to a wide range of online resources.

2 Working with patients

Our Patient and Carer Network members contributed invaluable insights and expertise to a wide range of projects, education programmes, events and guidance. These included Medicine 2024, Chief Registrar Programme and our Medical Care – driving change improvement hub.

Our Invited Review Service enabled patient and relative experiences to be included in clinical record reviews, offering them the opportunity to give statements and speak to the review panel. This inclusion has enhanced the quality of our reviews.

> **‘The Patient and Carer Network brings patient and carer experience and expertise to the heart of the RCP. The collaboration between patients, carers and physicians is vital for strengthening the health of our communities.’**
>
> **– Sam Mauger, Patient and Carer Network chair**

3 Diversity and inclusion

We published our final update on progress implementing the 29 recommendations from Ben Summerskill's 2020 report on diversity and inclusion at the RCP, and were pleased to report good overall progress, reflecting our strong commitment to strengthen a culture of diversity and inclusion.

We continued to be mindful of diversity when engaging speakers for conferences and events, recruiting to roles, boards and committees, and in our communications and published materials.

We included content on equality, diversity and inclusion (EDI) across our educational and leadership programmes.

We continued to engage with social and societal movements, tackling institutional bias and prejudice. RCP museum collections are being reviewed in accordance with ethical guidelines. Historical bias is being removed or contextualised and we are revealing previously unacknowledged links to oppression and prejudice.

Our Invited Review Service medical director day included a talk on managing perceived and real discrimination in the NHS, prompting valuable discussion on how it affects the delivery of healthcare.

Our officer appointment processes now include staff panels focusing on RCP values.

We continued to encourage our members to complete their EDI information to support our data and monitoring.

Federation continued work to maximally decrease differential attainment through activities designed for the GMC Fair Training Cultures initiative. It launched internal medicine quality criteria with a focus on EDI.

4 Governance and stakeholder engagement

We held elections for the academic vice president and elected councillors, with just over 27 % of the fellowship voting.

We heard our members' increasing concerns on the role of physician associates (PAs), which led to an extraordinary general meeting (EGM) of fellows in March, followed by an online ballot of fellows on the five motions considered. A short life working group was formed to develop recommendations, and a PA Oversight Group tasked with implementing them. The GMC became the statutory regulatory body for PAs in early December and the Faculty of Physician Associates closed on 31 December.

RCP Council formed a Next Generation Oversight Group to oversee and guide cross-college activity on the development, implementation and evaluation of workforce-related policies.

Following the EGM we commissioned The King's Fund to undertake an independent learning review. We accepted the report and its recommendations in full and developed an action plan to deliver them.

Our Constitutional and Governance Review Group considered elections and wider constitutional issues to advise RCP Council on future options, including relevant recommendations from The King's Fund.

> **"Our governance and constitutional reforms offer an opportunity to modernise the RCP for now and the future. Having modern constitution and governance structures is a vital part of how we serve our members and ultimately our patients' needs.'**
>
> **– Dr Omar Mustafa, registrar**

Our annual general meeting (AGM) of fellows took place in September. We then prepared for a contested presidential election in 2025, following the departure of the incumbent president in June. We also prepared to recruit a new independent chair of the Board of Trustees and a new CEO.

We worked closely with healthcare governance and delivery bodies to support the training and development of doctors in the UK and around the world.

Federation launched a new website, merging the previous MRCP(UK), JRCPTB and CPD websites to provide a single online resource for all stakeholders. It also implemented a new customer relationship management system to enhance customer service and efficiencies.

5 Sustainability

We signed up to the UK Health Alliance on Climate Change (UKHACC) commitments, a set of guiding principles designed by UKHACC to help health organisations take steps to mitigate and adapt to climate change, including on travel policies, embedding net zero into governance and prioritising plant-based and sustainable foods.

The Spine was officially certified WELL Platinum in 2024. This building standard takes into consideration environmental and workplace quality, and the platinum rating makes it one of only seven of the healthiest buildings in the UK.

We continued to deliver boards and committee meetings online, minimising the need for travel. We also used online workshop and programmes as a more sustainable delivery option where appropriate.

The RCP at Regent's Park won a Gold Standard Award for recycling in 2024, achieving an average rate of 80% across the year. We also continued to replace LED lamps across our London estate, resulting in reduced energy consumption and cost efficiencies.

Green energy utility supplies were introduced in 2024 to further reduce greenhouse gas emissions and reliance on fossil fuels, supporting the RCP's environmental sustainability goals.

We implemented new facilities management contracts in both London and Liverpool to improve quality of service and efficiency in technical maintenance provision, cleaning and security, coupled with a major reduction in cost.

Our meetings and events team generated a £1.1m surplus from commercial activity to support RCP activities.

We achieved ISO 9001:2015 accreditation for Spaces at The Spine in Liverpool, won the Liverpool City Tourism Award for Best Business Venue and grew income by over 20%. RCP London Events won Gold for 'Best Venue under 500 Theatre Style' at the Conference and Events Awards 2024.

Looking ahead

In 2025 we plan to carry out the following activities, grouped under our three priority areas and enablers:

Educating

- Continue to evaluate our education portfolio to ensure that we are meeting the needs of doctors at all stages of their career.
- Launch a new RCP Diploma in Global Health in partnership with Médecins Sans Frontières.
- Expand our leadership programmes to support GIRFT specialty areas.
- Empower members and fellows across the world to access education and training opportunities.



- Federation to
  - deliver the international MRCP(UK) Part 1 Written exam online
  - evaluate group 1 specialties implementation feedback and develop action plans
  - commence new quality assurance of specialty curricula
  - assess new solutions for the Exams Management System and ePortfolio
  - explore a new IMT centre in Hyderabad and run first PACES exam in Alexandria, Egypt.

Improving

- Deliver invited reviews and a medical directors day.
- Launch an NRAP community of practice to support and connect the pulmonary rehabilitation community.
- Work with the Academy of Medical Royal Colleges to update guidance on writing outpatient clinic letters to patients.
- Relaunch the Excellence in Patient Care Awards.
- Launch a new clinical improvement and innovation network.
- Integrate Medical Care – driving change into the main RCP website.
- Enable staff in our improvement directorate to start improvement apprenticeships.
- Publish the new *Prescription for outpatients* report in collaboration with the Patients Association.
- Support members and fellows with resources to implement digital tools and technology into their clinical practice safely.

> **“It’s a privilege to listen to our Patient and Carer Network perspectives and to help ensure that their voices influence key RCP activities and strategies.’**
>
> **– Dr Laura Waters, RCP patient involvement officer**

Influencing

- Shape and influence the delivery of the UK government's three shifts for the NHS in England, as well as government priorities in Wales and Northern Ireland.
- Ensure a strong medical voice in the public health agenda, with a particular focus on air quality, smoking, obesity and alcohol.
- Launch a new RCP report on air quality.
- Deliver the NextGenPhysicians workstream to ensure that our campaigning meets the needs of early career doctors in the UK.
- Highlight the clinical and service pressures that members are under, proactively seeking intel from them to inform our campaigning.
- Campaign for increased research activity among clinicians and support clinical academic careers at all stages.
- Expand our media profile, social media reach and continue to enhance the new RCP website.
- Engage with members, fellows and specialist societies to influence the 2025 NHSE long-term workforce plan revision, and campaign for long-term workforce planning in Wales and Northern Ireland.
- Survey the membership to gain key insights to drive our policy and influencing work, including snapshot surveys and the 2025 Focus on physicians survey.
- Run an active programme of conferences, exhibitions, events and tours.





© Saul Perryman

Our enablers

1. Membership engagement

- Launch an online Register of Fellows and 'new fellow' forums.
- Introduce regular 'Meet the president' events, and introduce a programme of member listening activities to better understand attitudes to the RCP and feed into our next strategy.
- Launch the next SAS doctor strategy.
- Engage with resident doctors via the Turner-Warwick lecturer scheme 'Call the medical registrar' conference and virtual poster competition.
- Develop Launchpad content for new consultants and SAS doctors.
- Hold eight face-to-face regional update in medicine conferences.
- Develop our guidance and offer for refugee doctors in the UK.
- Use the feedback from our first international membership survey to shape our new global strategy.
- Agree a new memorandum of understanding with the East, Central and Southern Africa College of Physicians (ECSACOP), to support it to double the number of physicians in the region by 2030.
- Hold an international fellowship ceremony in India.

2. Working with patients

- Expand the Patient and Carer Network (PCN) and build connections with other patient organisations to diversify the voices we hear from to inform our work.
- Continue to work with our PCN to ensure that the patient and carer voice is heard in our work.

3. Diversity and inclusion

- Continue to implement the diversity and inclusion recommendations set by Ben Summerskill in 2020.
- Federation to provide data on MRCP(UK) to the GMC EDI action plan, analyse PACES examiner activity and performance by candidates who requested reasonable adjustments, and continue to analyse differential attainment.

4. Governance and stakeholder engagement

- Elect a new president, appoint a new independent chair of the Board of Trustees and a new chief executive.
- Deliver or work towards delivering The King's Fund recommendations as well as seeking further independent advice on key areas of governance identified.
- RCP Council to review recommendations on electoral and wider constitutional change, and consult with the fellowship on any proposals prior to consideration at the 2025 AGM.
- Appoint a new global vice president, associate global directors and international advisers.
- Recruit a new director of the Medical Workforce Unit and a new clinical adviser in flexible working.
- Develop an RCP digital engagement strategy to recommend improvements to our digital estate.
- Federation to establish a Finance, Audit and Risk Committee to strengthen governance of these activities, and develop a new exams management system to mitigate significant risks and enable more efficient delivery of exams.

5. Sustainability

- Continue to work towards the UKHACC commitments, including updating our travel policy for staff and members.
- Begin to explore options for the RCP's London estate, reviewing the space required to ensure that we are fit for the future.

Our structure, governance and management

The RCP is a registered charity (no. 210508), incorporated by royal charter dated 23 September 1518, affirmed by an act of parliament in 1523. The charter of 1518 was amended by a supplemental royal charter dated 11 March 1999. The governing instruments of the RCP are the royal charters, and the bye-laws as amended from time to time. The RCP is also registered at Companies House as a company incorporated by royal charter (no. RC000899).

Board of Trustees

The Board of Trustees is the RCP's governing body and meets five times a year – four main quarterly meetings plus a November budget review meeting. It is responsible for:

- ensuring the RCP operates within its charitable objectives, and its standing orders in terms of matters reserved for the Board and those delegated to the CEO
- providing strategic direction
- agreeing the RCP annual operations plan and monitoring the progress of performance against that plan
- ensuring the effective management and custody of all RCP assets.

The RCP is committed to ensuring best practice governance and the Board of Trustees embeds the Charity Governance Code to ensure the organisation's effectiveness:

- **Organisational purpose** – the Board of Trustees is clear about the RCP's purpose, vision and mission as described in this report, and the public benefit this serves in supporting the evolution of the healthcare agenda. Work to refresh the RCP strategy will be undertaken in 2025.
- **Leadership** – in addition to setting strategy, the Board of Trustees seeks to provide leadership for the RCP and ensure delivery of the charity's aims and values by the involvement of trustees (officers and lay trustees) alongside the executive team in key committees.
- **Integrity** – trustees are expected to follow 'The seven principles of public life' drawn up by the Committee on Standards in Public Life. The RCP has embedded its Code of Conduct and organisational values within all areas of its business. A raising concerns policy is in place to support and encourage a responsive culture where people can speak up when things go wrong and the organisation can continue to learn and improve. An anti-fraud policy is also in place, supported by existing RCP policies including hospitality and gifts (anti-bribery). A statement relating to the Modern Slavery Act is on the RCP website.
- **Decision-making, risk and control** – in order to ensure strong oversight of the organisation by the Board of Trustees, the RCP commissioned three internal audits in 2024. The RCP continues to embed improved risk identification and reporting.
- **Board effectiveness** – the members of the Board reflect the complexity of the organisation in terms of expertise in areas of interest.
- **Equality diversity and inclusion** – in 2020 the RCP published an independent review of equality, diversity and inclusivity across all areas of activity, recommending an ambition for our voluntary and staff roles, including trustees, to reflect the diversity of the medical workforce. The Board currently has a diverse membership, and this will be reviewed and built on over time.

- **Openness and accountability** –the RCP has many touchpoints with a wide variety of stakeholders. A Council meeting is aligned with our annual general meeting to improve attendance and enable a question-and-answer session with trustees as part of the meeting.

The Board of Trustees has the authority to delegate any of its powers to the RCP's boards and committees. Ultimately, all decisions apart from changes to the bye-laws and regulations are either taken by or on behalf of the Board of Trustees, and reported at the annual general meeting.

The Board of Trustees comprises:

- senior officers of the RCP (*ex officio* – five)
- members nominated from Council (three)
- independent members appointed by the Board of Trustees (up to six)
- an independent chair.

Independent trustees are recruited following a rigorous selection process based on the needs of the Board in terms of expertise in areas of interest or risk to the RCP that require specialist support. All trustees are inducted in the operations of the RCP as well as their statutory obligations as a charity trustee when they are appointed. The training requirement for trustees is kept under regular review. An online governance hub makes material more accessible to trustees and an online declaration of personal interests and good standing of trustees supports good governance processes.

RCP Council

Council meets six times a year. Its function is to develop RCP policy in relation to professional and clinical matters, and to give authority to:

- RCP statements and publications
- conduct and results of the MRCP(UK) examination
- elections to the fellowship and membership as well as of RCP officers.

There is one board that maintains close and effective links with the medical specialist societies and rep orts to Council:

- Medical Specialties Board.

RCP officers

The senior officers of the RCP (president, clinical vice president, academic vice president, vice president for education and training, treasurer and registrar) all have trustee responsibilities during their tenure. The president, treasurer and registrar are trustees of the charity for the entirety of their tenure, while vice presidents are trustees on a rotational basis. Their involvement in all of the main boards and committees of the RCP ensures that due consideration is given to the RCP's charter and bye-laws on every occasion.

Annual general meeting

The annual presidential election is held on the first Monday after Palm Sunday by Act of Parliament. The AGM was decoupled from the presidential election in 2020 and now takes place in September.

Fellows

Fellowship is the highest level of membership of the RCP and comes with many benefits and responsibilities. Fellows will be clinical leaders within their teams and will demonstrate excellence in a range of professional domains. Fellows are nominated or can be self-nominated for election with Council as final arbiter. Fellows have the right to stand for office, to vote for officers and to attend and vote at the AGM.

Boards

There are four boards with specific responsibility to the Board of Trustees. They are:

- Council
- Finance and Resources Board
- Audit and Risk Committee
- Remuneration Committee.

Finance and Resources Board

In 2024 the Finance and Resources Board met four times. It has responsibility for:

- agreeing and monitoring the application and use of resources
- monitoring the business planning process and delegating decisions on new activities to senior management within agreed financial limits.

The Board is chaired by the treasurer, and its membership includes the president and registrar (both ex officio), two elected members of Council, two other fellows and up to five members from outside the RCP.

There are three committees with specific responsibility to the Finance and Resources Board. They are:

- Funding Awards Committee (formerly Trust Funds Management Committee)
- Investment Advisory Panel
- Estates Committee.

Audit and Risk Committee

This committee met four times and is responsible for internal controls, risk management and audit, leading to assurances on the veracity of the financial and management statements. During the year the committee commissioned three internal audits by HaysMac, as part of a continuing series which seeks to examine and improve various financial and operational practices of the RCP.

Remuneration Committee

This committee is chaired by an independent trustee and includes the RCP treasurer, director of finance, and an external independent adviser. Members are selected for their ability to exercise independent judgement on remuneration and governance matters.

The committee advises the Board of Trustees on pay policy, key management remuneration, and the annual pay award. It focuses on CEO and executive pay and considers wider issues such as overall pay structures, the gender pay gap, and other relevant pay-related matters. Discussions are informed by a detailed annual report from the executive director of People and Culture, supported by external benchmarking data.

A full organisational benchmarking exercise is carried out every 3 years with external experts to ensure fair and competitive pay. Recommendations are reviewed and approved by the Board of Trustees.

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with Financial Reporting Standards (FRS102) and applicable law.

Under charity 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 the charity and the group and of the group's net incoming or outgoing resources for that period. I n preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the presentation principles in the Charities' Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity and the group will continue to operate.

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

The trustees of the charity are aware of their duty under section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

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

Management

Responsibility for the day-to-day operations of the RCP is delegated to the chief executive, who is accountable to the Board of Trustees. The management and staff of the RCP are structured to carry forward the work and achieve the objectives of the RCP, and to provide support services. Each department of the RCP is also overseen at a governance level by a designated officer.

Key management personnel are considered to be those personnel who have the authority and responsibility for planning, directing and controlling the activities of the RCP. Key management personnel are remunerated within the RCP's general staff policy for pay and reward that is competitive within the charity sector, proportionate to the complexity of each role, and responsible in line with our charitable objectives.

A large number of volunteers are involved with the RCP's work, in the UK and abroad. The vast majority are doctors who are RCP members and support RCP activities, such as by being examiners, regional advisers or representatives on consultant appointment committees. There are many more examples, and the RCP also has a Patient and Carer Network which allows members of the public to become involved. Medical staff give their own time, but also rely on NHS guidance about the ability to use NHS time for the greater benefit of the NHS.

Modern slavery statement

Pursuant to section 54(1) of the Modern Slavery Act 2015, the RCP has published a slavery and human trafficking statement on its website.

Risk management and principal risks

The trustees have overall responsibility for risk management in the RCP. Agreed processes are in place by which the trustees review, identify and assess major risks and agree with management the controls that already are, or will be, put in place to manage those risks. These details form part of the risk register, which trustees regularly review in full. The controls put in place provide a reasonable but not absolute assurance that risks have been adequately mitigated.

Risk issues in the day-to-day operations of the RCP are delegated to management to monitor and implement appropriate control measures. Any new areas of risk identified are reported to the Audit and Risk Committee, including how they have been managed. The Audit and Risk Committee reports any areas of concern to the trustees, with recommendations for corrective action.

The principal categories of risk that the RCP monitored and sought to mitigate in 2024 and into 2025 are:

- continuing geopolitical events driving up cost inflation for staff, goods and services increasing pressure on operating budgets, value of investments and rising interest rates
- operational matters regarding the Federation and its activities, which could impact on the sustainability of relationships with key partners as well as sustainability of income
- increasing cost of running an ageing Grade I estate in London and the impact increased costs have on the ability to achieve core charitable purposes and strategic objectives
- redundant areas of our buildings due to new models of flexible working and online activities and the impact this has on the ability to realise the full potential of the estate
- risk from cyber threats as a result of credential compromise, data leaks or network compromise
- challenges relating to the outcome of the 2024 EGM and conclusions of the subsequent King's Fund independent learning review.

Remedial actions to mitigate or remove these risk areas focus on:

- robust budgetary control systems and redevelopment of financial strategy driven by in-depth executive review of college activities
- continuing to collaborate with partners to deliver a programme of improvement to Federation activities, processes and governance to ensure efficient and effective ways of working, which mitigate operational risks to Federation and ensure fitness for purpose collaboration for all partners
- exploration of estate capacity versus future estate needs to inform negotiations with The Crown Estate regarding lease allocations
- the Estates Committee continue to drive development of a modern and agile strategy to both realise the potential of the estate while ensuring core charitable purposes and strategic objectives are met
- development of an IT strategy which includes the continued development of digital capabilities to protect RCP digital data assets
- corporate exercises to test the resilience of cyber security across the organisation through vulnerability scans and penetration testing and continued training across all users
- the start of professional regulation for physician associates and the closure of the Faculty of Physician Associates
- a commitment to implement in full the recommendations outlined in The King's Fund independent review
- recruitment to senior positions within the RCP in a timely manner and the holding of fair and transparent elections of senior officers.

Officers and key staff of the RCP

The officers, trustees and councillors listed below served during 2024. Current lists can be found via www.rcp.ac.uk/about-us/who-we-are/our-governance

Visitor

His Majesty The King

Officers of the RCP

College officers represent the interests of our fellows and members. They provide strategic leadership and lead the way on policy development, playing an important role in representing physicians' interests in the development of the profession and standards of healthcare.

Senior officers

President
Dr Mumtaz Patel (Senior censor and vice president education and training, acting as president from 21 June 2024)
Dr Sarah Clarke (stepped down 20 June 2024)

Registrar
Dr Omar Mustafa (interim from 8 April to 22 October 2024; appointed 23 October 2024)
Professor Cathryn Edwards OBE (stepped down 21 March 2024)

Treasurer
Professor Simon Bowman

Clinical vice president
Dr John Dean

Academic vice president
Professor Tom Solomon CBE (elected 1 August 2024)
Professor Ramesh Arasaradnam OBE (demitted 31 July 2024)

Vice president for education and training (senior censor)
Dr Mumtaz Patel (acting as president from 21 June 2024)

College officers

Vice president for Wales
Dr Hilary Williams

Vice president – Global
Dr Omar Mustafa

Linacre fellow
Dr Shruthi Konda

Harveian librarian
Dr Anita Simonds (appointed 1 October 2024)
Dr Louella Vaughan (demitted 30 September 2024)

Patient involvement officer
Dr Laura Waters

Censors

Dr Peter Andrews (appointed 1 August 2024)
Dr Tun Aung (demitted 31 July 2024)
Dr Anita Banerjee
Dr Daniel Furmedge
Dr Harriet Gordon (demitted 31 July 2024)
Dr Ruth Law
Dr Clive Lewis (appointed 1 August 2024)
Dr Rajaratnam Mathialagan
Professor Tom Solomon CBE (demitted 31 July 2024)
Dr Jo Sykes
Professor Alexander Thomson (appointed 1 August 2024)

Medical directors

Medical director of CME and CPD
Dr Mumtaz Patel

Medical director of publishing
Professor Anton Emmanuel

Director, Medical Workforce Unit
Dr Sarah Logan

Director, invited reviews
Dr Adam de Belder

Clinical leads

SAS lead
Dr Naeem Aziz (appointed 7 May 2024)
Dr Somaditya Bandyopadhyay – interim appointment (demitted May 2024)

Improvement clinical director
Dr Andrew Rochford

Digital health clinical lead
Dr Anne Kinderlerer

Editor-in-chief – Clinical Medicine
Professor Ponnusamy Saravanan

Editor-in-chief – Future Healthcare Journal
Dr Andrew Duncombe

Editor-in-chief, Medical Care – driving change
Dr Daniel Smith

Outpatients clinical lead
Dr Theresa Barnes

Examiners

Clinical lead for assessment
Dr Celia Bielawski

Senior examiner: RCP PACES
Dr Rasha Mukhtar

Senior examiner: Physician Associate National Examination
Ruth Berry (appointed 16 April 2024)
Jade Moore (demitted 15 April 2024)

Senior examiner: Diploma in Global Health
Dr Chiara Morrison (appointed October 2024)

Senior examiner: Diploma in Geriatric Medicine
Dr Joseph Grey (appointed February 2025)

Other senior roles

Deputy registrar
Dr Ben Chadwick (appointed 10 March 2025)
Professor James Read (appointed 1 January 2024, stepped down 15 March 2024)

Deputy medical director, invited reviews
Dr Jonathan Bennett
Dr Emma-Kate Reed
Dr Sean Weaver

Garden fellow
Professor John Newton

Representative on the Advisory Committee of the Chelsea Physic Garden
Dr Noel Snell

Officers of the Federation

Executive medical director
Dr Mike Jones (appointed November 2024)
Dr Gerrard Phillips (demitted November 2024)

Medical director, training and development
Dr David Marshall (appointed December 2024)
Dr Mike Jones (demitted October 2024)

Medical director, assessment
Dr Stuart Hood

International medical director, training and development
Professor David Black

Deputy international medical director, training and development
Dr Alastair Miller

International medical director, assessment
Dr Tanzeem Raza

Medical director, CPD
Dr Adrian Jennings

Deputy medical director, CPD
Dr Umesh Dashora (demitted May 2024)

Associate medical director, written exams
Professor Albert Ferro

Associate medical director, clinical exams
Dr Rod Harvey

Deputy medical director, JRCPTB
Dr David Marshall (appointed medical director, JRCPTB from December 2024)

Board of Trustees

The RCP's governing body is responsible for ensuring the RCP operates within its charitable objectives, agreeing and monitoring the RCP operational plans and ensuring the effective management and custody of all RCP assets.

Ex-officio members (senior officers)
Dr Mumtaz Patel (senior censor and vice president education and training, acting as president from 21 June 2024 and acting as chair from 26 September 2024)
Dr Sarah Clarke (stepped down 20 June 2024)
Dr Omar Mustafa (interim registrar from 8 April to 22 October 2024; appointed 23 October 2024)
Professor Cathryn Edwards OBE (stepped down 21 March 2024)
Professor Simon Bowman
Professor Tom Solomon CBE (elected 1 August 2024)
Professor Ramesh Arasaradnam OBE (demitted 31 July 2024)
Dr John Dean

Members nominated from Council
Dr Joanna Szram (demitted March 2024)
Dr James Read (appointed March 2023; demitted 15 March 2024)
Dr Ananthakrishnan Raghuram
Dr Eileen Burns (appointed 1 August 2024)
Dr Ganesh Subramanian (appointed 1 August 2024)

Independent members
Professor David Croisdale-Appleby OBE (stepped down 25 September 2024)
Patrick Lowther (demitted 26 June 2024)
Anne Marie Millar
Katie Smith
Professor John Bateson
Dr Fiona Pathiraja
Dominic Whittle

Members of Council

Council develops RCP policy in relation to professional and clinical matters. Members hold voting rights. Other college officers and roles are in attendance at Council but do not hold voting rights.

President
Dr Mumtaz Patel (acting as president from 21 June 2024)\
Dr Sarah Clarke (stepped down 20 June 2024)

Senior censor and education and training vice president
Dr Mumtaz Patel

Clinical vice president
Dr John Dean

Academic vice president
Professor Tom Solomon CBE (elected 1 August 2024)
Professor Ramesh Arasaradnam OBE (demitted 31 July 2024)

Treasurer
Professor Simon Bowman

Registrar
Dr Omar Mustafa (interim from 8 April to 22 October 2024; appointed 23 October 2024)
Professor Cathryn Edwards OBE (stepped down 21 March 2024)

Vice president for Wales
Dr Hilary Williams

Vice president – Global
Dr Omar Mustafa

Representative of the Faculty of Occupational Medicine
Dr Robin Cordell (appointed November 2024)
Professor Steven Nimmo (demitted October 2024)

Representative of the Faculty of Pharmaceutical Medicine
Dr Sheuli Porkess (appointed July 2024)
Dr Flic Gabbay (demitted June 2024)

Representative of the Faculty of Physician Associates
Jamie Saunders (stepped down June 2024)

Representative of the Faculty of Public Health
Professor Kevin Fenton CBE

Representative of the Faculty of Forensic and Legal Medicine
Dr Bernadette Butler

Representative of the Faculty of Intensive Care Medicine
Dr Daniele Bryden

Representative of the Royal College of Emergency Medicine
Dr Adrian Boyle

Representatives of the regional advisers
Dr Benjamin Chadwick
Dr Vivek Goel (demitted September 2024)
Dr Stella Hughes (appointed February 2024)
Dr Philip Johnston (demitted January 2024)
Dr Anita Jones
Dr Sam Rice (appointed September 2024)

Elected councillors
Dr Eileen Burns MBE
Dr Karl Davis (elected August 2024)
Dr Paul Dilworth (elected August 2024)
Dr Helena Gleeson (demitted July 2024)
Dr Rowan Harwood
Professor Partha Kar OBE
Dr Khin Swe Myint
Dr Claire Pulford (elected August 2024)
Dr Ananthakrishnan Raghuram MBE (demitted July 2024)
Professor Koottalai Srinivasan (elected August 2024)
Professor Ganesh Subramanian
Dr Victoria Tippett
Dr Louella Vaughan (demitted July 2024)
Dr Ajay Verma

Representatives of the censors
Dr Tun Aung (demitted July 2024)
Dr Harriet Gordon (demitted July 2024)
Dr Rajaratnam Mathialagan (appointed August 2024)
Dr Jo Sykes (appointed August 2024)

Chair of the Patient and Carer Network
Sam Mauger

Representatives of the New Consultants Committee
Dr Katie Honney
Dr Aidan O'Neill

Representatives of the Trainees Committee (now Resident Doctor Committee)
Dr Anthony Martinelli (appointed September 2024)
Dr Melanie Nana (demitted July 2024)
Dr Catherine Rowan (appointed September 2024)
Dr Megan Rutter (demitted July 2024)

Representative of the Staff and Associate Specialists Steering Group
Dr Somaditya Bandyopadhyay (demitted May 2024)
Dr Naeem Aziz (appointed May 2024)

Representatives of the specialist societies
Professor Stephanie Baldeweg
Professor Mohammed Chowdhury (demitted January 2024)
Dr Sarah Cox
Dr Richard Davenport
Professor Jugdeep Dhesi (appointed November 2024)
Professor Adam Gordon (demitted November 2024)
Professor John Greenwood (demitted June 2024)
Dr Tamara Griffiths (appointed February 2024)
Dr Joanna Ledingham
Dr Nicholas Murch
Professor Ghulam Ng (appointed June 2024)
Professor Colin Rees (appointed June 2024)
Dr Richard Russell (appointed November 2024)
Professor Andrew Veitch (demitted June 2024)
Dr Catherine Vinen
Dr Paul Walker (demitted November 2024)

Trustee councillors (in attendance)
Dr Ananthakrishnan Raghuram MBE
Dr Eileen Burns MBE (appointed August 2024)
Professor James Read (demitted January 2024)
Professor Ganesh Subramanian (appointed August 2024)
Dr Joanna Szram (demitted March 2024)

Leadership team

The leadership team is responsible for the delivery of strategic and operational objectives.

Chief executive
Catherine Powell and Tom Baker (interim from March 2025)
Dr Ian Bullock (until March 2025)

Executive director, Membership Support and Global Engagement
Matthew Foster

Executive director, Care Quality Improvement
Ian Atkinson (appointed May 2024)

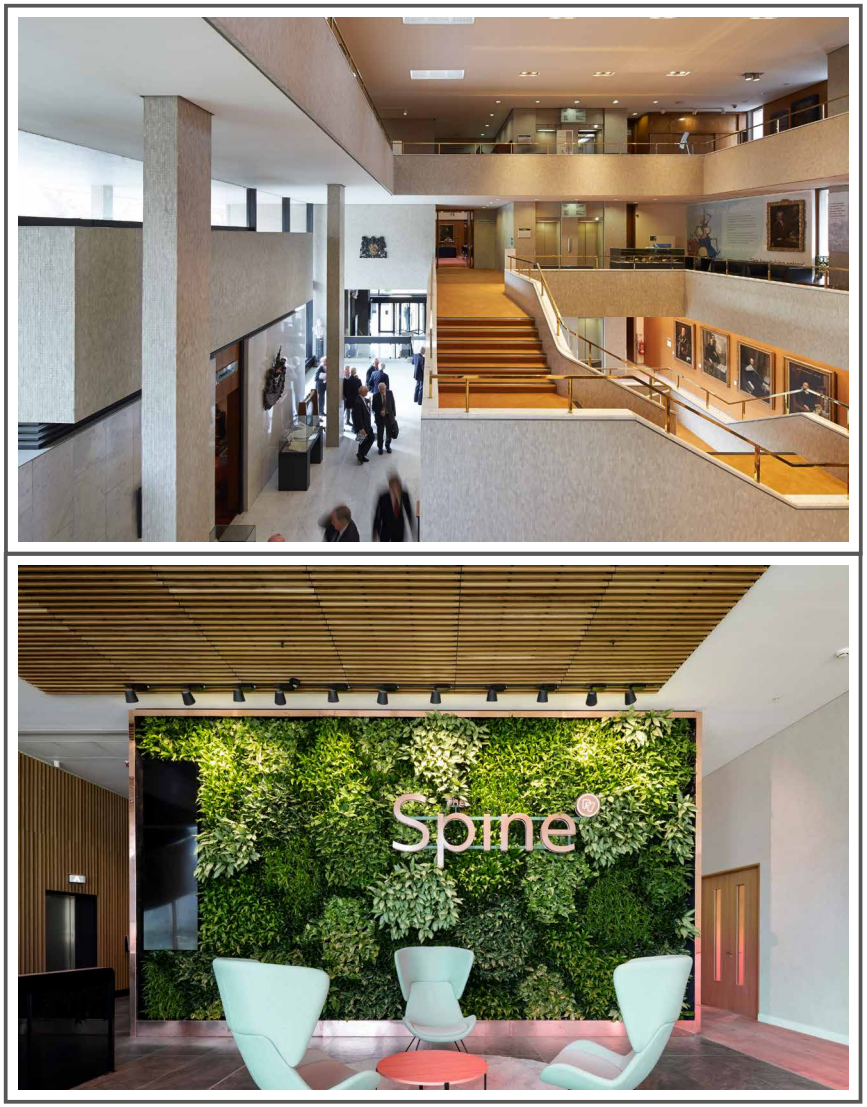
Executive director, Education
Tom Baker

Executive director, Communications, Policy and Research
Claire Burroughs

Chief executive officer – Federation
Rachael O'Flynn

Executive director, Finance
Catherine Powell

Executive director, People and Culture
Chiraag Panchal

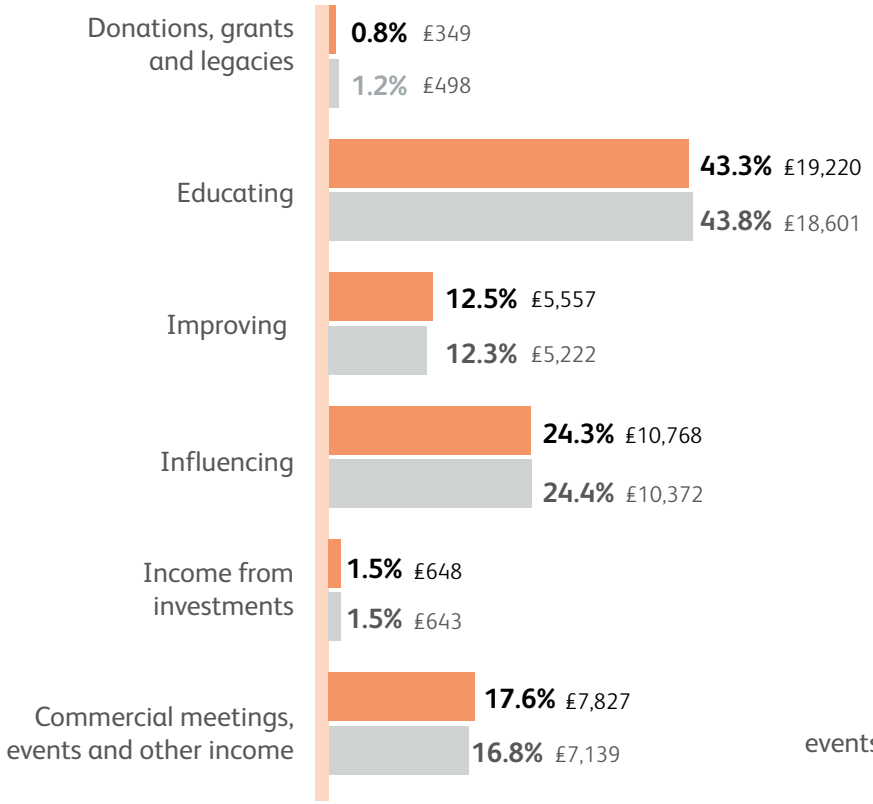


Summary of our income and expenditure

Income

Total in 2024: £44.4 million
Total in 2023: £42.5 million

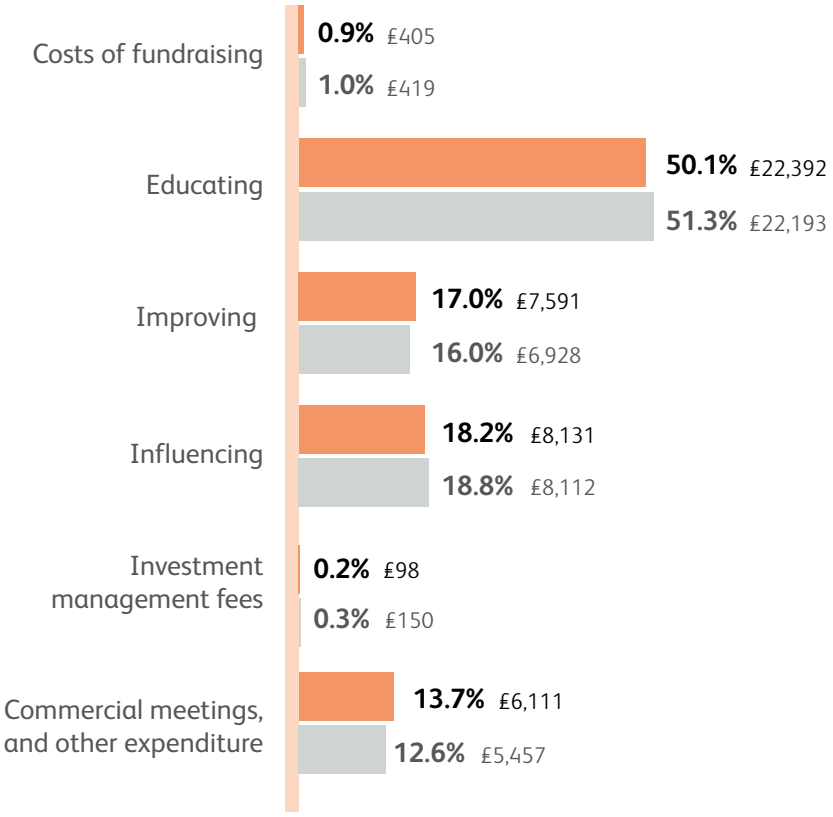
Breakdown of income in £000s



Expenditure

Total in 2024: £44.7 million
Total in 2023: £43.3 million

Breakdown of expenditure in £000s



2024
2023

Notes

Costs of fundraising include overheads (see Note 11). **Educating** includes examinations, conferences, education and training, library and museum services. **Improving** includes audit and accreditation programmes, invited reviews and quality improvement activities. **Influencing** includes membership activities, publishing, policy and campaigns..

Our financial policies

Fundraising

The RCP is grateful for the exceptional level of support that we have received during 2024 from our generous donors and sponsors, including members and fellows, charitable trusts and foundations, and corporate partners.

Philanthropic support and corporate partnerships are fundamental to the work of the RCP and help us to fulfil our charitable mission to improve patient care and reduce ill health across communities. The funds that we raise go directly to supporting research; education and training; clinical improvement; patient safety; and the maintenance and development of our buildings and historic collections. This report allows us to show how our charitable funds are distributed and spent. It demonstrates the benefits and impact of fundraising on supporting physicians and ensuring the best possible health and healthcare for everyone.

Principal fundraising activities and performance

During 2024, we secured £478,282 in cash income from donations and sponsorship. This was made up of £177,802 in donations (including legacies) and £300,480 in sponsorship for specific work carried out as part of our charitable objectives

Projects that were supported during the year included:

- Six-step course for the new consultant – this practical year-long programme is aimed at doctors stepping into a consultant role. Part of our 'Clinicians as leaders' theme, it meets a key development need.
- SAS Leadership Programme – tailored specifically for SAS doctors seeking to enhance their career development and leadership skills. As highlighted by the GMC's workforce report of 2022, SAS doctors are poised to become the largest group in the medical workforce by 2030, signifying the importance of specialised support for this cohort.
- Emerging Women Leaders Programme – a development programme designed to address the under-representation of women in leadership roles within the RCP and the wider medical profession.
- RCP Player – a medical streaming service developed in response to changing demands for provided learning, offering CPD-accredited learning resources and events, both live and on demand.
- The RCP's annual conferences Medicine and Med+ – these flagship CPD-accredited events include workshops, hands-on sessions and talks from key industry leaders providing the latest across college specialties.
- A partnership with the East, Central and Southern Africa College of Physicians (ECSACOP) – providing financial and in-kind support to a region desperately short of well-trained doctors.
- Heritage – maintaining our Grade I listed buildings in London, including caring for our historic collections and providing welcoming spaces for meeting and collaboration.

Fundraising controls and regulation

The RCP's fundraising programme is carried out by a dedicated team, including specialists in trusts and foundations, corporate and major donor fundraising. The director of development reports to the CEO and works closely with the Board of Trustees.

We recognise that our fundraising success is dependent on maintaining the trust of our donors and the public. We have multiple controls in place to ensure that our fundraising remains ethical, transparent, respects vulnerable people, and is compliant with current regulation. Our campaigns are run by an in-house team, and we do not engage the services of commercial partners to raise funds on our behalf. Our Board of Trustees plays an active role in our fundraising activities and ensures that fundraising activity operates in line with regulatory requirements and relevant best practice.

We have an ethical fundraising policy and carry out due diligence to ensure that we do not receive any donations or sponsorships that conflict with our values. All our fundraisers receive mandatory training in this area and are members of the Chartered Institute of Fundraising, the professional membership body for UK fundraising. The RCP is registered with the Fundraising Regulator (ref 128235) and has adopted the Code of Fundraising Practice. No complaints were received in relation to our fundraising activities during 2024 (2023: nil).

Investments

Powers and governance

The RCP's bye-laws give the trustees powers to appoint fund managers to manage its investments.

The Investment Advisory Panel (IAP) is responsible for monitoring the performance of the investment portfolios and of the fund managers. The IAP meets with the fund managers quarterly to review their reports and progress. The IAP is chaired by the treasurer, and its membership includes fellows, independent external advisers and the executive director of finance. The panel reports to the Finance and Resources Board.

Management

The majority of investments are managed by Cazenove Capital (part of Schroders plc) who have discretionary powers of investment within agreed restrictions as agreed in the Statement of Investment Principles. The managers' mandate is to invest, on a total returns basis, in a globally diversified portfolio of cash, equity, fixed income, convertible bonds, hedge fund securities, property funds and commodities' funds. A relatively small investment remains with the former (pre-2011) investment managers Morgan Stanley, in the form of hedge funds that are slowly being run down, liquidated and transferred to Cazenove. One other trust fund (The Cotton Trust) remains invested (as per its terms) with RBC / Royal Trust Corporation of Canada.

During 2024, the management of the investment portfolio has been reviewed by the Finance and Resources Board and the trustees, and our approach has been clarified with the investment managers. As a result of this a new investment strategy was put in place where 81% of our portfolio was transferred to a charity-specific fund and 4% to private equity funds.

The RCP's objective is to invest its investment assets to manage returns, with a low to moderate level of risk, with targeted returns of CPI + 4% through a diversified asset portfolio. Within this framework a number of objectives have been agreed to help guide the Finance and Resources Board in their strategic management of the RCP's investments.

Ethical and Climate Change Investment Policy

The RCP operates an Ethical Investment Policy that sets minimal tolerances on the proportion of indirect funds held linked to the production or supply of tobacco, armaments, pornography, gambling, high interest lending and sale or production of alcohol.

Climate change will significantly impact public health both in the UK and around the world. All that can be done should be done to limit global temperature rises in line with the goals of the Paris Agreement on climate change. If we are to avoid the extreme impacts of climate change on both people and the environment this means a world where we limit temperature rises to 1.5 degrees above pre-industrial levels.

As a medical college the RCP has a particular role to play in highlighting the health impact of climate change. Since December 2021 our fund managers have reported that indirect investment in fossil fuels has reduced to zero.

Reserves policy

The trustees consider it prudent that unrestricted reserves should be sufficient to avoid the necessity of realising fixed assets held for the charity's use; to maintain an adequate liquidity ratio; and to cover the short-term financial impact of specific areas of risk to which the charity is currently exposed.

The actual level of reserves is monitored against this policy and reviewed by the trustees throughout the year. Funds held in reserves not needed for immediate use are invested in line with the RCP's charitable purpose.

At 31 December 2024 the total reserves of RCP were £47.6 million. The RCP holds several permanently endowed and restricted funds, which result from bequests or donations for particular purposes, details of which are set out in

notes 19 and 20 to the financial statements. At 31 December 2024 total restricted funds were £2.1 million and endowment funds were £13.1 million.

The RCP also holds reserves in the form of designated funds that are earmarked for particular purposes by the trustees. At 31 December 2024 the balance on the designated funds was £25.4 million. The main designated fund is the intangible and fixed assets fund, represented by tangible and intangible fixed assets, which is not readily converted into cash.

The unrestricted reserves of the RCP, excluding designated funds, are represented by a mixture of external investments and net assets that include cash reserves. As at 31 December 2024 these were £7 million.



Free reserves net of lease liabilities amounted to £13m and represent close to 4 months of the unrestricted operational expenditure, a significant improvement on the prior year. The Board of Trustees has during 2025 updated the RCP reserves policy to ensure that adequate reserves are set aside to manage risks. This sets a reserve target of £10.9m, which is £2.1m below our actual reserves. The trustees are building the unrestricted reserves with the long-term aim to build up 6 months' worth of reserves, which is considered prudent to manage any future risks.

Trading subsidiary

The principal activity of the company is to organise, provide facilities for and hold conferences, seminars, and courses of instruction, demonstrations, lectures, exhibitions, private dinners and functions. The accumulated net profit for the RCP's wholly owned trading subsidiary, The RCP Regent's Park Limited, for the year ended 31 December 2024 was £476k. The trading results and balance sheet of the subsidiary extracted from its audited accounts are set out in note 22 to the financial statements.

Going concern

The financial statements are prepared on a going concern basis. The Board of Trustees has considered the adoption of a going concern basis in the preparation of these financial statements. A projection of the RCP's financial position has been undertaken, including:

- a review of budgets, forecasts and 2025 management accounts
- a review of cashflows for the period of review
- consideration of the key risks and uncertainties in the context of the RCP's operations; and
- the mitigating actions the RCP can deploy for liquidity, together with the impact on reserves.

For the period to September 2026 the Board of Trustees has considered the strength of operational recovery, set against inflationary pressures, risks and assumptions, together with actions including income generation and cost saving measures. Working capital requirements are met through income received from business activities and the RCP can drawdown against funds held within the investment portfolio if required. The Board has agreed a financial strategy for the period 2025 to 2028 that demonstrates that the RCP has adequate levels of cash and reserves going forward.

Having regard to the above the Board of Trustees believes it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Future financial plans

The trustees remain vigilant in seeking to protect the RCP and support its members and to use the resources available to fulfil the RCP's objectives and promote its work as efficiently as possible. During 2024 the RCP reserves policy was updated to ensure that adequate reserves are set aside to manage the risks facing the college with a minimum target being set at 3 months unrestricted operating expenditure.

While the RCP's balance sheet position is satisfactory, the economic conditions facing the RCP remain challenging. The focus will be on growing our membership and keeping expenditure down while continuing to carry out key activities as set out in our strategy.

Financial review

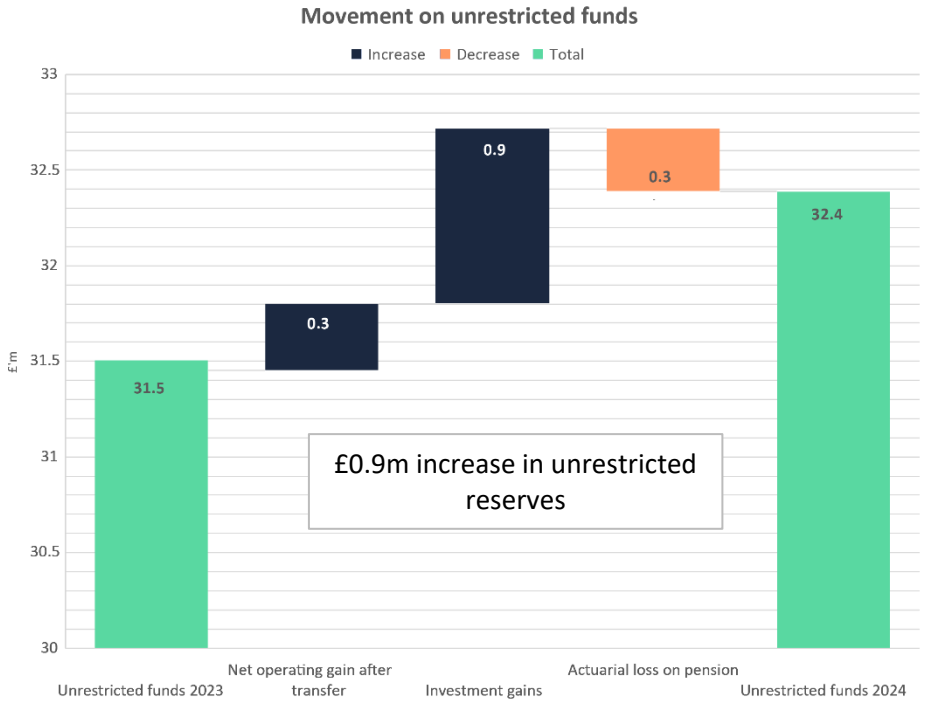
In 2024 the RCP delivered steady growth across all three strategic themes of educating, improving and influencing with a 5% increase in unrestricted income as the college delivered more activity for our members.

However, the RCP continued to face the pressure of high inflation during the year, affecting examination delivery costs, catering, energy, travel and maintenance costs, in addition to the disruption arising from the extraordinary general meeting. A financial improvement plan was introduced in 2023, which has delivered savings across the RCP to combat many of these financial pressures. The net unrestricted operating loss was £181k in 2024 before transfers from trust funds (2023: loss of £438k). The transfers from trust funds are to cover charitable activity that has been funded through our trust funds and totalled £558k. Adjusting for this, the RCP made a surplus of £377k in 2024 (2023: loss of £494k).

Endowment income exceeded endowment expenditure due to a strong return on our investments with an overall operating surplus of £141k (2023: surplus of £103k).

Restricted expenditure exceeded restricted income in 2024, as brought-forward restricted funds were used on certain programmes. Overall, this resulted in a total operating loss of £319k (2023: loss of £449k).

2024 continued to be a strong year for our investments with significant returns once again seen in the financial markets. This resulted in an overall unrealised gain on investments of £1,827k (2023: gain of £1,582k). This, coupled with a smaller actuarial loss on the (closed) defined benefit pension fund of £328k (2023: loss of £1,146k), resulted in an overall surplus net funds movement of £1.1m (2023: loss of £348k).



Income and expenditure

The RCP's consolidated total income in 2024 was £44.4 million (2023: £42.5 million), representing steady growth from the previous year. Unrestricted income increased by 4% in 2024, across the three priority areas of educating, improving and influencing. Trading income also rose significantly during the year from previous levels as event activity increased.

Investments

As at 31 December 2024 our investments, including cash deposits, stood at £29.3m (2023: £27.6m). Unrealised gains for the investment portfolio amounted to £1,828k for 2024 (2023: gain of £1,582k). Investment income returned £648k for 2024 (2023: £643k). This equates to an overall return net of fees of 8.9% (2023: 8.8%).

The objectives of our investment strategy are to achieve long-term growth at 4% ahead of CPI inflation, at an acceptable level of risk, applying a total return strategy. Our investments are now mainly held by fund managers Cazenove, with small holdings still with Morgan Stanley and Canada Trust Corp. The investment skills of Cazenove, together with our knowledgeable Investment Advisory Panel, enable us, on average, to achieve target performance with downside protection. We are continuing to evolve our ethical investment stance, which is aligned to the RCP's charitable objectives to improve health and prevent health harms. The process of removing any residual fossil fuel assets in the RCP's portfolio is complete.

Pensions

As at the end of 2024, the defined benefit pension scheme, which has been closed to new members since 2002 and to further accrual from 2008, increased its surplus position to £1,538k (2023: surplus of £826k) on an FRS 102 basis. This significant improvement has been caused by a combination of market movements, which has led to a lower value being placed on the liabilities, and further employer contributions over the period.

The triennial actuarial valuation of the defined benefit pension scheme, dated 1 January 2024, was concluded at the end of June 2024. This showed a significant improvement in the deficit previously reported in 2021, to a funded position in 2021, driven by a combination of assumption changes and contributions made into the scheme. The next triennial valuation is due on 1 January 2027.

The RCP continues to run a Group Personal Pension Plan (GPPP) scheme for new staff and maintains the RCP single employer trust-based defined contribution pension scheme, which was closed to new entrants from the start of 2018 but continues to run for existing staff members.

Balance sheet and reserves

At the end of 2024 the RCP held net assets of £47.7 million of which £29.2 million is the market value of our investment portfolio and £13.2 million is in cash. Endowment and restricted funds comprise £15.2 million, therefore unrestricted funds comprise £32.4 million, of which free reserves (net of the designated funds but gross of the long-term lease liability) have increased to £13 million.

Heritage assets (rare books, manuscripts, paintings, silverware), originally gifts to the college over the past 5 centuries, are not valued in the financial balance sheet but have an insurance value of ~£41 million.

External auditor

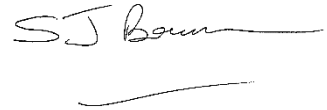
Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

Approved by the Board

The annual report has been approved by the Board of Trustees on 25 June 2025 and signed on its behalf by:



Dr Mumtaz Patel
President



Professor Simon Bowman
Treasurer

Independent auditor's report to the trustees of the RCP

Opinion

We have audited the financial statements of the Royal College of Physicians ('the charity') and its subsidiary ('the group') for the year ended 31 December 2024 which comprise the consolidated statement of financial activities, the parent and consolidated balance sheets, the consolidated cash flow statement 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's and of the parent charity's affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 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 charity'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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 31, the trustees 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 group's and the parent charity'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 charity 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 section 151 of the Charities Act 2011 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 charity and group operate, 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 together with the Charities SORP (FRS102) 2019. 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 fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were employment legislation and taxation legislation.

Auditing standards limit the required audit procedures to identify noncompliance 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 of recognition of income and the override of controls by management including through significant estimates and judgements. Our audit procedures to respond to these risks included enquiries of management and the trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, review of internal audit reports conducted in the period 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 nondetection 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 the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP

Statutory Auditor

London

Date: 21 August 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Financial statements

Consolidated statement of financial activities for the year ended 31 December 2024

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 31 Dec 24	Total funds 31 Dec 23
		£000	£000	£000	£000	£000
Income from:						
Donations, grants and legacies	2	341	8	-	349	498
Charitable activities						
Educating	3	19,207	13	-	19,220	18,601
Improving	4	3,825	1,732	-	5,557	5,222
Influencing	5	10,675	93	-	10,768	10,372
Activities to generate funds						
Investment income	6	376	40	232	648	643
Trading activities	23	6,417	-	-	6,417	5,979
Other income	7	1,410	-	-	1,410	1,160
Total income		**42,251**	**1,886**	**232**	**44,369**	**42,475**
Expenditure on:						
Raising funds						
Fundraising costs		405	-	-	405	419
Investment management fees		48	2	48	98	150
Trading activities	23	5,941	-	-	5,941	5,321
Charitable activities						
Educating	8	22,119	261	12	22,392	22,193
Improving	9	5,745	1,815	31	7,591	6,928
Influencing	10	8,004	127	-	8,131	8,112
Other		170	-		170	136
Total expenditure	11/12	**42,432**	**2,205**	**91**	**44,728**	**43,259**
Net operating (loss)/gain		**(181)**	**(319)**	**141**	**(359)**	**(784)**
Net gains/(losses) on investment assets	14	915	44	868	**1,827**	**1,582**
Net income/(expenditure)		**734**	**(275)**	**1,009**	**1,468**	**798**

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 31 Dec 24	Total funds 31 Dec 23
Transfers between funds	19/20/21	558	(55)	(503)	-	-
Actuarial (losses)/gains on defined benefit pension scheme	24	(328)	-	-	(328)	(1,146)
Net movement in funds for the year		**964**	**(330)**	**506**	**1,140**	**(348)**
Funds brought forward at 1 Jan 2024	19/20/21	**31,453**	**2,449**	**12,620**	**46,522**	**46,870**
Funds carried forward at 31 December 2024		**32,417**	**2,119**	**13,126**	**47,662**	**46,522**

Consolidated and RCP balance sheets as at 31 December 2024

		Notes	2024 Group	2024 RCP	2023 Group	2023 RCP
			£000	£000	£000	£000
Fixed assets						
	Intangible assets	**13a**	1,274	1,274	1,016	1,016
	Tangible fixed assets	**13b**	23,565	23,565	24,646	24,646
	Investments	**14**	29,266	29,266	27,550	27,550
			54,105	**54,105**	**53,212**	**53,212**
Current assets						
	Stocks		62	62	68	68
	Debtors	**15**	3,643	3,234	3,867	4,260
	Investment accounts		8	1	7	1
	Cash		13,195	13,195	9,318	8,017
			16,908	**16,492**	**13,260**	**12,346**
Creditors						
Amounts falling due within 1 year						
	Creditors and accrued expenses	**16**	(8,967)	(8,551)	(7,094)	(6,180)
	Examination and other income received in advance	**16**	(8,471)	(8,471)	(7,876)	(7,876)
			(17,438)	**(17,022)**	**(14,970)**	**(14,056)**
Net current liabilities			**(530)**	**(530)**	**(1,710)**	**(1,710)**
Total assets less current liabilities			**53,575**	**53,575**	**51,502**	**51,502**
Amounts falling due after 1 year						
	Other liabilities		(5,913)	(5,913)	(4,980)	(4,980)
Net non-current liabilities			**(5,913)**	**(5,913)**	**(4,980)**	**(4,980)**
Net assets excluding pension liability			**47,662**	**47,662**	**46,522**	**46,522**
Defined benefit pension scheme liability		**24**	-	-	-	-
Net assets including pension liability		**22**	**47,662**	**47,662**	**46,522**	**46,522**

			2024		2023	
		Notes	Group	Group	RCP
Represented by						
Unrestricted funds:						
Designated funds		**19**				
	Fixed and Intangible Assets Fund		24,840	24,840	25,662	25,662
	Legacies Development Fund		120	120	120	120
	Care Quality Improvement		18	18	18	18
	Maintenance Fund		240	240	160	160
	JAG Fund		205	205	345	345
			25,423	**25,423**	**26,305**	**26,305**
General charitable fund			6,994	6,994	5,148	5,148
	Less: Pension scheme liabilities	**24**	-	-	-	-
			6,994	**6,994**	**5,148**	**5,148**
Total unrestricted			32,417	32,417	31,453	31,453
Restricted		**20**	2,119	2,119	2,449	2,449
Endowment		**21**	13,126	13,126	12,620	12,620
			47,662	**47,662**	**46,522**	**46,522**

The results of the parent charity for the year ended 31 December 2024 was a £1,140k surplus (2023: £348k deficit).

Approved for and on behalf of the RCP (Charity Registration No 210508) on 25 June 2025 and authorised for issue.

President: Dr Mumtaz Patel

Treasurer: Professor Simon Bowman

Consolidated statement of cash flow for the year ended 31 December 2024

		2024 £000	2023 £000
Cash flow from operating activities			
Net cash provided by / (used in) operating activities	**A**	**5,055**	**(1,039)**
Dividends, interest and rents from investments		648	642
Purchase of property, plant and equipment		(1,272)	(1,417)
Purchase of intangible assets		(490)	(266)
Proceeds from sale of investments		111	7,047
Purchase of investments		-	(48)
Net cash provided by (used in) investing activities		**(1,003)**	**5,958**
Borrowings interest and principal repayments		-	(7,654)
Finance lease payments		(174)	(182)
Net cash provided by (used in) financing activities		**(174)**	**(7,836)**
Change in cash and cash equivalents in the reporting period		3,878	(2,917)
Cash and cash equivalents at the beginning of the reporting period	**B**	9,325	12,242
Cash and cash equivalents at the end of the reporting period	**B**	**13,203**	**9,325**

Notes to consolidated statement of cash flow for the year ended 31 December 2024

	2024 £000	2023 £000
A. Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net movement in funds for the reporting period (as per the statement of financial activities)	1,468	798
Adjustments for:		
Depreciation charges	2,353	2,298
Amortisation charges	232	347
Disposal and impairment of assets	-	-
Loss/(gains) on investments	(1,828)	(1,741)
Increase/(decrease) in provisions	-	(50)
Dividends, interest and rents from investments	(648)	(642)
(Gain) on valuation of defined benefit pension scheme	(328)	(1,146)
(Increase)/decrease in stocks	(6)	-
(Increase)/decrease in debtors	230	(928)
Increase/(decrease) in creditors	3,582	25

	2024 £000	2023 £000
Net cash provided by/(used in) operating activities	**5,055**	**(1,039)**
B. Analysis of cash and cash equivalents		
Cash in hand	13,195	9,318
Notice deposits and investment accounts (less than 30 days)	8	7
Total cash and cash equivalents	**13,203**	**9,325**

Analysis of changes in net debt						
	At 1 Jan 2024	**Cash flow**	**New finance leases**	**Acquired debt**	**Interest and non-utilisation charges**	**At 31 Dec 2024**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Cash and cash equivalents						
Cash in hand	9,318	3,877	-	-	-	**13,195**
Notice deposits and investment accounts (less than 30 days)	7	1	-	-	-	**8**
Total cash and cash equivalents	**9,325**	**3,878**	**-**	**-**	**-**	**13,203**
Borrowings						
Loan to finance fixed assets – falling due after more than one year*	-	-	-	-	-	**-**
Finance lease obligations	(377)	174	-	-	(3)	**(206)**
Total borrowings	**(377)**	**174**	**-**	**-**	**(3)**	**(206)**
Total net debt	**8,948**	**4,052**	**-**	**-**	**(3)**	**12,997**

Notes to the financial statements

1 Accounting policies

Charity information

The Royal College of Physicians (RCP) was established by royal charter in 1518. It is registered with the Charity Commission for England and Wales and is a Royal Charter company registered with Companies House. The charity registration number is 210508 and the company registration number is RC000899. The RCP is a public benefit entity and its registered office is 11 St Andrews Place, London NW1 4LE.

Basis of preparation

The consolidated financial statements comprise the financial statements of RCP, and its subsidiary undertaking, The RCP Regent's Park Limited, on a line-by-line basis and adjusted for the elimination of inter-group transactions and balances.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (2015) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The RCP constitutes a public benefit entity as defined by FRS 102. The financial statements are drawn up on the historical accounting basis, except that investments held as fixed assets are carried at market value.

Going concern

The financial statements are prepared on a going concern basis. The Board of Trustees has considered the adoption of a going concern basis in the preparation of these financial statements. A projection of the RCP's financial position has been undertaken, including:

- a review of budgets, forecasts and 2025 management accounts
- a review of cashflows for the period of review
- consideration of the key risks and uncertainties in the context of the RCP's operations; and
- the mitigating actions the RCP can deploy for liquidity, together with the impact on reserves.

For the period to September 2026 the Board of Trustees has considered the strength of operational recovery, set against inflationary pressures, risks and assumptions, together with actions including income generation and cost saving measures. Working capital requirements are met through income received from business activities and the RCP can drawdown against funds held within the investment portfolio if required. The Board has agreed a financial strategy for the period 2025 to 2028 that demonstrates that the RCP has adequate levels of cash and reserves going forward.

Having regard to the above the Board of Trustees believes it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Income

Subscriptions income, admission fees, grants and donations are accounted for once there is entitlement, probability of receipt and it can be reliably measured. Legacies are accounted for where there is entitlement, probability of receipt and the amount can be measured. For residuary legacies, entitlement is deemed to be the earlier of settled estate accounts or notification of a pending payment or actual payment being received. For pecuniary legacies, these are recognised on confirmation that probate has been obtained. Investment income is recognised when due, except for dividends, which are accounted for on receipt. Income is deferred only when conditions have to be fulfilled before the RCP becomes entitled to it or where the donor has specified that the income is to be expended in the future period. In the case of examination admissions, any receipt in respect of future years is shown as deferred income. Membership fees are seen as an annual subscription and recognised in the year they are due. Any membership fees received in advance are shown as deferred income.

Government grants are recognised as income when any specific conditions are met.

Expenditure

All expenditure is accounted for under the accruals concept and stated gross of irrecoverable VAT. All costs are allocated to the charitable cost centres on an actual basis, with the exception of administration costs which are allocated on the following basis:

- central management and human resources: number of staff in the cost centres
- finance: proportion of transactions processed
- buildings and office services: square footage of office space occupied
- IT services: number of users of the RCP network.

Salaries are allocated according to the nature of work performed by each member of staff. Governance costs comprise the costs incurred, which are directly attributable to the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements. Rentals for leased assets held under the terms of operating leases are charged directly to the statement of financial activities (SOFA) over the term of the lease.

Tangible and intangible fixed assets

No 11 St Andrews Place, a leasehold property held under a 99-year lease expiring in 2060 and Nos 1–10 St Andrews Place, leasehold properties held under a lease that expires in 2084, are being depreciated over 49 years from the commencement of the respective leases. The cost of additions to existing structures has been depreciated, concurrently, over the remaining life of the leases. Equipment, intangible assets, furniture and fixtures are capitalised when the cost of the project exceeds £15,000 and has a useful life spread over a number of financial years. These capital costs are depreciated, and intangible assets amortised by equal instalments over their anticipated useful lives, at rates between 5% and 25%. Depreciation and amortisation is allocated to the departments within the RCP on the basis of area occupied. No depreciation or amortisation is charged on assets in the course of construction. At each reporting date the RCP assesses if there is any indication of impairment of its estate and other fixed assets.

Collections

In addition to the capitalised fixed assets held for the RCP's own use, the RCP also has a number of assets of historical interest. These comprise learned publications and a unique collection of busts and portraits, together with other objects, whose intrinsic value is also bound up with the RCP's history. The trustees consider that the significant administrative expenses incurred in deriving a reliable cost for the capitalisation of these items would exceed the usefulness of such information to the user of the financial statements.

Finance leases

Finance leases are recognised where the risks and rewards of ownership of the leased asset are held by the lessee (the RCP). These are recognised as right-to-use fixed assets with a corresponding lease liability comprised of the present value of the minimum lease payments, derived by discounting them at the interest rate implicit in the lease. Right-to-use assets are depreciated over the lease period or asset life, where the asset is retained at the end of lease and has an asset life longer that the lease term.

Investments

Investments are stated in the balance sheet at the mid-market value at the balance sheet date with the exception of private equity assets, which are held at fair value and valued by the underlying manager (Schroders Capital) in line with industry guidance and regulation. Realised gains or losses are calculated by reference to disposal proceeds and either opening market value or cost if acquired during the year.

Stock

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

Cash and cash equivalents

Cash and cash equivalents includes cash at bank and in hand, cash held for reinvestment and short-term deposits.

Taxation

The RCP is eligible for the tax exemptions available for charitable activities.

Unrestricted funds

These funds are received and applied to achieve the general objectives of the RCP.

Designated funds

Designated funds are unrestricted funds set aside by the trustees for specific future purposes or projects. The movements on these funds are analysed in note 18.

Restricted funds

Restricted funds are subject to specific conditions laid down by the donors as to how they may be used. Note 19 gives details of these funds.

Endowment funds

Endowment funds relate to bequests and gifts to the RCP, the terms of which stipulate that the capital may not be spent, and the income is to be utilised to meet the costs of awards, lectures and other RCP expenditure. Movements in these funds are shown in note 20.

Total return accounting

The trustees of the RCP applied to the Charity Commission in January 2012 for authorisation to enable the permanent endowments within the RCP trust funds to be invested on a total return basis as this would facilitate a better return on investments, without prejudicing the investment management policy.

Upon receiving the requisite order from the Charity Commission on 6 February 2012 the RCP trust fund committee approved the base date for the commencement of the total return investment policy to be 30 September 1988. The permanent endowments in note 20 of the financial statements have been recalculated as at the above date.

Critical accounting judgements and key sources of estimation uncertainty

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities

The charity recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 23.

Financial instruments

Financial assets and financial liabilities are recognised when the RCP becomes a party to the contractual provisions of the instrument. Additionally, all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, short-term investments together with accrued interest and other debtors. Financial liabilities held at amortised costs comprise other creditors and accruals.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Incoming resources

		Unrestricted	Restricted/ endowment	2024	2023
		£000	£000	£000	£000
2	**Donations, grants and legacies**				
	Donations	267	8	275	267
	Grants	-	-	-	-
	Legacies	74	-	74	231
		341	**8**	**349**	**498**
3	**Educating**				
	Examinations	13,322	-	13,322	12,230
	Education and training	4,186	10	4,196	4,391
	Conferences	1,649	-	1,649	1,838
	Library and museum	50	3	53	142
		19,207	**13**	**19,220**	**18,601**
4	**Improving**				
	Accreditation programmes	2,802	-	2,802	2,689
	National audits	64	1,732	1,796	1,427
	Quality improvement programmes	433	-	433	580
	Invited reviews	526	-	526	526
		3,825	**1,732**	**5,557**	**5,222**
5	**Influencing**				
	Subscriptions	9,695	-	9,695	8,641
	Journals and publications	36	-	36	678
	Media, policy and campaigns	96	93	189	239
	Member conferences and events	848	-	848	814
		10,675	**93**	**10,768**	**10,372**
6	**Investment income**				
	Dividends	153	130	283	338
	Interest on investments	223	114	337	271
	Bank interest	-	28	28	34
		376	**272**	**648**	**643**
7	**Other income**				
	Rental income	1,169	-	1,169	856
	Café sales	179	-	179	124
	Other	62	-	62	22
	Realised gains	-	-	-	158
		1,410	-	**1,410**	**1,160**

Resources expended

		Unrestricted	Restricted/endowment	2024	2023
		£000	£000	£000	£000
8	**Educating**				
	Examination services	10,575	-	10,575	10,271
	Conferences	5,074	-	5,074	5,101
	Education and training	5,301	270	5,571	5,577
	Library and museum services	1,169	3	1,172	1,244
		22,119	**273**	**22,392**	**22,193**
9	**Improving**				
	Accreditation	3,846	4	3,850	3,258
	National audits	38	1,696	1,734	1,578
	Quality improvement	1,128	36	1,164	1,195
	Invited reviews	733	-	733	611
	Awards, fellowships and bursaries	-	110	110	286
		5,745	**1,846**	**7,591**	**6,928**
10	**Influencing**				
	Membership services	1,852	-	1,852	2,075
	Journals and publications	1,502	-	1,502	1,491
	Media, policy and campaigns	2,128	127	2,255	2,152
	Member conferences and events	903	-	903	860
	Committees	980	-	980	893
	International networks	639	-	639	641
		8,004	**127**	**8,131**	**8,112**

11	Expenditure on	Direct costs	Staff costs	Other support costs	Total 2024	Total 2023
		£000	£000	£000	£000	£000
	Raising funds					
	Fundraising costs	34	139	232	405	419
	Investment management fees	98	-	-	98	150
	Trading activities	5,941	-	-	5,941	5,321
	Charitable expenditure					
	Educating	6,259	7,572	8,561	22,392	22,193
	Improving	2,158	2,469	2,964	7,591	6,928
	Influencing	1,622	3,073	3,436	8,131	8,112
	Other expenditure	170	-	-	170	136
	Total for 2024	**16,282**	**13,253**	**15,193**	**44,728**	**43,259**
	Total for 2023	**16,120**	**12,553**	**14,586**	**43,259**	

		2024	2023
	The analysis of other support costs is as follows:	**£000**	**£000**
	Property services	7,023	6,780
	Information technology costs	2,819	2,773
	Audio visual	454	366
	Human resources	1,018	1,051
	Finance	1,272	1,212
	Internal events	482	372
	Governance costs*	279	156
	Central	1,846	1,876
		15,193	**14,586**

*Governance costs include fees payable to the auditors from audit fees of £57.6k (2023: £54.8k) and non-audit services of £8.7k (2023: £2.5k).

12	Employees and trustees	2024	2023
	The total costs of salaries and wages were as follows:	£000	£000
	Salaries and wages	16,744	15,509
	Social security costs	1,755	1,628
	Pension costs	1,412	1,299
		19,911	**18,436**

		2024	2023
	The average number of employees in the year was:	409	409
	The number of employees whose emoluments exceeded £60,000 were:		
	£60,001–£70,000	20	20
	£70,001–£80,000	10	9
	£80,001–£90,000	5	6
	£90,001–£100,000	1	2
	£100,001–£110,000	4	4
	£110,001–£120,000	2	-
	£120,001–£130,000	1	-
	£130,001–£140,000	-	-
	£140,001–£150,000	-	-
	£150,001–£160,000	-	-
	£160,001–£170,000	-	1
	£170,001–£180,000	1	-

		2024	2023
12a	Key management personnel	£000	£000
	Total employee benefits paid to key management personnel (including pension contributions)	1,397	1,128
12b	Termination payments*	2024	2023
	No of payments	3	4
	Value of payments (£000)	12	52
12c	Payments to trustees**	2024	2023
	Number of payments made to trustees, this includes payments to officers supporting their defined roles as senior officers, which may involve overseas travel as well as their trustee roles. No other remuneration was paid to trustees from the RCP in the current or preceding years.	12	14
	Value of payments (£000)	19	20

*No termination payments were outstanding at year-end (2023:0).

**Trustees are not remunerated and this is a reimbursement of costs.

13a Intangible IT assets (Group and RCP)	Intangible IT assets in use	Intangible IT assets under construction	Total 2024
	£000	**£000**	**£000**
Cost at 1 January 2024	**5,143**	**668**	**5,811**
Additions	18	472	**490**
Transfers/adjustments	359	(359)	**-**
Disposals	-	-	**-**
Cost at 31 December 2024	**5,520**	**781**	**6,301**
Accumulated amortisation at 1 January 2024	(4,795)	-	**(4,795)**
Amortisation for the year	(232)	-	**(232)**
Disposals	-	-	**-**
Accumulated amortisation at 31 December 2024	**(5,027)**	**-**	**(5,027)**
Net book value at 31 December 2024	**493**	**781**	**1,274**
Net book value at 31 December 2023	348	668	1,016

13b Tangible assets (Group and RCP)	Leasehold properties	Furniture and fixtures	IT & AV tangible assets	Assets under construction	Total 2024
	£000	**£000**	**£000**	**£000**	**£000**
Cost at 1 January 2024	**38,579**	**3,002**	**5,508**	**-**	**47,089**
Additions	261	325	674	12	1,272
Transfers/adjustments	-	-	-	-	-
Disposals	-	-	-	-	-
Cost at 31 December 2024	**38,840**	**3,327**	**6,182**	**12**	**48,361**
Accumulated depreciation at 1 January 2024	**(17,727)**	**(1,245)**	**(3,471)**	**-**	**(22,443)**
Depreciation for the year	(1,453)	(245)	(655)	-	(2,353)
Disposals	-	-	-	-	-
Accumulated depreciation at 31 December 2024	**(19,180)**	**(1,490)**	**(4,126)**	**-**	**(24,796)**
Net book value at 31 December 2024	**19,660**	**1,837**	**2,056**	**12**	**23,565**
Net book value at 31 December 2023	20,852	1,757	2,037	-	24,646

14 Investments (Group and RCP)	Unrestricted				Total	
	Designated for leasehold	General	Restricted	Endowment	2024	2023
	£000	£000	£000	£000	£000	£000
Market value at 1 January 2024	46	14,849	1,603	11,052	27,550	32,808
Additions at cost	-	-	-	-	-	49
Disposals	-	-	-	-	-	(6,948)
Management fees	-	(58)	(3)	(50)	(111)	(99)
Realised (Loss)/gains	-	-	-	-	-	158
(Loss)/gains	(3)	918	44	868	1,827	1,582
Total investments at 31 December 2024	**43**	**15,709**	**1,644**	**11,870**	**29,266**	**27,550**
Historical cost at 31 December 2024		14,141	623	12,272	27,036	23,683

The above investments are held as follows:	2024	2023
	£000	£000
Equities	18,183	18,207
Bonds	2,542	3,064
Multi-asset funds	104	687
Alternatives	5,734	4,261
Cash	2,703	1,331

15 Debtors (Group and RCP)	2024		2023	
	Group	RCP	Group	RCP
	£000	£000	£000	£000
Current				
Trade debtors	1,089	892	1,978	1,665
Other debtors	79	79	134	133
Prepayments	1,654	1,654	1,366	1,366
Accrued income	821	609	389	389
Amounts due from subsidiary	-	-	-	707
Non-current				
	3,643	**3,234**	**3,867**	**4,260**

16 Creditors and accrued expenses (Group and RCP)	2024		2023	
	Group	RCP	Group	RCP
	£000	£000	£000	£000
Current				
Trade creditors	1,499	1,478	1,610	1,595
Other creditors	2,424	1,342	2,103	1,289
Tax and social security creditors	733	733	633	633
Accruals	4,164	3,203	2,552	2,467
Obligations under finance lease	147	147	196	196
Amounts due to subsidiary	-	1,648	-	-
	8,967	**8,551**	**7,094**	**6,180**

Examination and other income received in advance (Group and RCP)	Balance b/f 1 Jan 24	Released to SOFA	Received in year	Balance c/f 31 Dec 24
	£000	£000	£000	£000
Examination income	5,029	(5,029)	5,951	5,951
Other income	2,847	(3,028)	2,701	2,520
	7,876	**(8,057)**	**8,652**	**8,471**

Non-current				
	Group	RCP	Group	RCP
	£000	£000	£000	£000
Accruals	5,855	5,854	4,799	4,799
Obligations under finance lease	58	58	181	181
	5,913	**5,913**	**4,980**	**4,980**

16a Provisions for liabilities (Group)	Other £000	2024 total	2023 total
Provisions at 1 January	-	-	50
Additional provisions made in the year	-	-	-
Provisions released from prior years	-	-	(50)
Provision for liabilities at 31 December	**-**	**-**	**-**

17 Contingent liabilities

The Federation of Royal Colleges of Physicians of the UK is working closely with professional advisers to estimate the Goods and Services Tax (GST) implications of some of its international activity. This primarily concerns the delivery of some digital activities, which have shifted from physical to online and therefore potentially subject to additional tax. It is not possible to reliably estimate the value at this stage.

18 Financial assets and liabilities

	2024	2023
	£000	£000
Financial assets held at fair value	29,266	27,550
Gains/(losses) on assets held at fair value	1,827	1,740

19 Unrestricted funds

	Balance as at 01/01/2024	Income	Expenditure	Gains/losses	Transfers	Balance as at 31/12/2024
	£000	£000	£000	£000	£000	£000
Unrestricted general	5,148	42,251	(42,432)	587	1,440	6,994
Unrestricted designated						
Fixed and Intangible Assets Fund	25,662	-	-	-	(822)	24,840
Legacies Development Fund	120	-	-	-	-	120
Care Quality Improvement	18	-	-	-	-	18
Maintenance Fund	160	-	-	-	80	240
JAG Fund	345	-	-	-	(140)	205
	31,453	42,251	(42,432)	587	558	32,417

Fixed and Intangible Assets Fund – this represents the amounts set aside from the general fund to fund the net book value of the RCP's fixed and intangible assets.
Legacies Development Fund – the fund will be utilised for appropriate and relevant projects for such purposes that the major donors can be recognised and remembered.
Care Quality Improvement – funds remaining on completed projects have been designated with the aim of expanding the work carried out by this department.
Maintenance Fund – the fund is designated for the quinquennial external building renovations for leased property in London.
JAG Fund – the fund is designated for amounts ringfenced for future spend on the Joint Advisory Group.

20 Restricted funds	Balance at 01/01/2024	Income	Expenses	Gains/(losses)	Transfers	Balance at 31/12/2024
	£000	£000	£000	£000	£000	£000
Dorothy Whitney Wood – Physicians' Fund	431	-	(70)	-	-	361
National Respiratory Audit Programme	22	1,010	(990)	-	-	42
Falls and Fragility Fracture Audit Programme	-	722	(706)	-	-	16
Physicians' Fund	34	-	-	-	-	34
Advanced clinical practice curricula development	71	-	-	-	-	71
The Saltwell Will Trust Research Branch	197	-	-	-	25	222
Research course project	176	10	(166)	-	-	20
Harold Thomas Barten Trust	123	2	-	8	-	133
Dr Everley-Jones legacy	101	2	-	7	-	110
KSS Clinical Education Fellowship	52	-	(52)	-	-	-
External Affairs – Alcohol project	97	93	(127)	-	-	63
Medical Care	84	-	-	-	(84)	-
Sustainability fellow	65	-	(5)	-	-	60
Pulmonary Rehabilitation Services Accreditation Scheme	31	-	(3)	-	-	28
E-learning for healthcare – acute medicine project	32	-	(32)	-	-	-
Catherine Mills Bequest	83	1	-	6	(5)	85
Thomas Cotton Trust	83	-	-	-	4	87
Frank Peacock Bequest	75	1	-	5	-	81
QIPS – patient partners/medication safety	45	-	-	-	(23)	22
Queenie Louisa Higgins Bequest	54	1	-	4	(10)	49
Drabu MTI programme	5	-	-	-	2	7
Mackenzie-Mackinnon Streatfield	37	1	-	2	-	40
Fundraising	35	-	-	-	-	35
Eric Watts donation	13	-	(36)	-	23	-
Symons collection	34	-	-	-	-	34
Will Edmonds Clinical Research Trust	53	28	-	-	10	91
Fundraising Heritage Museum	34	-	-	-	-	34
28 other funds balances below £30,000	382	15	(18)	12	3	394
Total	**2,449**	**1,886**	**(2,205)**	**44**	**(55)**	**2,119**

Funds with closing balances over £100k are as follows:

- The grants for Care Quality Improvement and Education are received in respect for specific projects.
- The Physicians' Fund awards grants to resident doctors and new consultants pursuing innovation in medicine. The grants enable recipients to take up to 12 months out of clinical practice to undertake research in a UK institution and are funded by donors to the RCP.
- The Dorothy Whitney Wood Physicians' Fund relates to a legacy received in 2020 to establish the 'Whitney-Wood Scholarship' to be awarded for the purposes of research in the field of medicine preferably concerned with the understanding and management of cancer.
- The Dr Everley-Jones legacy was received from the estate of Dr Everley-Jones, to be used in the field of communication in medicine in its broadest sense, encompassing all aspects of information technology.
- The Harold Thomas Barten Trust is to be used for the purpose of scientific study of the human brain and mental disorder.

21 Endowment funds	Unapplied total return 01/01/2024	Income	Gains/(Losses)	Conversion to income	Transfers	Unapplied total return 31/12/2024	'Frozen' permanent capital 31/12/2024	Total endowment 31/12/2024
	£000	£000	£000	£000	£000	£000	£000	£000
Bradshaw Trust	214	6	24	(6)	-	238	143	381
Eden Fellowship in Paediatrics	1,304	26	98	(5)	-	1,423	142	1,565
John Rosser Scholarship	40	1	6	-	-	47	42	89
Joseph Senior White Trust	142	5	21	(1)	-	167	161	328
Lewis Thomas Gibbon Jenkins-Briton Ferry	1,672	53	199	(12)	-	1,912	1,250	3,162
ORL Wilson Bequest	129	3	12	(1)	-	143	44	187
James Maxwell Grant Prophit Bequest	525	19	73	(34)	(7)	576	539	1,115
Sadleir Trust	429	9	35	(2)	(54)	417	91	508
Samuel Leonard Simpson Fellowship	750	19	70	(8)	-	831	280	1,111
TK Stubbins Bequest	19	2	8	-	-	29	104	133
Watson Smith Trust	681	21	78	(4)	(280)	496	470	966
William Withering Prize	161	4	14	(1)	-	178	38	216
Dr JD Ramsay Scholarship	59	2	5	(2)	-	64	30	94
Graham Bull Prize	61	2	6	-	-	69	25	94
Sir Michael Perrin Lecture	89	2	7	-	-	98	12	110
Lady Teale Lecture	116	2	11	(1)	(117)	11	44	55
John Glyn	123	3	14	(4)	-	136	80	216
Dame Sheila Kift Bequest	46	2	6	-	-	54	38	92
John Thornton Ingram Lecture	38	1	3	-	-	42	6	48
Lockyer Lectureship and Fellowship	33	1	3	-	-	37	12	49
Simms Bequest	28	1	3	-	-	32	16	48
Professor PF Thomas Bequest	33	1	4	-	-	38	25	63
10 other funds with balances below £40,000	70	2	8	(1)	-	79	50	129
Subtotal	**6,762**	**187**	**708**	**(82)**	**(458)**	**7,117**	**3,642**	**10,759**

Funds not included in total return	Balance at 01/01/2024	Income	Gains/(losses)	Conversion to income	Transfers	'Frozen' permanent capital	Balance at 31/12/2024
	£000	£000	£000	£000	£000	£000	£000
Thomas Cotton Fund	203	4	4	-	(4)	-	207
The London Fever Hospital Research Fund	189	4	15	(1)	(4)	-	203
Saltwell Will Trust Research Branch	1,167	25	93	(5)	(25)	-	1,255
Will Edmonds Clinical Research Fund	526	10	39	(2)	(10)	-	563
Drabu Fund	131	2	9	(1)	(2)	-	139
Subtotal	**2,216**	**45**	**160**	**(9)**	**(45)**	**-**	**2,367**
Total endowment	**8,978**	**232**	**868**	**(91)**	**(503)**	**3,642**	**13,126**

The RCP received a total return order from the Charity Commission, dated 6 February 2012, which enables the trustees to decide which part of the unapplied total return from the investment of the charity's permanent endowments should be held on trust for application for the purposes of the charity.

Funds with closing balances over £300k are as follows:

- The Bradshaw Trust was founded by a bequest from Mrs Sally Hall Bradshaw by her will of 1875, in memory of her husband Dr William Wood Bradshaw MRCP FRCS (1800–1866): £1,000 to endow an annual lecture on a subject connected with medicine or surgery. The lecturer is appointed by the president: the honorarium is £20.
- The Eden Fellowship in Paediatrics was established in 1947 from the estate of Dr Thomas Watts Eden, to establish and maintain travelling fellowships for the study of childhood in health and disease.
- The Lewis Thomas Gibbon Jenkins of Briton Ferry Memorial Trust was received by the RCP in November 1998 from the executors of Mrs Nancy Crawshaw's will. The capital is to remain intact for a minimum of 21 years after her death. The income is to be applied for the promotion of medical research connected with a physical disorder prevalent in Wales.
- The Joseph Senior White Trust was by a bequest from Mrs Eliza White, received in 1953 – in memory of her husband Joseph Senior White, to be used for scientific research solely with a view to the discovery of means to alleviate human suffering and for the prevention and cure of diseases.
- The James Maxwell Grant Prophit Trust was received in November 1998. The endowment is an addition to the Prophit Bequest and as with the original bequest the fund is to be devoted to the promotion and furthering of research work concerning the nature, causes, prevention, treatment and cure of tuberculosis.
- The Samuel Leonard Simpson Fellowship was founded in 1984 by a gift of shares/stocks from Mrs HM Simpson in memory of her husband Dr Samuel Leonard Simpson FRCP (1900–1983) for a travelling scholarship in endocrinology.
- The Watson Smith Trust was a bequest from Dr Sydney Watson Smith FRCP in memory of his wife and himself, to endow an annual lecture and medical research fellowship.
- The Sadleir Trust was established by a bequest from Lady Sadleir, wife of Sir Edwin Sadleir Bt and widow of Dr William Croone (1633–1684), fellow of the RCP, to provide for the two annual lectures Dr Croone had planned, but for which he had made no endowment: one to be read before the Royal College of Physicians by a fellow of the college, with a sermon to be preached at St Mary-le-Bow; the other on the nature and laws of muscular motion to be delivered before the Royal Society.
- Saltwell Will Trust Research Branch was established for the income generated to be used to aid research work in connection with and the cure and prevention of cancer, rheumatism, malaria and morbid conditions of the prostate gland.
- Will Edmonds Clinical Research Fund was established in 1925 to award a fellowship in clinical research in hospitals in the Metropolitan area of London. The research must concern diseases usually treated at a general hospital, excluding tropical and rare diseases.

22 Analysis of group net assets after pension scheme liability

		Intangible and tangible assets	Investments	Net liabilities inc pension liability	Total 2024	Total 2023
		£000	£000	£000	£000	£000
Unrestricted:						
Designated	Fixed Assets Fund	24,840	-	-	24,840	25,662
	Legacies Development Fund	-	-	120	120	120
	Care Quality Improvement	-	-	18	18	18
	Maintenance Fund	-	-	240	240	160
	JAG Fund	-	-	205	205	345
		24,840	**-**	**583**	**25,423**	**26,305**
General funds		**-**	**15,752**	**(8,758)**	**6,994**	**5,148**
		24,840	**15,752**	**(8,175)**	**32,417**	**31,453**
Restricted		-	1,644	475	2,119	2,449
Endowment		-	11,870	1,256	13,126	12,620
Total		**24,840**	**29,266**	**(6,444)**	**47,662**	**46,522**

23 Trading subsidiary – The RCP Regent's Park Limited

The trading results and balance sheet of the RCP subsidiary company as extracted from its audited accounts are set out below.

	2024	2023
Profit and loss account	**£000**	**£000**
Turnover	6,417	5,979
Cost of sales	(1,952)	(1,901)
Gross profit	**4,465**	**4,078**
Administrative expenses	(3,989)	(3,420)
Operating profit/(loss)	476	658
Gift aid to Royal College of Physicians	(476)	(658)
Retained profit/(loss) for the financial year	**-**	**-**

Included within administrative expenses is £3,326k (2023: £2,329k), which represents a reimbursement in respect of costs incurred by the RCP.

	2024	2023
Balance sheet	**£000**	**£000**
Debtors	2,057	314
Balance at bank	7	1,307
Current and total assets	**2,064**	**1,621**
Creditors due within 1 year:	(2,064)	(914)
Creditors due more than 1 year:	-	-
Creditor – due to RCP	-	(707)
Total creditors	**(2,064)**	**(1,621)**
Net assets	**-**	**-**
Capital and reserves		
Accumulated deficit	-	-
Called up share capital	£1	£1
Shareholders' funds	**£1**	**£1**

The RCP's wholly owned trading subsidiary, The RCP Regent's Park Limited, was incorporated on 17 September 2001, company registration 04288664.

The operating profit for the year ended 31 December 2024 was £476k (2023: £658k).

The principal activity of the company is to organise, provide facilities for and hold conferences, seminars, and courses of instruction, demonstrations, lectures, exhibitions, private dinners and functions.

24 Pension schemes

The RCP has three pension schemes, one providing defined benefits based on final salary, the other two providing benefits based on defined contributions invested with Standard Life and Aon. The pension costs for the defined contribution scheme are charged to the statement of financial activities as they become payable in accordance with FRS 102. The pension costs relating to the defined benefit scheme are assessed in accordance with the advice of an independent qualified actuary.

The defined benefit pension scheme current service costs and the net of the scheme interest cost and the expected return on the scheme assets for the year are charged to the statement of financial activities within superannuation costs. Actuarial gains and losses are recognised within other recognised gains and losses.

Total pension costs charged for the year was net income £337k (net income 2023: £26k) for the defined benefit pension scheme and employer pension contributions of £1,412k (2023: £1,299k) for the defined contribution pension scheme.

One of the defined contribution schemes closed to new members in 2018 – employer contribution rates for this defined contribution scheme are determined by the members' age bands with incremental rates for older members. The new scheme opened for new membership has a flat employer contribution rate of 7%.

The defined benefit pension scheme is closed to new members and closed to future accrual. There is no further salary linkage. For the purposes of FRS 102 the valuation of the defined benefit scheme has been calculated under FRS 102 as at 31 December 2024 by a qualified actuary. The scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

The valuation, details of which are given below, shows £16.25 million of assets and £14.71 million of liabilities, resulting in a scheme surplus of £826k. However, in accordance with paragraph 28.22 of FRS 102 the net pension asset has been restricted to the value of the scheme's future pension cost less future employee contributions. The net pension asset therefore becomes £nil.

The scheme's assets and liabilities as at 31 December 2024, analysis of pension costs and details of the valuation were as follows:

Principal assumptions	2024	2023	2022	2021	2020
	% per annum	% per annum	% per annum	% per annum	% per annum
Discount rate	5.45	4.55	4.80	1.85	1.30
Aggregate long-term expected rate of return on assets	5.45	4.55	4.80	1.85	1.30
Rate of increase of salaries	n/a	n/a	n/a	n/a	n/a
RPI inflation assumption for pensions in payment	3.05	2.95	3.00	3.25	2.75
CPI inflation assumption for deferred pensions	2.50	2.40	2.45	2.65	2.15
Pension increases					
- RPI min 0%, max 5% (p.a.)	3.00	2.90	2.95	3.15	2.75
- RPI min 2.5%, max 5% (p.a.)	3.35	-	-	-	-
Pension commencement lump sum taken at retirement	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value

Mortality tables: 101% of S3PMA tables for men and 92% of S3PFA tables for women using CMI 2022 model with a 1.25% long-term rate of improvement based on year of birth.

The assets valued below are in the form of monies invested with Legal and General Investment Management, BMO Global Asset Management, M&G Investments and Janus Henderson Investors together with the trustees' bank account. The assets in the scheme and the expected rate of return were:

Assets breakdown	2024	2023
	%	%
Real return and absolute return funds	-	-
Diversified Growth Fund	-	-
UK Government index-linked gilts	63.99	61.77
Corporate bonds	-	-
Multi asset credit	20.06	17.75
UK corporate bonds	9.79	13.51
Liability driven investments	-	-
Equities	5.53	5.11
Cash	0.63	1.86
Total market value of assets	**100**	**100**

The pension scheme has not invested in any of Royal College of Physicians' own financial instruments, nor in properties or other assets used by the Royal College of Physicians. The assets are all quoted in an active market.

Movement in deficit during the year	2024	2023
	£000	£000
Pension scheme liability at the beginning of the year	-	-
Actuarial losses and gains on present value of obligations	1,366	(101)
Experience gains and losses on defined benefit obligations	382	(598)
Gains/(losses) on return of scheme assets	(1,402)	(289)
Employer contributions	665	1,120
Net interest on the net defined benefit liability	(337)	26
	674	**158**
	2024	**2023**
	£000	**£000**
Present value of scheme liabilities at beginning of the year	16,225	15,445
Past service cost	145	-
Interest cost	724	726
Actuarial (loss)/gain on scheme liability assumption changes	(1,748)	699
Benefits paid	(636)	(645)

Movement in deficit during the year	2024	2023
Present value of scheme liabilities at the end of the year	**14,710**	**16,225**
	£000	**£000**
Fair value of scheme assets at beginning of the year	17,051	16,082
Interest income	779	783
Return on scheme assets	(1,402)	(289)
Employer contributions	665	1,120
Benefits paid	(636)	(645)
Administration expenses	(209)	-
Fair value of scheme assets at the end of the year	**16,248**	**17,051**
	2024	**2023**
	£000	**£000**
Fair value of scheme assets	16,248	17,051
Value of liabilities (defined benefit obligation)	(14,710)	(16,225)
Funded status	1,538	826
Adjustment in accordance with the limit in FRS 102 paragraph 28.22	(1,538)	(826)
Recognised pension scheme liability	-	-

Analysis of pension scheme assets and liabilities for the current and previous five financial periods	2024	2023	2022	2021	2020	2019
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Present value of scheme liability	(14,710)	(16,225)	(15,445)	(22,342)	(24,526)	(22,482)
Fair value of scheme assets	16,248	17,051	16,082	21,956	20,287	18,239
Surplus/(Deficit)	1,538	826	637	(386)	(4,239)	(4,243)
Adjustment in accordance with the limit in FRS 102 paragraph 28.22	(1,538)	(826)	(637)	-	-	-
Surplus/(Deficit)	**-**	**-**	**-**	**(386)**	**(4,239)**	**(4,243)**

At the date of the last triennial statutory actuarial assessment as at 1 January 2024, the market value of the scheme was £18.57 million and the actuarial value of those assets represented 100.4% of the value of the benefits which had accrued at that date, allowing for future pension increases.

25	Lease obligations	2024	2023
		£000	£000
	Operating leases on land and buildings, by expiry date:		
	Under 1 year	18	16
	1 to 5 years	3,709	2,475
	5 years plus	23,861	25,095
	Total future minimum operating lease commitments	**27,588**	**27,586**
	Operating leases on office equipment and computers, by expiry date:		
	Under 1 year	90	100
	1 to 5 years	111	111
	5 years plus	-	-
	Total future minimum operating lease commitments	**201**	**211**
	Finance leases on IT equipment, by expiry date:		
	Under 1 year	22	88
	1 to 5 years	-	23
	5 years plus	-	-
	Total future finance lease commitments	**22**	**111**
	Finance leases on land and buildings, by expiry date:		
	Under 1 year	125	108
	1 to 5 years	58	158
	5 years plus	-	-
	Total future minimum finance lease commitments	**183**	**266**

In August 2019 the RCP signed an agreement for lease for 69,890 square feet over seven floors of 'The Spine' with Liverpool City Council for 25 years. The rental for the total period is £27.5 million. The lease came into effect at the end of June 2020.

26 Related party transactions

The Royal College of Physicians (RCP), a charity registered (charity number 210508) in England and Wales, is the ultimate controlling parent of its subsidiary undertaking The RCP Regent's Park Limited, which is consolidated on a line-by-line basis in these group accounts. The total transactions in the year from the RCP Regent's Park Limited to the RCP totalled £2,356k, with the RCP as at 31 December 2024 owing the trading company £1,648k in relation to an intercompany balance.

Donations totalling £333 (2023: £933) were received from two trustees in the year (2023: 3).

Senior officers work on behalf of the RCP undertaking national and regional work for the wider benefit of the public and of health services. In their positions as senior officers, the RCP makes a contribution directly to their employer (trust/university) to allow them to free up senior officers to be able to fulfil this important role. Senior officers do not receive any remuneration for their role as senior officers and do not benefit personally from this contribution. Senior officers also hold roles as trustees, and it is this role that is deemed a related party. Contributions to organisations for trustee time spent on RCP activities amounted to £172k (2023: £160k) comprising: Milton Keynes University Hospital NHS Foundation Trust £31k (2023: £31k), East Lancashire Hospitals NHS Trust £30k (2023: £12k), Manchester University NHS Foundation Trust £12k (2023: £0k), Royal Papworth Hospital NHS Foundation Trust £44k (2023: £60k), Torbay and South Devon NHS Foundation Trust £13k (2023: £37k), King's College Hospital NHS Foundation Trust £22k (2023: £0k), University Hospitals Coventry and Warwickshire NHS Trust £12k (2023: £20k) and University of Liverpool £8k (2023: £0k). There were no other related party transactions in the period.

27 Capital commitments

The Royal College of Physicians had a capital commitment of £220k as at 31 December 2024 (2023 nil), related to the customer relationship management (CRM) system move to the cloud.

Awards, fellowships and donors

Awards, prizes and lectures

Eric Watts award for excellence in patient care and patient engagement

Winners

Lincolnshire's Living with Cancer team: Kathie McPeake, Sam Lewis, Ellie Sadler, Rebeka Pallett, Steph Wilkes, Cath Koutna, Ashley Over, Lauren Gray, Ellie-Mae Shurmer, Libby Stennett, Anna Chapman, Chloe North, Vicky Thompson, Lauren Easton

Runners-up

TRIPP Paediatric IBD team
Guy's Cancer Physio and SELCA: Physical activity throughout the cancer pathway
CMCA HIPE reader's panel

Frederick Murgatroyd Memorial prize

Dr Laura Benjamin

Gilbert Blane trust prize

Surgeon Lieutenant-Commander Laura Cottey

RCP-NIHR CRN joint research awards

Researcher prize

Professor Alexander Comninos
Dr Effrossyni Gkrania-Klotsas

Trainee prize

Dr Andreas Hadjinicolaou

Teale essay prize

Dr Mrinalini Dey

Fellowships and bursaries

Whitney Wood fellowship

Dr Faiz Jabbar

Lewis Thomas Gibbon Jenkins of Briton Ferry fellowship

Dr Sumana Vasishta

Medical student elective bursaries

Katherine Bowes
Tomas Ferreira
Isata Jula Fofanah
Eleonor Frost
Zahra Ismail
Hinal Kumar
Patricia Lapitan
Jasmine Makker
Laetitia Makower
Salma Miah
Lauren Salmon
Abd Al-Karim Sammour

Wolfson intercalated awards

In 2024 we awarded 47 intercalated grants of £5,000 across 20 medical schools.

Lectureships

Croonian lecture

Dr Niall Elliott MBE

FitzPatrick lecture

Professor Anita Simonds

Harveian Oration

Professor Avan Aihie Sayer

Linacre lecture

Dr Nicholas Evans

Milroy lecture

Dr Amitava Banerjee

Samuel Gee lecture

Professor Catherine Mummery

Turner-Warwick lectures

Dr Catriona Cox
Dr Daniel Pan
Dr Joseph Cairns
Dr Arun Sivananthan
Dr James Irvine
Dr Duha Ilyas
Dr Michael Drozd
Dr Rhea Saksena
Dr Nicholas Thomas
Dr Charlie Finlow
Dr Nathan Brendish
Dr Roopa Chopra

Fellowship admissions

New fellows

358 elected under bye-law 8.2 (1) a
4 elected under bye-law 8.2 (1) b
244 elected under bye-law 8.2 (1) c
7 elected under bye-law 8.2 (1) d
5 elected under bye-law 8.6 (1)

New honorary fellows

Professor Alastair Hay
Sir John Antony Hardy
Professor Richard Gallo
Sundeep Khosla
Professor Terry Rabbitts

Major donors and sponsors for 2024

Individuals, including legacies

Estate of the late Joseph Francis Hare
Estate of the late Jane Knights

Trusts and foundations

The Leverhulme Trust
The Wolfson Foundation

Corporate partners

AstraZeneca
Aventis Pharma – Sanofi
Bial
Boehringer Lilly Alliance
Daiichi Sankyo
Illumina
Janssen
Medical Family Finance
Pfizer
Vertex

Administrative information

Principal address

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

Principal advisers

Solicitors
Fieldfisher LLP
Riverbank House
2 Swan Lane
London EC4R 3TT

DAC Beachcroft LLC
Administration Centre
Portwall Place
Portwall Lane
Bristol BS1 9HS

Bankers
C Hoare and Company
37 Fleet Street
London EC4P 4DQ

Lloyds plc
National Clubs and Charities Centre
Sedgemoor House
Dean Gate Avenue
Blackbrook Business Park
Taunton TA1 2UF

Santander UK plc
Education Specialist Sectors Group
4 St Paul's Square
Liverpool L3 9SJ

Auditor

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

Investment managers

Cazenove Capital Management
12 Moorgate
London EC2R 6DA

Morgan Stanley Private Wealth Management
25 Cabot Square
Canary Wharf
London E14 4QA

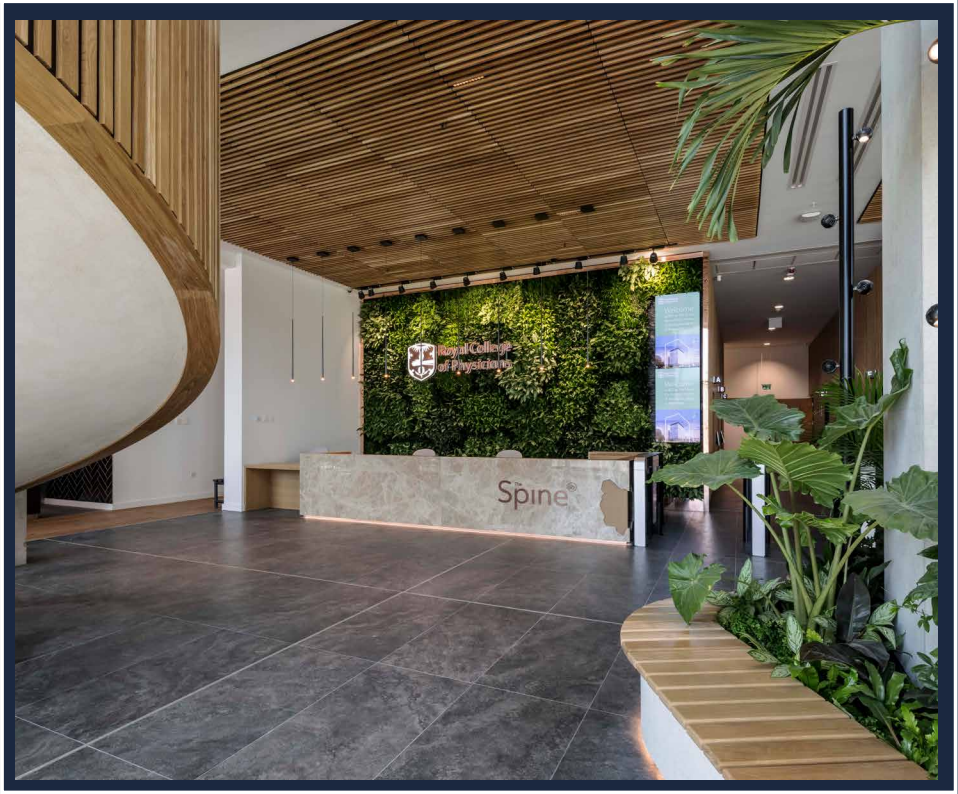
Royal Bank of Canada
1 Place Ville Marie 12th floor
Suite 1240
Montréal
Quebec H3B 4P5
Canada

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

The Spine
2 Paddington Village
Liverpool L7 3FA

www.rcp.ac.uk





Royal College of Physicians

THE ROYAL COLLEGE OF PHYSICIANS OF LONDON

England & Wales - Charity number 210508

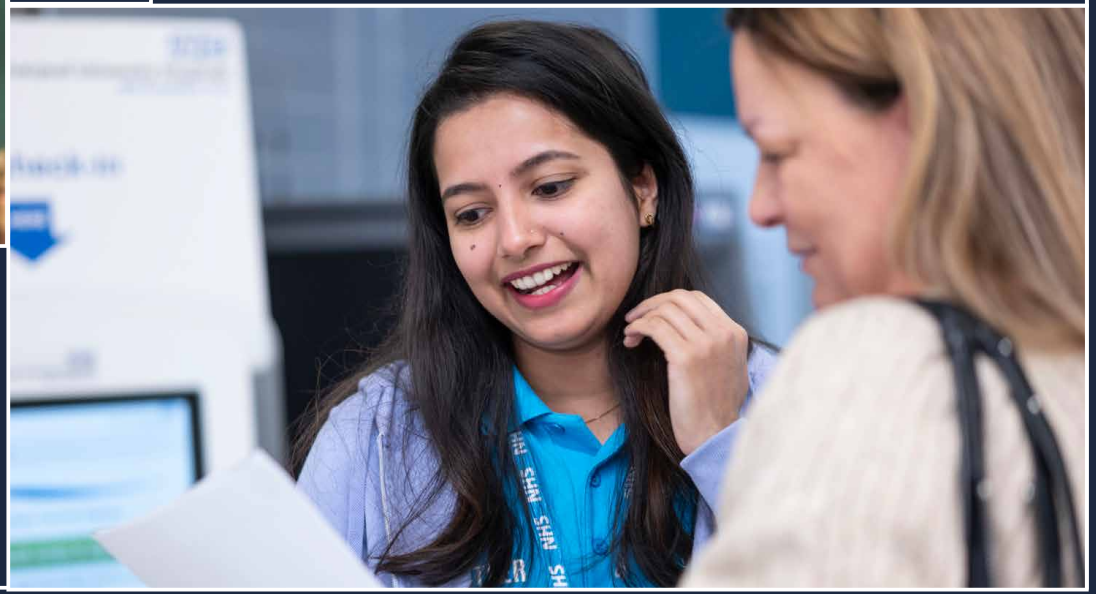
Accounts

Celebrating diversity in medicine





RCP annual report 2023



Royal College of Physicians

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Who we are and what we do

About the RCP

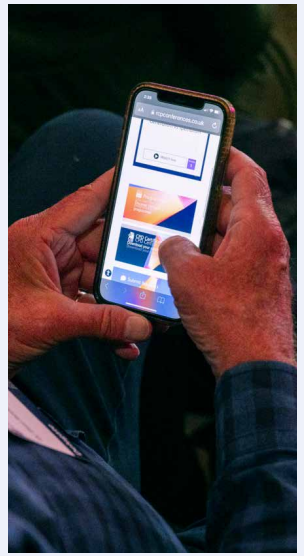
The Royal College of Physicians (RCP) is a professional membership body for physicians, with 40,000 members and fellows around the globe working in hospitals and communities across 30 medical specialties. Physicians diagnose and treat illness, and promote good health. They care for millions of medical patients with a broad range of conditions, from asthma and diabetes to stroke and dengue fever.

Everything that we do at the RCP aims to improve patient care and reduce illness. Our work is patient centred and clinically led. We drive improvement in the diagnosis of disease, the care of individual patients and the health of the whole population, both in the UK and across the globe. We work to ensure that physicians are educated and trained to provide high-quality care. We also develop doctors to become leaders, providing advice and expertise to deliver service improvements across the NHS and more broadly.

Our partnership with patients

Our Patient and Carer Network (PCN) was established in 2004. A network of volunteers throughout England and Wales, PCN members are involved in the full range of RCP activities. Their invaluable contribution helps to ensure a continuous focus on patient-centred care, patient safety and health improvement. Partnership is key, with patients and carers providing a vital range of lived experiences and perspectives, which help to inform the design and delivery of healthcare.







Our vision, mission and values

Our vision

As the leading body for physicians in the UK and internationally, the RCP envisages a world in which everyone has the best possible health and healthcare.

Our mission

The RCP understands its purpose in realising that vision to be:

- **educating** physicians and supporting them to fulfil their potential
- **improving** health and care and leading the prevention of ill health across communities
- **influencing** the way that healthcare is designed and delivered.

Our values

Our values are **taking care**, **learning** and **being collaborative**.



Public benefit

The Royal College of Physicians (RCP) was established by royal charter from King Henry VIII in 1518. It is a registered charity, and the trustees are mindful of their duty to ensure that the charity's purpose accords with the objects set out in its governing document (the charter).

Uniquely for the time, through the charter the king established the RCP in perpetuity as a professional body in the name of the public benefit. He empowered it to set standards by regulating practice, to protect the public.

Today the RCP continues to focus its work to support high standards of medical training and patient care through activities within the meaning of charitable purpose, as defined by the Charities Act 2011, that are carried out for the general public benefit.

In particular, most of our activities fall within the purposes of the advancement of health or the saving of lives; the advancement of education; and the advancement of the arts, culture, heritage or science.

Our work in these areas is made possible through the involvement of our fellows and members wherever they work, in the UK or overseas, and is summarised annually in this report.



Foreword





Dr Sarah Clarke, RCP president
Dr Ian Bullock, chief executive

It has been another challenging year for the NHS, marked by industrial action and lengthy waiting lists, with services under strain and many healthcare workers feeling exhausted and demoralised. Against this testing backdrop, it's remarkable to still find positive examples of innovation, progress and improvements in care – and yet, there are many.

Through this year's annual report, we want to celebrate diversity in medicine and the outstanding achievements of our members and fellows. Our membership is a global community of over 40,000 members and fellows, spanning every career stage from medical student to emeritus consultant. It brings together doctors of all backgrounds, ethnicities and ages who work in a diverse range of roles and specialties. We're united by our ambition to deliver the very best care for our patients, alongside a thirst for knowledge and the desire to keep learning from each other.

This formed the heart of RCP activities in 2023 under our three strategic pillars of educating, improving and influencing. Our popular conferences, regional updates and webinars provided key opportunities to come together, learn new skills and debate fresh ideas. We were also proud to launch an innovative new postgraduate certificate focusing on the care of adults with learning disabilities.

In the area of improving care, we hosted four summits in partnership with NHSE to shape the future of outpatient care. To help standardise care for inpatients with diabetes, we added a new Diabetes Care Accreditation Programme to our suite of successful accreditation programmes. We were also delighted to launch Medical Care – driving change, our online hub showcasing best practice and real-world examples of quality improvement.

With a stronger campaigning focus on health inequalities, we launched a revised position paper on the topic, and celebrated the key milestone of over 250 organisations signing up to the RCP-led Inequalities in Health Alliance. We finally saw the launch of the NHS England Long Term Workforce Plan, which committed to double the number of medical students and increase postgraduate medical training places over the next decade. Although it fell as a result of the general election, we welcomed new legislation, which was introduced to create a smoke-free generation.

In terms of our financial position, high inflation and industrial action led to a small overall deficit for the year. An improvement plan was implemented as part of our long-term financial strategy, which significantly reduced our planned deficit for 2023 and will bring the RCP back into surplus in 2024.

During the year, we responded to the voices of our fellows and members on the role of physician associates. Your concerns led to an extraordinary general meeting in 2024. We are listening and responding to these concerns while supporting the Faculty of Physician Associates to move towards becoming an independent faculty. We are also focused on supporting and empowering the next generation of physicians and improving working conditions for all.

The next year will be a challenge in healthcare but with your engagement and support we will advocate and lead the way forward for the medical profession.

Thank you to our members and fellows, boards and committees, officers, staff and volunteers – we couldn't do what we do without you.

Report of trustees

The trustees of the RCP are pleased to present their annual report for the year ended 31 December 2023. The report presents our activities, significant achievements and successes in 2023.

Professor David Croisdale-Appleby OBE, chair of the Board of Trustees' message



The great majority of organisations in the health and care sector have faced, and continue to face, challenging times, and the RCP is no exception. But I am pleased to say that I and my fellow trustees are confident that our careful governance over the last year has supported and facilitated the clinical leadership given to the college through our president and vice presidents. We recruited additional specialist experts to the Board of Trustees in the fields of strategy, legal, financial, property and income generation, thereby ensuring that we have the experience and expertise to engage with and overcome the challenges, but also to realise the opportunities – both current and those we anticipate in the future.

Our journey to financial recovery and the creation of financial surpluses should be completed this year. This will allow our clinical leaders to further expand the fields in which the college gives national and global leadership.

During the year the Board met formally on five occasions, and in addition there were many committee and informal meetings of trustees in order to remain closely involved in fulfilling our triple roles of scrutiny, strategy and culture.

We look forward to the coming year with great enthusiasm and confidence.

Our 2022–24 strategy

The RCP is both a professional membership body and a registered charity. Our strategy for 2022–24 is mindful of our responsibilities in both of these roles and was developed following consultation with our members and stakeholders. This 3-year plan sets out our three main priorities of **educating**, **improving** and **influencing**. These priorities are underpinned by a set of five 'enablers': close engagement with the RCP membership, patient and carer involvement, a focus on diversity and inclusion, good governance and working in a sustainable way.

This annual report covers our main activities and achievements under the three priority areas, with a section on our enablers.



Federation of the Royal Colleges of Physicians of the UK

The Federation of the Royal Colleges of Physicians of the UK is a collaboration between the Royal College of Physicians of Edinburgh, the Royal College of Physicians and Surgeons of Glasgow, and the RCP. Together, the three colleges represent more than 60,000 physicians worldwide.

The Federation develops and delivers services to support doctors at every stage of their careers, including:

- providing frameworks for continuing professional development (CPD) and its accreditation
- examinations, comprising Membership of the Royal Colleges of Physicians of the UK – MRCP(UK), specialty certificate examinations and international clinical examinations
- training curricula and quality criteria for training environments (Joint Royal Colleges of Physicians Training Board – JRCPTB).

Highlights of key Federation activities are included in this report.





Educating

physicians and supporting them to fulfil their potential

We strive for excellence in the training and continuing professional development of physicians and physician associates throughout their multifaceted careers. We develop them as career-long learners and improvers, leaders, educators and researchers. We formulate and present the knowledge of our members for wider public benefit.

> **“Contributing to the Chief Registrar Programme on the importance of involving patients and carers is a real pleasure. Providing practical ideas and suggestions to the senior clinical leaders of tomorrow fulfils the aim of the PCN to support the strategic priorities of the RCP’**
>
> **– Lynne Quinney, Patient and Carer Network member**



Educating
Key activities in 2023

We provided over

1,000

CPD hours through our conferences, regional updates, workshops and webinars





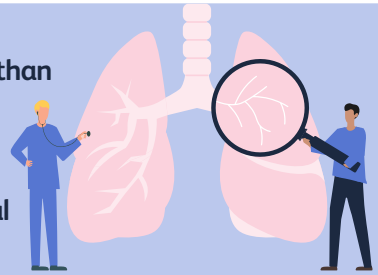
Our free-to-members e-learning resources were accessed over

6,000 times

We supported more than

150

international medical graduates to work and train in the NHS



We launched PACES23, an updated assessment of key clinical skills for doctors

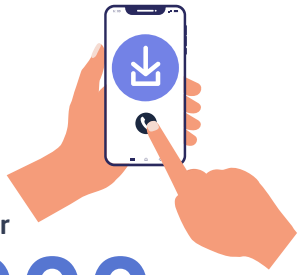


We launched a new postgraduate certificate focused on the care of adults with learning disabilities



Our RCP Medicine podcasts have been downloaded over

500,000 times



Since its launch, the RCP Assessment Unit has delivered exams to over

20,000

candidates



More than

100

chief registrars enrolled on our flagship programme



Our activities and achievements

We offered a wealth of in-person and online learning opportunities, including award-winning conferences, webinars, podcasts and e-learning programmes. We launched PACES23 – the revised practical assessment designed to test the key clinical skills of trainee doctors – as well as a new postgraduate certificate focusing on the care of adults with learning disabilities.

Assessment and exams

Following 12 months of planning, PACES23 (Practical Assessment of Clinical Examination Skills) was rolled out. The updated exam reflects changes in postgraduate medical education, training and assessment, as well as in the workplace. It includes an updated examination carousel of five 'stations' and greater emphasis on communication skills. During autumn, the RCP Assessment Unit ran PACES across 26 centres, and overall we increased the number of PACES exam slots by 10% in 2023.

Over 70 trainees were recruited to participate in training for the new-format Diploma in Geriatric Medicine when it commences in 2024.

The Federation successfully delivered all MRCP(UK) examination diets with candidate numbers near to pre-pandemic levels. International delivery of MRCP(UK) Part 1 and 2 written exams was moved to in-centre computer-based testing.

We ran physician associate (PA) exams for almost 1,000 candidates and trained over 100 new examiners for the PA National Examination.

Supporting physicians throughout their careers

Our diverse and stimulating range of conferences, webinars and lectures provided key learning opportunities to support doctors with their continuing professional development. The award-winning annual conference Medicine 2023 included 85 speakers across 20 specialties and championed sustainability as its key theme. Med+, our acute and general medicine conference, focused on generalism versus specialism and included innovative workshops, hands-on sessions and an abstract competition. Around 1,200 delegates attended one of our popular face-to-face regional updates in medicine.

Initiatives to support specific audiences included:

- an online 'Call the med reg' conference
- an acute medicine webinar series
- the Turner-Warwick lecturer scheme for trainee doctors
- a virtual poster competition for trainees, attracting almost 200 submissions in 10 regional competitions
- new video content for RCP Launchpad, our online resource for senior trainees, new consultants and SAS doctors
- five forums for new consultants, including a focus on differential attainment in medicine, leadership and management
- online meetings for specialist, associate specialist and specialty doctors (SAS) doctors plus a face-to-face SAS network meeting in Cardiff
- maintaining an active network of college and associate college tutors, including a well-attended half-day online conference.

Eight trust visits with RCP senior officers took place in England, Wales and Northern Ireland, hearing from our physicians locally on their experiences working in the NHS.

The Federation successfully implemented a CPD Diary development for two reviewers for distance learning applications and introduced payment reminders to the system to improve fee collection.

Physician associates

Our biggest-ever Faculty of Physician Associates (FPA) annual conference was delivered to 1,600 delegates via two simultaneous in-person conferences in Liverpool and London, plus online access for a virtual audience.

We launched an ePortfolio for qualified PA members to support their continuing professional development.

We published title and introduction guidance to support PAs in providing a standardised way of introducing themselves to patients and more clarity on their role within the multidisciplinary team.



Training and curriculum development

We launched a new postgraduate certificate pathway focused on the medical care needs of adults with learning disabilities. Delivered in partnership with Edge Hill University, it will ensure health professionals are equipped to provide high-quality, person-centred care for adults with a learning disability.

We contributed to three new commissioned leadership programmes on stroke, renal medicine, and sports and exercise medicine, training mentors and developing leaders of the future.

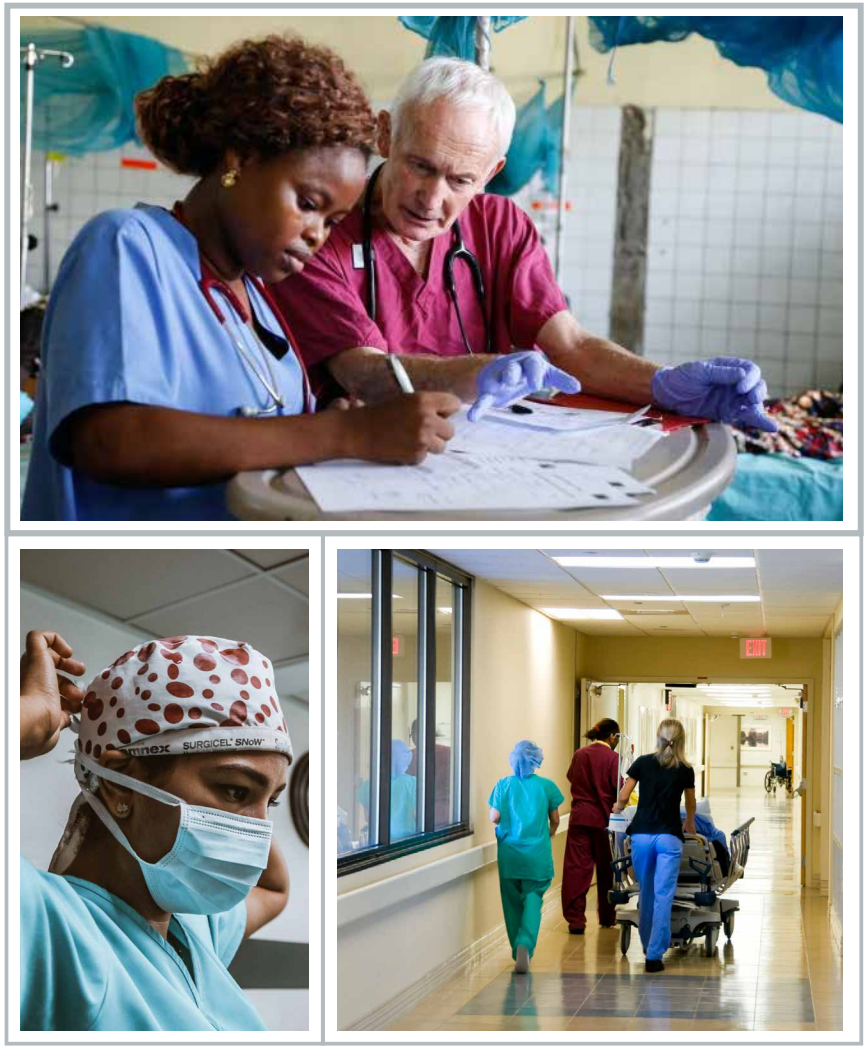
Learners were enrolled for the new RCP professional certificates for gender identity healthcare professionals. These provide a work-based credential solution for busy clinicians.

We carried out an NHSE-funded pilot to approved training sites to deliver the Diploma in Obstetric Medicine for higher specialty trainees, and designed a national recruitment process for trainee applicants.

We designed four clinical research e-learning modules, which were launched on the NIHR Learn platform.

The Federation successfully launched and implemented all new group 1 specialty curricula with trainees moved to the new curricula on the ePortfolio. All group 2 specialty curricula were submitted to the GMC.

A record number of 220 Certificate of Eligibility for Specialist Registration (CESR) applications was processed, and all specialty-specific guidance for CESR was updated to the new GMC standard.



Global work

We delivered more than 20 activities globally, shaped by 130 RCP fellows and attracting a global audience of around 9,500.

The RCP Iraq Network went from strength to strength in 2023, growing our international membership in Iraq. We delivered 29 educational activities to over 1,500 attendees, and four mock PACES exams and associated workshops.

We concluded a pilot of the Global Women Leaders Programme in Pakistan and initiated activities in Jordan, India and Iraq.

We supported over 150 new international medical graduates to work and train in the NHS through the Medical Training Initiative.

We held bespoke membership events for our members and fellows in India, Jordan, Malaysia, Pakistan, Singapore and Sri Lanka.

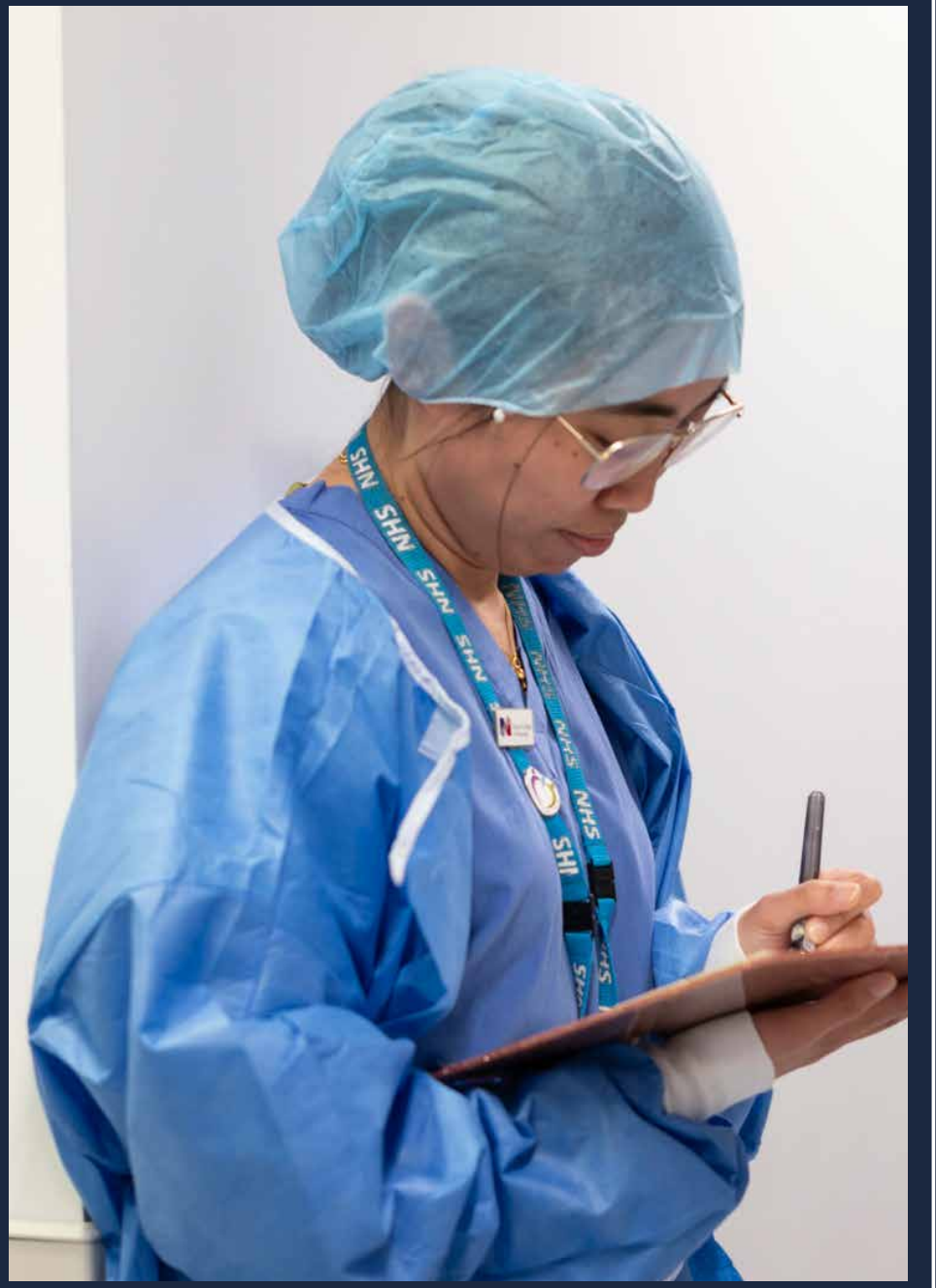
To provide increased opportunities for international doctors to sit our clinical exams, the Federation launched new PACES centres in Pune, India and Sarawak, Malaysia. PACES pathfinder examinations took place in Nepal and Bahrain, and factfinders in Mumbai and Abu Dhabi.

Improving

health and care and leading the prevention of ill health across communities

We improve the quality, outcomes, safety and experience of patient care by developing and setting standards. We support the clinical community to embed those standards by enabling and sharing local, regional, national and international quality and service improvement initiatives. We continually seek to identify and respond to the improvement challenges that our members face in practice.

> **“The Patient and Carer Network welcomed the launch of the Medical Care – driving change online hub and were pleased to have helped shape its development from the outset’**
>
> **– Eddie Kinsella, chair of the RCP Patient and Carer Network**



Improving
Key activities in 2023

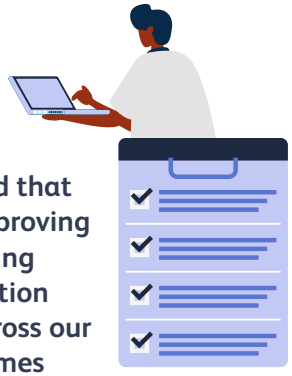


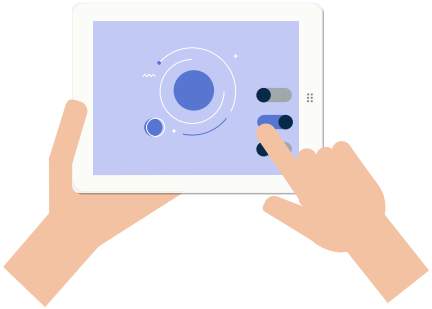
We launched a new Diabetes Care Accreditation Programme to improve NHS services for adult inpatients with diabetes

Over

70

services demonstrated that they were improving care by meeting the accreditation standards across our five programmes





We launched Medical Care – driving change, our new online improvement hub



200

members and fellows responded to our surveys to support developments in digital health

In partnership with NHSE, we brought together over

100

professionals and patients at four key summits to shape the future of outpatient care



We completed

17

invited reviews to support healthcare organisations





We published national audit reports on respiratory care, inpatient falls and fragility fracture care, each including a focus on health inequalities

Our activities and achievements

We worked collaboratively with patients, specialist societies and other key partners on resources to support clinical teams to deliver improvements in healthcare. Our highly regarded audit and accreditation programmes focused on improving care for patients through measuring care and outcomes. This portfolio now includes a new accreditation programme to support inpatient diabetes care. We launched Medical Care – driving change, an improvement hub to showcase everyday examples of good practice and innovation across the NHS.

Audit, accreditation and service review

The Healthcare Quality Improvement Partnership (HQIP) commissioned us to deliver two national clinical audit programmes: the Falls and Fragility Fractures Audit Programme (FFFAP) and the National Respiratory Audit Programme (NRAP). NRAP, formerly the National Asthma and COPD Audit Programme (NACAP), was recommissioned in 2023 with a new name to indicate the ambition to expand its remit to include other respiratory diseases under a new 3-year contract. In both programmes, we are planning work to support local clinical teams over the next 3 years to use the audit data to implement measurable improvements in care.

Following a successful pilot, we launched the Diabetes Care Accreditation Programme (DCAP). Developed through collaborative work with Diabetes UK and senior diabetes clinicians, this first-of-its-kind programme aims to improve care by setting quality standards and measuring service performance through external assessment. NHS services that deliver inpatient care for patients with diabetes can now sign up and start their accreditation journey. Nine services registered in 2023. DCAP adds to the RCP's existing suite of successful accreditation programmes, which cover endoscopy, allergy, pulmonary rehabilitation, liver and immunodeficiency.

Invited reviews support healthcare organisations requiring independent external advice. We delivered a record 17 reviews in 2023, many of them large-scale and complex. Reviews are conducted in collaboration with the relevant specialist societies and members of the MDT. We also delivered a well-attended training day to over 40 medical directors to share their experiences of difficult-to-manage scenarios.

Enabling improvements in care

We worked in partnership with NHS England to develop a new strategy for outpatient care, hosting four key summits in 2023. Our goal was to set out new ambitions for outpatient care and the actions we need to take to deliver real change. We brought together over 100 stakeholders to develop and test concepts prior to the publication of the new strategy in 2024. It builds on the ambitions outlined in our guidance on modern outpatient care (see below).

We increased the number of clinicians on our education programmes who focus on improvement of health and healthcare or prevention of ill health during the project phase of their programme.

An NHSE-funded pilot enabled approved training sites to deliver the Diploma in Obstetric Medicine to higher specialty trainees, and design a national recruitment process for trainee applicants to start in November 2023.

Guidance and resources

Over 100 chief registrars were supported with leadership development and action learning sets for the duration of their quality improvement projects. We also provided development and engagement opportunities for the alumni of the Chief Registrar Programme to build improvement leadership potential in the NHS. Our Patient and Carer Network supported chief registrars in how best to involve patients in the leadership of local improvement activity.

We launched Medical Care – driving change, an open-access website that provides a range of resources to support clinical teams with sustainable improvement and innovative practice. Patient safety is one of four key themed content areas, which generated a webinar series with partners including NHS England, NCEPOD and the Centre for Perioperative Care. We collaborated with 11 organisations and over 60 health professionals to produce blogs, webinars and videos, as well as 12 CPD-accredited content items.

We continued to lead the Patient Safety Committee, which convenes diverse stakeholders across the system to support knowledge sharing and skills development for medical teams. Supported by members of the committee, we were a major contributor to an acute kidney injury summit in the autumn. We also hosted a symposium at the tenth anniversary of the Bristol Patient Safety Conference, which focused on the Patient Safety Incident Response Framework.

We launched an updated acute care toolkit for acute oncology on the acute medical unit. It aims to support acute and general medical clinicians caring for patients with cancer who have been admitted to acute care.

Our new guidance on Modern outpatient care sets out a framework to support patient-centred outpatient care for service planning and delivery for local services to identify priorities for improvement.

In support of building relationships with social care professionals, we worked with the Association of Directors of Adult Social Services to better understand the dynamics of the relationship between physicians and social care. We went on to develop a short document for RCP members, to suggest some key principles for how physicians can work effectively with their colleagues in social care.

In digital health we began work to better understand how we can support those at risk of digital exclusion and those who are developing a career in this area. Two member surveys identified the need for the RCP to shape the way that digital systems are designed and implemented to meet the needs of physicians and patients. We also hosted a summit led by the Academy of Medical Royal Colleges and the NHS Digital Academy to bring colleges and medical leaders together to explore how to build a digitally capable medical workforce, equipped with the skills and knowledge to navigate and harness the potential of digital technologies for better patient safety and outcomes.



Influencing

the way that healthcare is designed and delivered

We provide leadership to shape government, health and care policy and practice. We constantly improve our understanding of the drivers of good health, the physician community and the NHS. We are the voice of medicine and set standards for medical care, working alongside the wider medical community, patients and our partners to develop, promote and publish solutions.

> **“I was proud to take part on a project to help shape the future of outpatient care. I was listened to and fully involved from the outset – it’s been a great example of co-production in action.’**
>
> **– Marian Armstrong, Patient and Carer Network member**

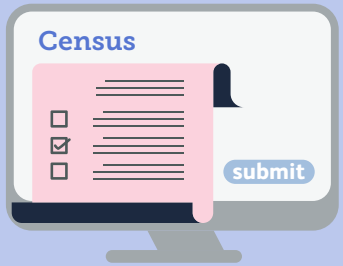


Influencing
Key activities in 2023

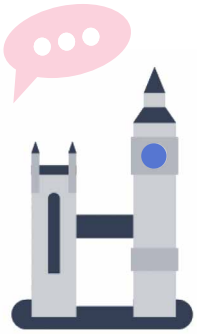
We launched Spark, our award-winning new intranet, which is improving staff collaboration and engagement



More than
4,000
physicians completed the annual census in 2023, helping us to lobby for change



There were
36
parliamentary mentions and
17
written parliamentary questions relating to our work



We gained over
11,000
new followers on social media



Our website had well over
3 million
page views and nearly 100,000 downloads of expert content



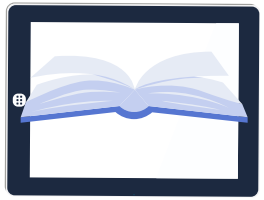
Over
250
organisations have now signed up to our Inequalities in Health Alliance



We welcomed over
4,700
new members to the RCP and FPA, and 985 doctors became fellows and will help to shape our work



Articles in our journals were downloaded almost
9 million
times, helping to shape good practice



Our activities and achievements

We continued to promote, advocate and campaign on the issues that we know matter most to our members. We launched a revised position paper on health inequalities, secured commitments on the prevention of ill health from the Labour Party, and celebrated the key milestone of over 250 organisations signing up to the RCP-led Inequalities in Health Alliance.

Policy and campaigns

We welcomed the NHS England Long Term Workforce plan with its commitment to double medical school places and increase doctor numbers, following a 5-year RCP campaign. We were also delighted that the Labour Party's health mission reflected many of the issues we've been campaigning on for years, including better long-term workforce planning and tackling poor health. We continued to engage with the Welsh government on the delivery of its national workforce implementation plan.

In the public health arena, and addition to our work leading the Inequalities in Health Alliance, we played a proactive role in the Alcohol Health Alliance, Obesity Health Alliance and UK Health Alliance on Climate Change. We welcomed the prime minister's 'smoke-free generation' policy announcement.

We published *Shape of medicine*, a discussion paper that sets out the need to improve the training experience and better support SAS and locally employed doctors and international medical graduates.

We welcomed the laying of legislation to introduce UK wide statutory regulation of anaesthesia associates and physician associates under the GMC. We launched a programme of work to address issues around physician associates' scope of practice and supervision and published titles and introductions guidance to improve understanding for patients.

Underlining our commitment to sustainability, we launched our new sustainability policy priority and position paper on healthcare sustainability and climate change at our Medicine 2023 conference. We established a new advisory group, developed an action plan and appointed a special adviser on healthcare sustainability to lead this work.

Every year the RCP conducts a census on behalf of the three royal colleges of physicians to provide unique insight into the workforce in the UK. We published and used the findings of the UK census of consultant physicians and SAS doctors to influence change across the medical workforce and health inequalities, launching separate briefing papers for the UK, Wales and Northern Ireland.

We conducted a number of additional censuses and surveys of our members to inform our policy work, including surveys on digital health, trainees and later careers (which led to updated later careers guidance), and a census of physician associates.

We published a report on acute oncology services in Wales with 20 case studies; and a Northern Ireland briefing paper on the medical workforce at a Stormont event hosted by the now-health minister.

A specialties and workforce roundtable we held in December 2023 was attended by nearly all of the specialties and representatives from the GMC and NHSE workforce training and education.

Media and engagement

We continued to promote the physician voice through the RCP's media profile, protect and enhance our reputation and extend our influence as thought leaders ahead of a general election. In 2023, we achieved almost 5,000 pieces of media coverage and more than doubled our social media engagement numbers from the year before, from 50,000 to 109,000.

We launched a new intranet site, Spark, which has improved collaboration and information sharing among RCP staff. The new site won gold in the internal communications category of the CIPR Pride North West awards and been shortlisted for other awards.

We published powerful interviews in *Commentary* with national leaders, and an insightful October edition that was guest-edited by the RCP Trainees Committee.

A redesign of RCP education programme materials is improving consistency and engagement as well as giving our presentations and workbooks a more professional look and feel.

Spreading best practice

Monthly downloads of articles in our journals increased by 25% for *Clinical Medicine* and 40% for *Future Healthcare Journal* compared with 2022. There were almost 9 million article downloads across both journals, and more than 175,000 online views of *Commentary*, our member magazine.

We continued with work to transition the RCP journals to a new publishing partner, with the aim of widening the journals' reach, increasing their impact and sustainability. We completed negotiations with publisher Elsevier and signed cost-saving contracts for our journals, which includes free publishing for RCP members.

We created engaging and topical programmes for our key conferences, offering delegates the opportunity to hear from expert speakers on the latest practice, new guidance and innovative thinking. We delivered a further 28 events, including a range of webinars and lectures, such as our Christmas lecture for young people, and the Harveian Oration, which was delivered by Sir Patrick Vallance.

Together with three specialist societies, we responded to the NHSE's national approach to winter planning with four evidence-based interventions for hospitals to maximise the impact of the current workforce in urgent and emergency care. We also outlined the risks and benefits of hospital at home and virtual wards.

Promoting medicine and the RCP

Our RCP museum collections were viewed online and in person by 600,000 people in 2023.

We opened Fortitude, a new exhibition on the COVID-19 pandemic, to positive reviews. Professor Sir Chris Whitty, chief medical officer for England, and Professor Sir Stephen Powis, national medical director of NHS England, attended the launch event – along with nearly 100 other guests.

Our enablers

Our enablers form threads that run through and support each of our three priorities.

1 Membership engagement

More than 4,780 new members joined the RCP and FPA, and 985 doctors became fellows. Our popular RCP membership and fellowship ceremonies welcomed over 500 new members, over 400 new fellows and over 3,000 guests.

We carried out data validation and benchmarking to improve our membership data and understanding of our membership.

We began the development of a new public-facing Register of Fellows to support and showcase our community of fellows.

We provided targeted support in the form of networks, communications and events to key membership communities including trainees, SAS doctors and consultants.

Our e-learning programmes, which are free to all members, were accessed over 6,000 times in 2023. Many workshops also remained free to members and we gave discounts for conferences and longer development programmes.

We published *Shape of medicine* and sought feedback from members. In Northern Ireland we held a workshop for trainees in collaboration with RCPE/RCPSG, and in Wales we developed an SAS doctor network and continued our RCP Cyswllt/Connect hospital engagement visits, led by the vice president for Wales.

To support member engagement at a regional level, we appointed 12 new regional advisers across England, Wales and Northern Ireland.

The RCP Library service provides a wide range of online resources and research tools, which continue to be particularly popular with international fellows.

2 Working with patients

We worked with the RCP Patient and Carer Network (PCN), as well as other patient advisers, to enhance the impact of the patient and carer voice across the RCP's three strategic themes. This included work to shape a new national strategy for outpatient care with NHS England.

We appointed a new patient involvement officer to provide strategic and thought leadership to the RCP on patient involvement and engagement, and to ensure patient voices continue to shape our work.

We included patients in our policy development work, our advisory groups and on the editorial boards of our journals, putting lived experience at the heart of our work.

Our invited review service introduced a new element into the review of single clinical records resulting from patient complaints. This includes inviting patients and/or relatives to provide a statement outlining their areas of concern, with the offer of an interview with the review panel. This work has been developed with the advice of our lay representatives on the PCN, who were also involved in the development of guidance.

3 Diversity and inclusion

We published our second update on progress implementing the 29 recommendations from Ben Summerskill's 2020 report on diversity and inclusion at the RCP, and were pleased to report good overall progress, reflecting our strong commitment to strengthen a culture of diversity and inclusion.

We continued to be mindful of diversity when engaging speakers for conferences and events, recruiting to roles, boards and committees, and in our communications and published materials.

Inclusion was central to our policy work, especially our campaign to tackle health inequalities. We began to develop our ideas around tackling misogyny in medicine.

We continued to engage with social and societal movements, tackling institutional bias and prejudice through our heritage and museums work.

We include equality, diversity and inclusion (EDI) topics across the range of educational and leadership programmes, and have established new EDI training modules to support examiner induction and continuous development.

EDI continued to be a primary focus for Federation activity, reflected in the work towards achieving the objectives set out in the GMC's action plan. We created new pan-Federation approaches to collecting EDI data that can be used across all medical colleges, training providers and statutory bodies. This work is currently in consultation.

4 Governance and stakeholder engagement

We continued to be a leading voice among royal colleges and in the health sector, speaking up for physicians at every opportunity and working closely with stakeholders, including governments, the NHS, regulators, unions and national charities.

In 2023 we held elections for president, senior censor and vice president for education and training, and elected councillors. We created a delegated subgroup of Council to consider elections and wider constitutional issues and advise on future options.

We continued to support government initiatives regarding curricula development and our growing suite of credentials.

We provided examiner recruitment and training for PACES, the Diploma in Geriatric Medicine and PA examinations.

We finalised a data sharing agreement (DSAs) with NHS England (on behalf of all UK statutory education bodies) and Federation.

The Federation completed procurement of a new exams management system, which mitigates significant risks and enables more efficient delivery of exams.

Our commercial events companies RCP Spaces at The Spine and RCP London Events hosted 276 events in Liverpool and 370 in London. RCP London Events won gold for the best conference venue (London) at the London Venue and Catering Awards 2023, and silver for the best conference venue (up to 500 theatre style) (London) at the Conference and Events Awards 2023.

Initiatives for staff included the launch of Spark, the new RCP intranet. Built on Microsoft SharePoint, Spark is delivering increased collaboration, interaction and cost savings. Our Learning at Work Week saw over 400 attendees joining sessions and won a national award from the Campaign for Learning. And we were proud to launch our new 'Living our values' framework, outlining how we can work more effectively together and build a positive environment of trust and inclusion.

We continued our work to improve IT security and made upgrades to the network to improve IT services for staff and visitors to the RCP at Regent's Park.

5 Sustainability

To reduce travel and decrease carbon emissions, we delivered more education and training virtually both in the UK and internationally. Over half of our training days are now delivered online. Our boards are also now entirely virtual, decreasing travel emissions from those who would have been travelling to our venues.

We developed an action plan on sustainability and climate change and appointed a special adviser to lead on its delivery.

Our meetings and events team had a successful year, achieving a budget surplus of over £1m.

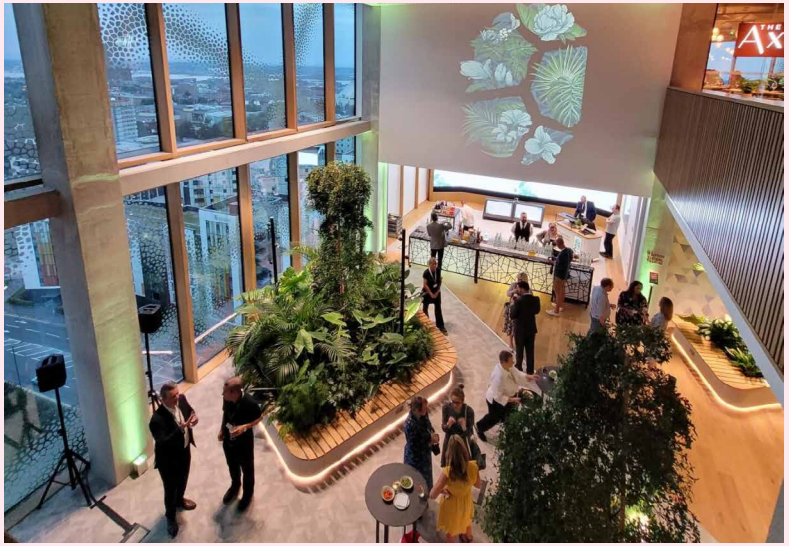
RCP Spaces at The Spine won a number of awards for sustainability, including gold at the miaList Awards 2023 and bronze at the Conference and Events Awards 2023.

The RCP Medicinal Garden, home to over 1,000 plants with links to medicine, championed sustainability by doubling the composting area for recycling garden waste.

We merged our heritage and academic libraries and enhanced the library space to host our education training programmes in London.

We undertook a large programme of infrastructure improvements in our London home, including the installation of new heating pumps to reduce our maintenance and energy costs.

All RCP at Regent's Park staff are now based in our main building and we consolidated underutilised spaces in The Spine to ensure we maximise our estates. We quadrupled our tenant income streams based in our London and Liverpool buildings during 2023.



Looking ahead

In 2024 we plan to carry out the following activities, grouped under our three priority areas and enablers:

Educating

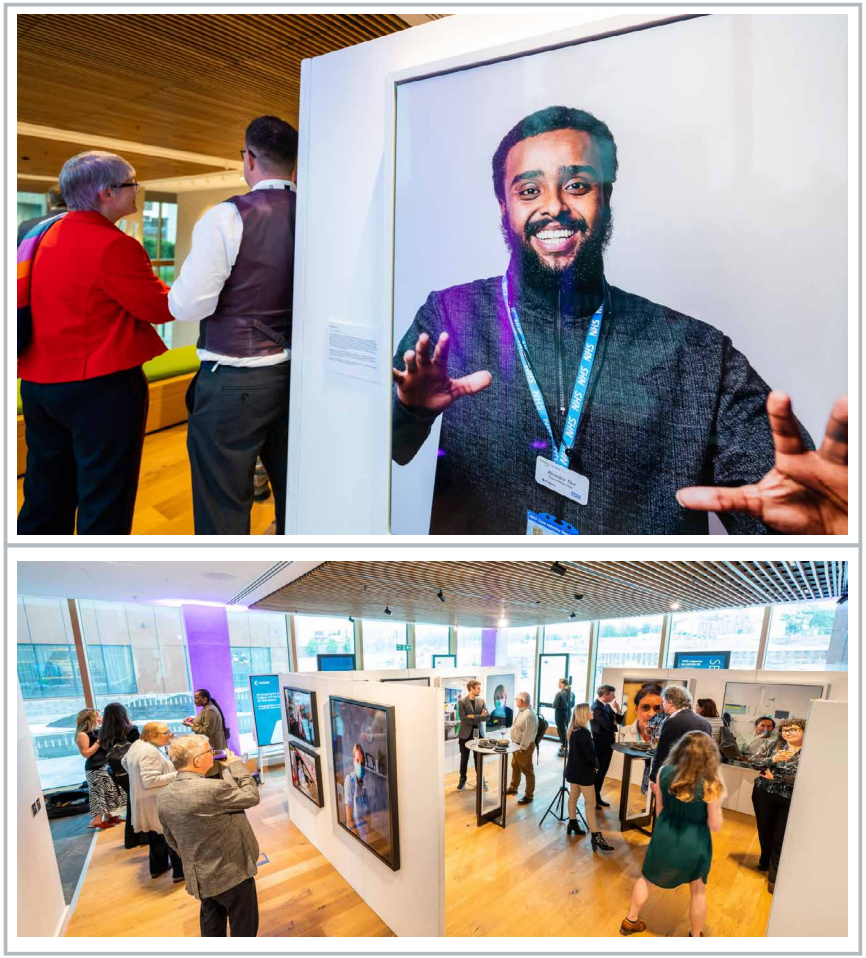
- Grow our in-house and commissioned training programmes, including expanding our programmes for women leaders.
- Redesign our portfolio of education and leadership programmes to support career-long development and learning tracks linked to roles.
- Revise and relaunch the Diploma in Geriatric Medicine.
- Launch a new programme to support the development of medical directors.
- Review and update the models of credentialing used for our courses.
- Deliver key annual conferences and face-to-face regional updates in medicine.
- The Federation will
  - embed the new PACES23 format and explore potential new PACES centres in Bahrain, Nepal, UAE, Bangladesh, Egypt and Malaysia
  - develop a new improved exams management system
  - evaluate the implementation of all group 1 specialty curricula and start new quality assurance processes for the GMC on all approved curricula
  - complete the specification for the new CPD Diary and introduce new guidance for providers.

Improving

- Relaunch the Excellence in Patient Care awards to recognise the work of our members and fellows to improve patient care.
- Continue to establish Medical Care – driving change as a hub for physicians and their teams to learn about improvement and innovation.
- Shape professional development for members, including for those interested in pursuing digital careers.
- Increase the numbers of services registering with and gaining accreditation from our programmes.
- Deliver national clinical audit programmes in respiratory care and falls and fragility fracture care to support measurable improvements.
- Lead work to develop patient safety skills and practice in medical teams informed by the expertise of our Patient Safety Committee.
- Continue to develop structured clinical CPD and credentials to support patient care.
- Increase the number of training sites for the credential in obstetric medicine.

Influencing

- In preparation for the 2024 UK general election, consolidate our position as an expert voice in the health sector and develop our policy positions on supporting and expanding the medical workforce.
- Continue to lead the campaign for cross-government action on health inequalities through the Inequalities in Health Alliance.
- Advocate for action on sustainability and climate change, launch a new report on e-cigarettes and an update to the 2016 RCP report on air quality.
- Promote medicine and our rich history with an active programme of exhibitions, events, tours and engagement with secondary schools.
- Develop a journals strategy that builds on our move to a new publishing partner, and move *Commentary* magazine to an online-first model.
- Support the FPA as it transitions to a discretionary membership body following the introduction of PA regulation by the GMC.
- Develop a 'one RCP' events strategy to grow the number of attendees and increase specialty coverage.
- Launch the RCP's new website, create a digital content strategy, and continue to use our media profile to extend our influence.



Our enablers

1. Membership engagement

- Carry out an international membership survey to inform development of our new global strategy in 2025.
- Launch a new online Register of Fellows.
- Return to hosting fellowship ceremonies internationally, supporting local celebration and reducing the carbon impact of travel.
- Revise and improve the RCP offer for international medical graduates working in the UK.
- Engage with trainees via virtual poster competitions and our popular 'Call the med reg' conference.

2. Working with patients

- Continue to work with the Patient and Carer Network to enable the patient voice to be heard in our work.
- Build connections with other patient organisations and groups to include and diversify the voices that we hear from to inform our work.

3. Diversity and inclusion

- Continue to implement the diversity and inclusion recommendations set by Ben Summerskill in 2020, and publish an update on our progress.
- Through Federation, continue our work to eliminate differential attainment through activities designed for the GMC Fair Training Cultures initiative.
- Launch internal medicine quality criteria with a focus on equality, diversity and inclusion.

4. Governance and stakeholder engagement

- Completion and launch of the new RCP website.
- Launch the new Federation website, encompassing MRCP(UK), JRCPTB and CPD, to provide a much-improved single resource for all stakeholders.
- Deliver an improved and enhanced customer relationship management (CRM) system.
- Upgrade the wifi at the RCP at Regent's Park.
- Support the Federation Digital Transformation project focusing on CRM and exams.

5. Sustainability

- Grow our links with organisations wishing to use our clinical assessment spaces in The Spine.
- Work with the RCP sustainability clinical fellow to develop resources and guidance on improving sustainability in healthcare.
- Recruit a new sustainability education fellow to focus on priority areas of healthcare and RCP sustainability.
- Implement a new facilities management contract for technical, cleaning and security services.

Our structure, governance and management

The RCP is a registered charity (no. 210508), incorporated by royal charter dated 23 September 1518, affirmed by an act of parliament in 1523. The charter of 1518 was amended by a supplemental royal charter dated 11 March 1999. The governing instruments of the RCP are the royal charters, and the bye-laws as amended from time to time. The RCP is also registered at Companies House as a company incorporated by royal charter (no. RC000899).

Board of Trustees

- The Board of Trustees is the RCP's governing body and meets five times a year – four main quarterly meetings plus a November budget review meeting. It is responsible for:
- ensuring the RCP operates within its charitable objectives, and its standing orders in terms of matters reserved for the Board and those delegated to the CEO
- providing strategic direction
- agreeing the RCP annual operations plan and monitoring the progress of performance against that plan
- ensuring the effective management and custody of all RCP assets.

The RCP is committed to ensuring best practice governance and the Board of Trustees embeds the Charity Governance Code to ensure the organisation's effectiveness:

- **Organisational purpose** – the Board of Trustees is clear about the RCP's purpose, vision and mission as described in this report, and the public benefit this serves in supporting the evolution of the healthcare agenda. The current RCP strategy will guide our planned activities from 2022–24.
- **Leadership** – in addition to setting strategy, the Board of Trustees seeks to provide leadership for the RCP and ensure delivery of the charity's aims and values by the involvement of trustees (officers and lay trustees) alongside the executive team in key committees.
- **Integrity** – trustees are expected to follow 'The seven principles of public life' drawn up by the Committee on Standards in Public Life. The RCP has embedded its Code of Conduct and organisational values within all areas of its business. A raising concerns policy is in place to support and encourage a responsive culture where people can speak up when things go wrong and the organisation can continue to learn and improve. An anti-fraud policy is also in place, supported by existing RCP policies including hospitality and gifts (anti-bribery). A statement relating to the Modern Slavery Act is on the RCP website.
- **Decision-making, risk and control** – in order to ensure strong oversight of the organisation by the Board of Trustees, the RCP commissioned three internal audits in 2023. The RCP continues to embed improved risk identification and reporting.
- **Board effectiveness** – the members of the Board reflect the complexity of the organisation. As part of the ongoing modernisation of governance and effectiveness of trustees a lay chair was appointed in June 2019.

- **Equality diversity and inclusion** – in 2020 the RCP published an independent review of equality, diversity and inclusivity across all areas of activity, recommending an ambition for our voluntary and staff roles, including trustees, to reflect the diversity of the medical workforce. The Board currently has a diverse membership, and this will be reviewed and built on over time.
- **Openness and accountability** – the RCP has many touchpoints with a wide variety of stakeholders. A Council meeting is aligned with our annual general meeting to improve attendance and enable a question-and-answer session with trustees as part of the meeting

The Board of Trustees has the authority to delegate any of its powers to the RCP's boards and committees. Ultimately, all decisions apart from changes to the bye-laws and regulations are either taken by or on behalf of the Board of Trustees, and reported at the annual general meeting.

The Board of Trustees comprises:

- senior officers of the RCP (ex officio – five)
- members nominated from Council (three)
- lay members appointed by the Board of Trustees (up to six)
- a lay chair.

Lay trustees are recruited following a rigorous selection process based on the needs of the Board in terms of expertise in areas of interest or risk to the RCP that require specialist support. All trustees are inducted in the operations of the RCP as well as their statutory obligations as a charity trustee when they are appointed. The training requirement for trustees is kept under regular review. An online governance hub makes material more accessible to trustees and an online declaration of personal interests and good standing of trustees supports good governance processes.

RCP Council

Council meets six times a year. Its function is to develop RCP policy in relation to professional and clinical matters, and to give authority to:

- RCP statements and publications
- conduct and results of the MRCP(UK) examination
- elections to the fellowship and membership as well as of RCP officers

There is one board that maintains close and effective links with the medical specialist societies and reports to Council:

- Medical Specialties Board.

RCP officers

The senior officers of the RCP (president, clinical vice president, academic vice president, vice president for education and training, treasurer and registrar) all have trustee responsibilities during their tenure. The president, treasurer and registrar are trustees of the charity for the entirety of their tenure, while vice presidents are trustees on a rotational basis. Their involvement in all of the main boards and committees of the RCP ensures that due consideration is given to the RCP's charter and bye-laws on every occasion.

Annual general meeting

The annual presidential election is held on the first Monday after Palm Sunday by Act of Parliament. The AGM was decoupled from the presidential election in 2020 and now takes place in September.

Fellows

Fellowship is the highest level of membership of the RCP and comes with many benefits and responsibilities. Fellows will be clinical leaders within their teams and will demonstrate excellence in a range of professional domains. Fellows are nominated or can be self-nominated for election with Council as final arbiter. Fellows have the right to stand for office, to vote for officers and to attend and vote at the AGM.

Boards

There are four boards with specific responsibility to the Board of Trustees. They are:

- Council
- Finance and Resources Board
- Audit and Risk Committee
- Remuneration Committee.

Finance and Resources Board

In 2023 the Finance and Resources Board met four times. It has responsibility for:

- agreeing and monitoring the application and use of resources
- monitoring the business planning process and delegating decisions on new activities to senior management within agreed financial limits.

The Board is chaired by the treasurer, and its membership includes the president and registrar (both ex officio), two elected members of Council, two other fellows and up to five members from outside the RCP.

There are three committees with specific responsibility to the Finance and Resources Board. They are:

- Funding Awards Committee (formerly Trust Funds Management Committee)
- Investment Advisory Panel
- Estates Committee.

Audit and Risk Committee

This committee is responsible for internal controls, risk management and audit, leading to assurances on the veracity of the financial and management statements. During the year the committee commissioned three internal audits by Haysmacintyre, as part of a continuing series which seeks to examine and improve various financial and operational practices of the RCP.

Remuneration Committee

This committee provides independent review and recommendations to the Board of Trustees on the RCP's remuneration policy, pay awards, senior staff performance reviews, and pay and related matters.

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with International Financial Reporting Standards (FRS102) and applicable law.

Under charity 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 the charity and the group and of the group's net incoming or outgoing resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the presentation principles in the Charities' Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity and the group will continue to operate.

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

The trustees of the charity are aware of their duty under section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

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

Management

Responsibility for the day-to-day operations of the RCP is delegated to the chief executive, who is accountable to the Board of Trustees. The management and staff of the RCP are structured to carry forward the work and achieve the objectives of the RCP, and to provide support services. Each department of the RCP is also overseen at a governance level by a designated officer.

Key management personnel are considered to be those personnel who have the authority and responsibility for planning, directing and controlling the activities of the RCP. Key management personnel are remunerated within the RCP's general staff policy for pay and reward that is competitive within the charity sector, proportionate to the complexity of each role, and responsible in line with our charitable objectives.

A large number of volunteers are involved with the RCP's work, in the UK and abroad. The vast majority are doctors who are RCP members and support RCP activities, such as by being examiners, regional advisers or representatives on consultant appointment committees. There are many more examples, and the RCP also has a Patient and Carer Network which allows members of the public to become involved. Medical staff give their own time, but also rely on NHS guidance about the ability to use NHS time for the greater benefit of the NHS.

Modern slavery statement

Pursuant to section 54(1) of the Modern Slavery Act 2015, the RCP has published a slavery and human trafficking statement on its website.

Risk management and principal risks

The trustees have overall responsibility for risk management in the RCP. Agreed processes are in place by which the trustees review, identify and assess major risks and agree with management the controls that already are, or will be, put in place to manage those risks. These details form part of the risk register, which trustees regularly review in full. The controls put in place provide a reasonable but not absolute assurance that risks have been adequately mitigated.

Risk issues in the day-to-day operations of the RCP are delegated to management to monitor and implement appropriate control measures. Any new areas of risk identified are reported to the Audit and Risk Committee, including how they have been managed. The Audit and Risk Committee reports any areas of concern to the trustees, with recommendations for corrective action.

The principal categories of risk that the RCP monitored and sought to mitigate in 2023 and into 2024 are:

- continuing geopolitical events driving up cost inflation for staff, goods and services increasing pressure on operating budgets, value of investments and rising interest rates
- operational matters regarding the Federation and its activities, which could impact on the sustainability of relationships with key partners as well as sustainability of income
- increasing cost of running an ageing Grade I estate in London and the impact increased costs have on the ability to achieve core charitable purposes and strategic objectives
- redundant areas of our buildings due to new models of flexible working and online activities and the impact this has on the ability to realise the full potential of the estate
- risk from cyber threats as a result of credential compromise, data leaks or network compromise
- challenges relating to the role of physician associates in the NHS workforce.

Remedial actions to mitigate or remove these risk areas focus on:

- robust budgetary control systems and redevelopment of financial strategy driven by in-depth executive review of college activities
- continuing to collaborate with partners to deliver a programme of improvement to Federation activities, processes and governance to ensure efficient and effective ways of working, which mitigate operational risks to Federation and ensure fitness for purpose collaboration for all partners
- exploration of estate capacity versus future estate needs to inform negotiations with the Crown Estate regarding lease allocations
- an Estates Committee focused on delivering a modern and agile strategy to both realise the potential of the estate while ensuring core charitable purposes and strategic objectives are met
- development of an IT strategy, which includes the continued development of digital capabilities to protect RCP digital data assets
- corporate exercises to test the resilience of cyber security across the organisation through vulnerability scans and penetration testing and continued training across all users
- continuing discussion and debate with RCP Council and the Faculty of Physician Associates to determine consensus and clarity for stakeholders by the production of supporting information and consensus statements



Officers and key staff of the RCP

The officers and councillors listed below served during 2023. Current lists can be found via www.rcp.ac.uk/about-us/governance

Visitor

His Majesty The King

Officers of the RCP

College officers represent the interests of our fellows and members. They provide strategic leadership and lead the way on policy development, playing an important role in representing physicians' interests in the development of the profession and standards of healthcare.

Senior officers

President
Dr Sarah Clarke

Registrar
Professor Cathryn Edwards OBE

Treasurer
Professor Simon Bowman

Clinical vice president
Dr John Dean

Academic vice president
Professor Ramesh Arasaradnam OBE

Vice president for education and training (senior censor)
Dr Mumtaz Patel (appointed August 2023)
Professor Áine Burns (demitted July 2023)

College officers

Vice president for Wales
Dr Hilary Williams (appointed July 2023)
Dr Olwen Williams OBE (demitted June 2023)

Vice president – Global
Dr Omar Mustafa (appointed September 2023)
Dr Mumtaz Patel (demitted July 2023)

Linacre fellow
Dr Shruthi Konda

Harveian librarian
Dr Louella Vaughan

Patient involvement officer
Dr Laura Waters (appointed November 2023)
Dr Amy Proffitt (demitted May 2023)

Censors

Dr Tun Aung
Dr Anita Banerjee (appointed August 2023)
Dr Daniel Furmedge (appointed August 2023)
Dr Harriet Gordon
Dr Manish Gautam (demitted July 2023)
Dr Ruth Law
Dr Rajaratnam Mathialagan
Dr Catherine Sargent (demitted July 2023)
Professor Tom Solomon CBE
Dr Jo Sykes

Medical directors

Medical director of CME and CPD
Dr Mumtaz Patel (appointed August 2023)
Professor Áine Burns (demitted July 2023)

Medical director of publishing
Professor Anton Emmanuel

Director, Medical Workforce Unit
Dr Sarah Logan

Director, invited reviews
Dr Adam De Belder

Clinical leads

Specialist, associate specialist and specialty (SAS) lead
Dr James Read

Improvement clinical director
Dr Andrew Rochford

Digital health clinical lead
Dr Anne Kinderlerer

Editor-in-chief, Clinical Medicine and Commentary
Professor Anton Emmanuel

Editor – Future Healthcare Journal
Dr Andrew Duncombe (appointed March 2023)
Dr Kevin Fox (demitted February 2023)

Editor-in-chief, Medical Care – driving change
Dr Daniel Smith (appointed March 2023)

Examiners

Clinical lead for assessment
Dr Celia Bielawski

Senior examiner: RCP PACES
Dr Rasha Mukhtar (appointed October 2023)
Dr Abdul-Majeed Salmasi (demitted September 2023)

Senior examiner: Physician Associate National Examinations
Jade Moore

Senior examiner: Diploma in Tropical Medicine and Hygiene
Dr Uli Schwab

Senior examiner: Diploma in Geriatric Medicine
Professor Michael Vassallo

Other senior roles

Deputy registrar
Dr Alastair Gilmore

Deputy medical director, invited reviews
Dr Jonathan Bennett
Dr Emma Reid (appointed May 2023)
Dr Sean Weaver (appointed May 2023)

Garden fellow
Professor John Newton

Representative on the Advisory Committee of the Chelsea Physic Garden
Dr Noel Snell

Officers of the Federation

Executive medical director
Dr Gerrard Phillips

Medical director, training and development
Dr Mike Jones

Medical director, assessment
Dr Kenneth Dagg (demitted December 2023)

International medical director, training and development
Professor David Black

Deputy international medical director, training and development
Dr Alastair Miller

International medical director, assessment
Dr Tanzeem Raza

Medical director, CPD
Dr Adrian Jennings

Deputy medical director, CPD
Dr Umesh Dashora (appointed June 2023)

Associate medical director, written exams
Professor Albert Ferro

Associate medical director, clinical exams
Dr Stuart Hood (appointed medical director, assessment December 2023)

Deputy medical director, JRCPTB
Dr David Marshall

Board of Trustees

The RCP's governing body is responsible for ensuring the RCP operates within its charitable objectives, agreeing and monitoring the RCP operational plans and ensuring the effective management and custody of all RCP assets. The trustees listed below include those who served during 2023 and up to the date this report was signed on 20 June 2024.

Ex-officio members (senior officers)

Dr Sarah Clarke
Professor Cathryn Edwards OBE (demitted March 2024)
Professor Simon Bowman
Professor Ramesh Arasaradnam OBE
Professor Áine Burns (demitted July 2023)
Dr John Dean (appointed July 2023)
Dr Omar Mustafa (interim registrar, from April 2024)
Dr Mumtaz Patel (observer, from August 2023)

Members nominated from Council

Dr Joanna Szram (demitted March 2024)
Dr James Read (appointed March 2023; demitted March 2024)
Dr Ananthakrishnan Raghuram (appointed March 2023)

Lay members

Professor Charles Baden-Fuller (demitted December 2023)
Professor David Croisdale-Appleby OBE
Patrick Lowther (observer, appointed June 2023)
Graham Meek (demitted June 2023)
Anne Marie Millar (appointed February 2023)
Katie Smith (appointed February 2023)
Professor John Bateson (appointed June 2023)
Dr Fiona Pathiraja (appointed June 2023)
Dominic Whittle (appointed June 2023)

Members of Council

Council develops RCP policy in relation to professional and clinical matters. Members hold voting rights. Other college officers and roles are *in attendance* at Council but do not hold voting rights. The following list comprises Council members who served during 2023.

President
Dr Sarah Clarke

Senior censor and education and training vice president
Dr Mumtaz Patel (appointed August 2023)
Professor Áine Burns (demitted July 2023)

Clinical vice president
Dr John Dean

Academic vice president
Professor Ramesh Arasaradnam OBE

Treasurer
Professor Simon Bowman

Registrar
Professor Cathryn Edwards OBE

Vice president for Wales
Dr Hilary Williams (appointed August 2023)
Dr Olwen Williams OBE (demitted July 2023)

Vice president – Global
Dr Omar Mustafa (appointed October 2023)
Dr Mumtaz Patel (demitted July 2023)

Representative of the Faculty of Occupational Medicine
Professor Steven Nimmo

Representative of the Faculty of Pharmaceutical Medicine
Dr Flic Gabbay

Representative of the Faculty of Physician Associates
Jamie Saunders

Representative of the Faculty of Public Health
Professor Kevin Fenton CBE

Representative of the Faculty of Forensic and Legal Medicine
Dr Bernadette Butler (appointed May 2023)
Professor Paul Marks (demitted May 2023)

Representative of the Faculty of Intensive Care Medicine
Dr Daniele Bryden

Representative of the Faculty of Sport and Exercise Medicine
Dr Natasha Jones (appointed September 2023)

Representative of the Royal College of Emergency Medicine
Dr Adrian Boyle

Representatives of the regional advisers
Dr Anita Banerjee (demitted November 2023)
Dr Benjamin Chadwick (appointed December 2023)
Dr Philip Johnston
Dr Anita Jones (appointed December 2023)
Dr Christopher Roseveare (demitted June 2023)
Dr Vivek Goel

Elected councillors
Dr Tun Aung (demitted July 2023)
Dr Angshu Bhowmik (demitted July 2023)
Dr Eileen Burns MBE (appointed August 2023)
Dr Helena Gleeson
Dr Rowan Harwood (appointed August 2023)
Dr Tobias Hillman (demitted October 2023)
Professor Partha Kar OBE (appointed August 2023)
Dr Catherine Mummery (demitted July 2023)
Dr Khin Swe Myint
Dr Ananthakrishnan Raghuram MBE
Professor Ganesh Subramanian (appointed August 2023)
Dr Mark Temple (demitted July 2023)
Dr Victoria Tippett (appointed August 2023)
Dr Louella Vaughan
Dr Ajay Verma
Dr Hilary Williams (appointed August 2023)

Representatives of the censors
Dr Tun Aung
Dr Harriet Gordon

Chair of the Patient and Carer Network
Eddie Kinsella

Representatives of the New Consultants Committee
Dr Katie Honney
Dr Aidan O'Neill (appointed October 2023)
Dr Kailash Krishnan (demitted September 2023)

Representatives of the Trainees Committee
Dr Melanie Nana
Dr Megan Rutter

Representative of the Staff and Associate Specialists Steering Group
Dr James Read

Representatives of the specialist societies
Professor Stephanie Baldeweg (appointed December 2023)
Professor Mohammed Chowdhury
Dr Tim Cooksley (demitted October 2023)
Dr Sarah Cox
Dr Richard Davenport (appointed May 2023)
Professor Adam Gordon
Professor John Greenwood
Dr Joanna Ledingham (appointed June 2023)
Dr Nicholas Murch (appointed October 2023)
Dr Sanjeev Patel (demitted May 2023)
Professor Andrew Veitch
Dr Catherine Vinen (appointed September 2023)
Dr Paul Walker
Professor Thomas Warner (demitted May 2023)

Trustee councillors (in attendance)
Dr Iain Lawrie (demitted February 2023)
Dr Ananthakrishnan Raghuram MBE (appointed March 2023)
Dr James Read (appointed March 2023)
Dr Joanna Szram

Leadership team

The leadership team is responsible for the delivery of strategic and operational objectives.

Chief executive
Dr Ian Bullock

Executive director, Membership Support and Global Engagement
Matthew Foster

Executive director, Care Quality Improvement
Sue Latchem

Executive director, Education
Tom Baker (appointed August 2023)
Professor Della Freeth (until July 2023)

Executive director, Communications, Policy and Research
Claire Burroughs

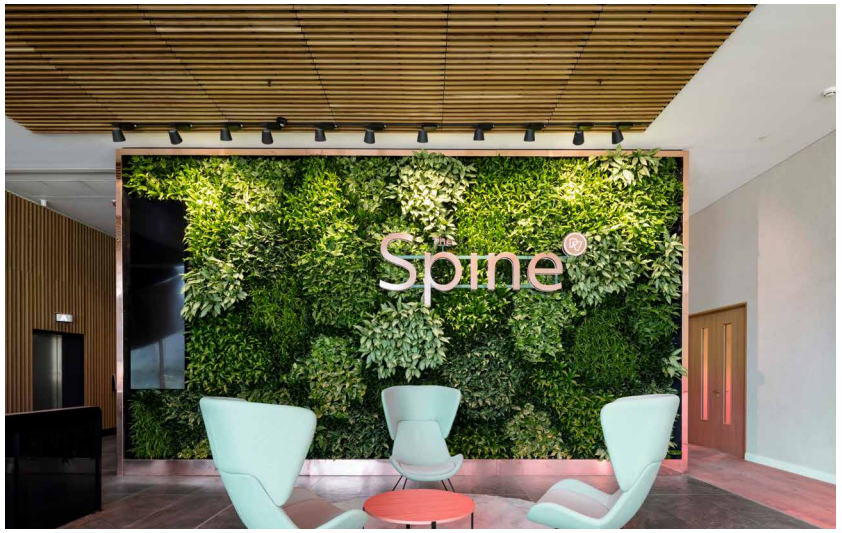
Chief executive officer – Federation
Rachael O'Flynn (appointed September 2023)

Chief operating officer – Federation
Christopher Ward-McQuaid (interim, from April 2023)
Yasmin Becker (until 31 March 2023)

Executive director, Finance
Catherine Powell

Executive director, People and Culture
Chiraag Panchal (appointed March 2023, following a period as interim director of HR)



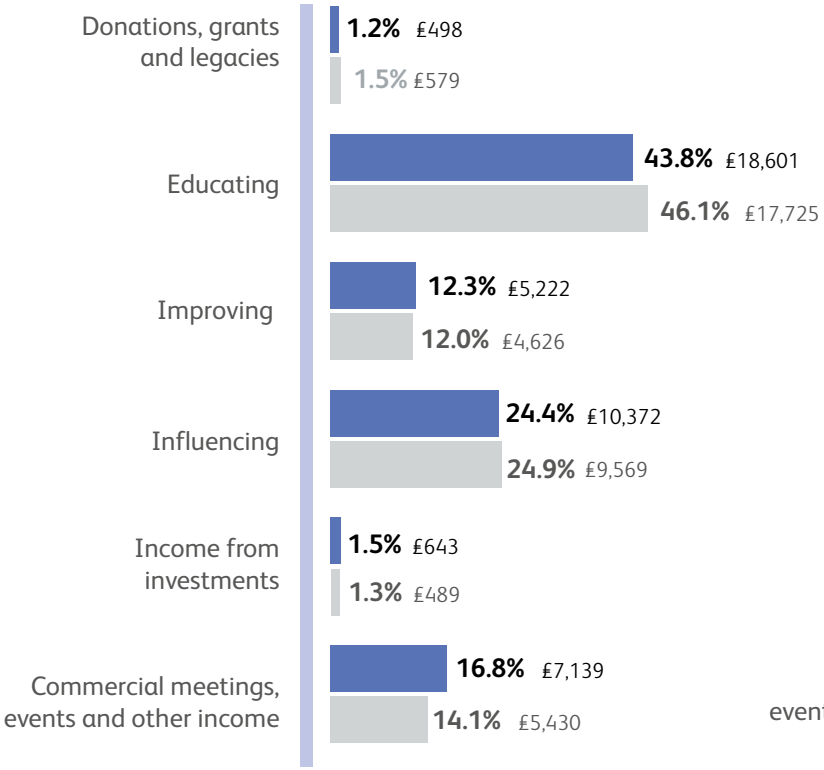


Summary of our income and expenditure

Income

Total in 2023: £42.5 million
Total in 2022: £38.4 million

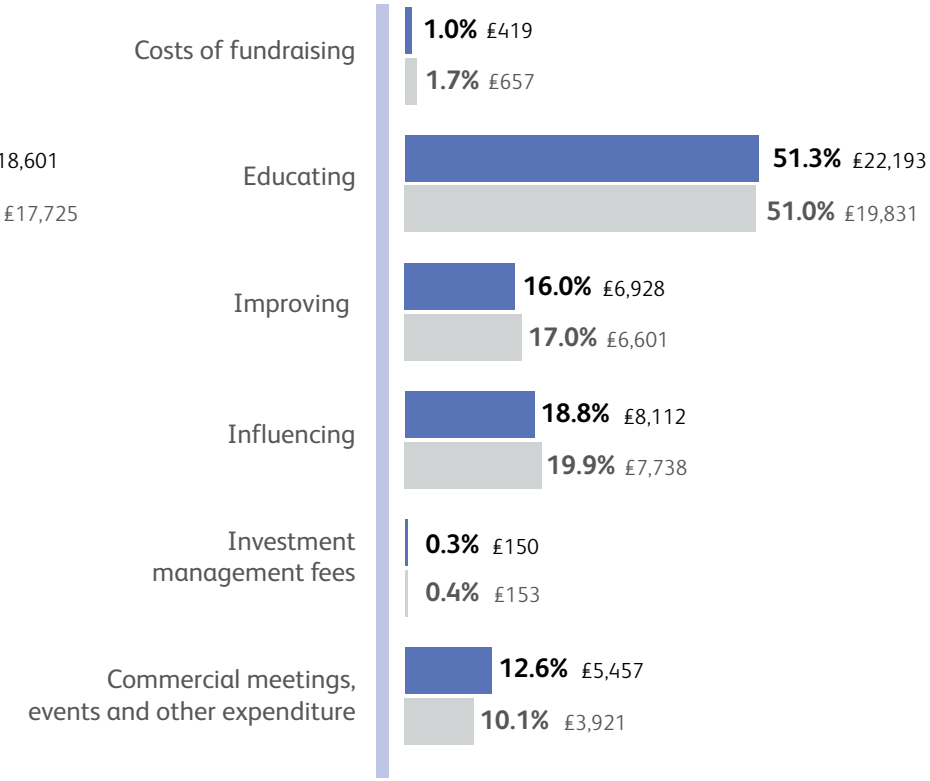
Breakdown of income in £000s



Expenditure

Total in 2023: £43.3 million
Total in 2022: £38.9 million

Breakdown of expenditure in £000s



2023
2022

Notes

Costs of fundraising include overheads (see Note 11 on p59). **Educating** includes examinations, conferences, education and training, library and museum services. **Improving** includes audit and accreditation programmes, invited reviews and quality improvement activities. **Influencing** includes membership activities, publishing, policy and campaigns..

Our financial policies

Fundraising

The RCP is grateful for the exceptional level of support that we have received during 2023 from our generous donors and sponsors, including members and fellows, charitable trusts and foundations, and corporate partners.

Philanthropic support and corporate partnerships are fundamental to the work of the RCP and help us to fulfil our charitable mission to improve patient care and reduce ill health across communities. The funds that we raise go directly to supporting research; education and training; clinical improvement; patient safety; and the maintenance and development of our buildings and historic collections. This report allows us to show how our charitable funds are distributed and spent. It demonstrates the benefits and impact of fundraising on supporting physicians and ensuring the best possible health and healthcare for everyone.

Principal fundraising activities and performance

During 2023, we secured over £1.3 million in new gifts, pledges and sponsorships (including gifts to restricted and unrestricted funds). This was made up of £498k in donations, grants and legacies, £376k in sponsorship for specific work carried out as part of our charitable objectives, and £476k in pledges and amounts received to be redistributed and therefore not recorded in the statement of financial activities (SOFA).

Projects that were supported during the year included:

- Global Women Leaders – an educational programme to empower women in healthcare globally to advance into healthcare leadership roles.
- SAS doctors – a training programme to provide updated knowledge and increased leadership skills.
- A partnership with the East, Central and Southern Africa College of Physicians (ECSACOP) to provide financial and in-kind support for a region desperately short of well-trained doctors.
- RCP Player – a medical streaming service developed in response to the pandemic, which offers CPD-accredited learning resources and events, both live and on demand.
- The Physicians' Fund – the award of grants to trainees and new consultants pursuing innovation in medicine and helping to create a research-active health service.
- Heritage – maintaining our Grade I listed buildings in London, including caring for our historic collections and providing welcoming spaces for meeting and collaboration.

In April we welcomed members of our Corporate Partnership Programme to a dinner and discussion with our senior college officers. In September our legacy society, the Ina Cook Society, met for its annual lunch with our president, with 30 guests in attendance. In October we hosted a reception for donors to ECSACOP with the president of the Malawi College of Physicians as our guest of honour. In November we celebrated the inaugural Sarfraz Qureshi lecture with a reception in Dr Qureshi's honour, hosted by our treasurer. During the year we also created the new Dorchester Patrons scheme to recognise the most generous regular donors to our library, archive, and museum.

Fundraising programme

The RCP's fundraising programme is carried out by a dedicated team, including specialists in trust/foundation, corporate, and major donor fundraising. The director of development reports to the CEO and works closely with the Board of Trustees. The direct costs of fundraising during the year amounted to £214k (2022: £286k), representing just over 16% of amounts secured, including pledges. Overhead allocation of £205k brings the overall cost to £419k.

Fundraising controls and regulation

We recognise that our fundraising success is dependent on maintaining the trust of our donors and the public. We have multiple controls in place to ensure that our fundraising remains ethical, transparent, respects vulnerable

people, and is compliant with current regulation. Our campaigns are run by an in-house team, and we do not engage the services of commercial partners to raise funds on our behalf. Our Board of Trustees plays an active role in our fundraising activities, reviews fundraising plans, and ensures that fundraising activity operates in line with regulatory requirements and relevant best practice.

We have an ethical fundraising policy and carry out due diligence to ensure that we do not receive any donations or sponsorships that conflict with our values. All our fundraisers receive mandatory training in this area and are members of the Chartered Institute of Fundraising, the professional membership body for UK fundraising.

The RCP is registered with the Fundraising Regulator (ref 128235) and has adopted the Code of Fundraising Practice. No complaints were received in relation to our fundraising activities during 2023 (2022: nil).

Investments

Powers and governance

The RCP's bye-laws give the trustees powers to appoint fund managers to manage its investments.

The Investment Advisory Panel (IAP) is responsible for monitoring the performance of the investment portfolios and of the fund managers. The IAP meets with the fund managers quarterly to review their reports and progress. The IAP is chaired by the treasurer, and its membership includes fellows, independent external advisers and the executive director of finance. The panel reports to the Finance and Resources Board.

Management

The majority of investments are managed by Cazenove Capital (part of Schroders plc) who have discretionary powers of investment within agreed restrictions as agreed in the Statement of Investment Principles. The managers' mandate is to invest, on a total returns basis, in a globally diversified portfolio of cash, equity, fixed income, convertible bonds, hedge fund securities, property funds and commodities' funds. A relatively small investment remains with the former (pre-2011) investment managers Morgan Stanley, in the form of hedge funds that are slowly being run down, liquidated and transferred to Cazenove. One other trust fund (The Cotton Trust) remains invested (as per its terms) with RBC / Royal Trust Corporation of Canada.

During 2023, the management of the investment portfolio has been reviewed by the Finance and Resources Board, and the trustees, and our approach has been clarified with the investment managers.

The RCP's objective is to invest its investment assets to manage returns, with a low to moderate level of risk, with targeted returns of CPI +3% through a diversified asset portfolio. Within this framework a number of objectives have been agreed to help guide the Finance and Resources Board in their strategic management of the RCP's investments.

Ethical and Climate Change Investment Policy

The RCP has operated an Ethical Investment Policy in line with guidance issued by the Church of England Investment Fund. We continue to hold minimal tolerances on the proportion of indirect funds held linked to production or supply of tobacco, armaments, pornography, gambling and sale or production of alcohol.

Climate change will significantly impact public health both in the UK and around the world. All that can be done should be done to limit global temperature rises in line with the goals of the Paris Agreement on climate change. If we are to avoid the extreme impacts of climate change on both people and the environment this means a world where we limit temperature rises to 1.5 degrees above pre-industrial levels.

As a medical college the Royal College of Physicians (RCP) has a particular role to play in highlighting the health impact of climate change. By December 2021 our fund managers reported that indirect investment in fossil fuels had reduced to zero.

Policy on reserves

The trustees consider it prudent that unrestricted reserves should be sufficient to avoid the necessity of realising fixed assets held for the charity's use; to maintain an adequate liquidity ratio; and to cover the short-term financial impact of specific areas of risk to which the charity is currently exposed.

The actual level of reserves is monitored against this policy and reviewed by the trustees throughout the year. Funds held in reserves not needed for immediate use are invested in line with the RCP's charitable purpose.

At 31 December 2023 total reserves of RCP were £46.5 million. The RCP holds a number of permanently endowed and restricted funds, which result from bequests or donations for particular purposes, details of which are set out in notes 20 and 21 to the financial statements. At 31 December 2023 total restricted funds were £2.5 million and endowment funds were £12.6 million.

The RCP also holds reserves in the form of designated funds that are earmarked for particular purposes by the trustees. At 31 December 2023 the balance on the designated funds was £26.3 million. The main designated fund is the intangible and fixed assets fund, represented by tangible and intangible fixed assets which is not readily converted into cash.

The general reserves of the RCP, excluding designated funds, are represented by a mixture of external investments and net assets that include cash reserves.

The general reserves of the RCP as at 31 December 2023 were £5.1 million. Free reserves, net of designated funds and long-term lease liability, amount to £10.1m and represent 3 months of the unrestricted operational expenditure. The Board of Trustees has during 2024 updated the RCP reserves policy to ensure that adequate reserves are set aside to manage risks. This sets a reserve target of £10.5m, which is planned to be met by the end of 2024.

Trading subsidiary

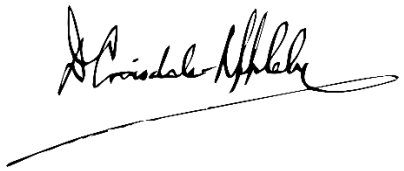
The principal activity of the company is to organise, provide facilities for and hold conferences, seminars, and courses of instruction, demonstrations, lectures, exhibitions, private dinners and functions. The accumulated net profit for the RCP's wholly owned trading subsidiary, The RCP Regent's Park Limited, for the year ended 31 December 2023 was £658k. The company is looking to grow its trading position through the provision of more virtual and hybrid events, as well as harnessing opportunities from new facilities at The Spine building. The trading results and balance sheet of the subsidiary extracted from its audited accounts are set out in note 23 to the financial statements.

External auditor

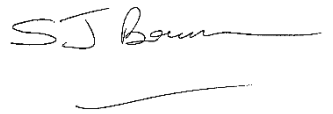
Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

Approved by the Board

The annual report has been approved by the Board of Trustees on 20 June 2024 and signed on its behalf by:



Professor David Croisdale-Appleby
Chair of Board of Trustees



Professor Simon Bowman
Treasurer

Financial review

In 2023 the RCP delivered steady growth across all three strategic themes of educating, improving and influencing with a growth in unrestricted income of 13% as we deliver more activity for our members. Trading activity has also grown steadily in the year as event activity has built in The Spine, the RCP's building in Liverpool.

However, the RCP has also faced the pressure of high inflation during the year, affecting examination delivery costs, catering, travel and maintenance costs. Industrial action has also added financial pressure with disrupted travel plans and more expensive alternatives used to ensure the delivery of RCP programmes. A financial improvement plan was introduced during the year, which has delivered savings across the college to combat these financial pressures. The net unrestricted operating surplus of £107k in 2022 shifted to a loss of £439k in 2023. As a result of the financial improvement plan, the RCP is budgeted to make a surplus in 2024.

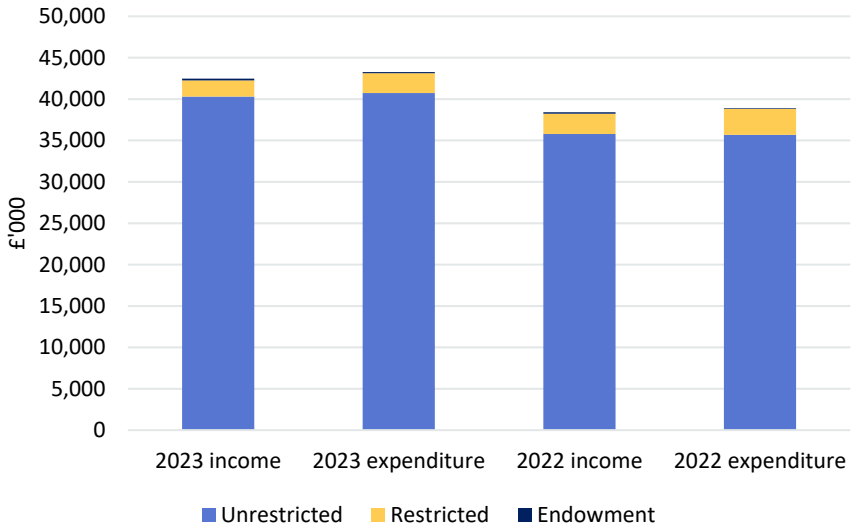
Restricted expenditure has exceeded restricted income in 2023, as brought-forward restricted funds have been used on certain programmes. Overall, this resulted in a total operating loss of £449k (2022: loss of £697k).

Following challenging market conditions in 2022, 2023 saw a bounce market for financial markets. This resulted in an overall unrealised gain on investments of £1,582k (2022: loss of £3,582k). This, coupled with an actuarial loss on the (closed) defined benefit pension fund of £1,146k (2022: loss of £1,005k), resulted in an overall deficit net funds movement of £348k (2022: loss of £5,070k).

Income and expenditure

The RCP's consolidated total income in 2023 was £42.5 million (2022: £38.4 million), representing steady growth from the previous year. Unrestricted income increased by 13% in 2023 across the three priority areas of educating, improving and influencing. Trading income also rose during the year from previous levels as event activity at The Spine increased. Restricted income recorded a 20% reduction due to the cessation of a national audit contract in 2022.

Overview of income and expenditure in 2023 and 2022



During 2023 the RCP faced the continued pressure of increasing expenditure with high levels of inflation hitting energy, catering and maintenance costs. Industrial action during the year also disrupted travel, making travel for exams, events and education more expensive. The executive team has worked hard to mitigate the impact of these pressures by driving through efficiency savings across the RCP through its financial improvement plan. This resulted in an unrestricted loss in the year of £439k.

Investments

As at 31 December 2023 our investments, including cash deposits, stood at £27.6 million. During 2023 the board of trustees made the decision to liquidate part of the investment portfolio and to pay off the RCP loan. This was to limit the impact of rising interest rates on the RCP's financial position.

The liquidation of assets generated a realised gain of £158k in the year and unrealised gains for the investment portfolio amounted to £1.6m for 2023. The objectives of our investment strategy are to achieve long-term growth at 3% ahead of CPI inflation, at an acceptable level of risk, applying a total return strategy. During 2023 the main investment portfolio generated a return of 7.3%, this is 3.3% ahead of CPI in December 2023.

Our investments are now mainly held by fund managers Cazenove, with small holdings still with Morgan Stanley and Canada Trust Corp. The investment skills of Cazenove, together with our knowledgeable Investment Advisory Panel, enable us, on average, to achieve target performance with downside protection. We are continuing to evolve our ethical investment stance, which is aligned to the RCP's charitable objectives to improve health and prevent health harms. The process of removing any residual fossil fuel assets in the RCP's portfolio is complete.

Pensions

As at the end of 2023, the defined benefit pension scheme, which has been closed to new members since 2002 and to further accrual from 2008, increased its surplus position to £826k (2022: surplus of £637k) on an FRS 102 basis. This significant improvement has been caused by a combination of market movements, which has led to a lower value being placed on the liabilities, and an increase in employer contributions over the period.

The triennial actuarial valuation of the defined benefit pension scheme, dated 1 January 2021, was concluded at the end of March 2022. This showed an increase in the deficit, driven by a combination of assumption changes as well as recognition of changes to the benefit structure. The next triennial valuation is due on 1 January 2024.

The RCP continues to run a Group Personal Pension Plan (GPPP) scheme for new staff joiners and maintains the RCP single employer trust-based defined contribution pension scheme, which was closed to new entrants from the start of 2018 but continues to run for existing staff members.

Balance sheet and reserves

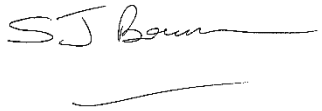
At the end of 2023 the RCP held net assets of £46.5 million of which £27.6 million is the market value of our investment portfolio and £9.3 million is in cash. Endowment and restricted funds comprise £15.1 million, therefore unrestricted funds comprise £31.5 million, of which free reserves (net of the designated funds and long-term lease liability) have reduced to £10.1 million.

Heritage assets (rare books, manuscripts, paintings, silverware), originally gifts to the college over the past 5 centuries, are not valued at all in the financial balance sheet but have an insurance value of ~£41 million.

Future financial plans

The trustees and I remain vigilant in seeking to protect the RCP and support its members and to use the resources available to fulfil the RCP's objectives and promote its work as efficiently as possible. During 2024 the RCP reserves policy was updated to ensure that adequate reserves are set aside to manage the risks facing the college with a minimum target being set at 3 months unrestricted operating expenditure.

While the RCP's balance sheet position remains strong, the economic conditions facing the RCP remain challenging. The focus will be on growing our membership and keeping expenditure down while continuing to carry out key activities as set out in our strategy.



Professor Simon Bowman
Treasurer

Independent auditor's report to the trustees of the RCP

Opinion

We have audited the financial statements of the Royal College of Physicians ('the charity') and its subsidiary ('the group') for the year ended 31 December 2023 which comprise the consolidated statement of financial activities, the parent and consolidated balance sheets, the consolidated cash flow statement 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's and the parent charity's affairs as at 31 December 2023 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 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 trustee's 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 charity's or the group'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 30), the trustees 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 group and the parent charity'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 charity 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 section 151 of the Charities Act 2011, and report in accordance with the Acts 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 charity and group operate, 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 together with the Charities SORP (FRS102) 2019. 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 fundamental to the charity's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were employment legislation and taxation 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 of recognition of donations, grants and contract income, the defined benefit pension liability, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, review of internal audit reports conducted in the period 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 the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London

Date: 6 August 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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Financial statements

Consolidated statement of financial activities for the year ended 31 December 2023

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 31 Dec 23	Total funds 31 Dec 22
		£000	£000	£000	£000	£000
Income from:						
Donations, grants and legacies	2	446	52	-	498	579
Charitable activities						
Educating	3	18,331	270	-	18,601	17,725
Improving	4	3,708	1,514	-	5,222	4,626
Influencing	5	10,269	103	-	10,372	9,569
Activities to generate funds						
Investment income	6	405	14	224	643	489
Trading activities	23	5,979	-	-	5,979	4,661
Other income	7	1,160	-	-	1,160	769
Total income		**40,298**	**1,953**	**224**	**42,475**	**38,418**
Expenditure on:						
Raising funds						
Fundraising costs		419	-	-	419	657
Investment management fees		93	3	54	150	153
Trading activities	23	5,321	-	-	5,321	3,713
Charitable activities						
Educating	8	21,777	398	18	22,193	19,831
Improving	9	5,042	1,838	48	6,928	6,601
Influencing	10	7,949	163	-	8,112	7,738
Other		136	-		136	208
Total expenditure	11/12	**40,737**	**2,402**	**120**	**43,259**	**38,901**
Net operating (loss)/gain		**(439)**	**(449)**	**104**	**(784)**	**(483)**
Net gains/(losses) on investment assets	14	719	43	820	**1,582**	**(3,582)**

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 31 Dec 23	Total funds 31 Dec 22
Net income/(expenditure)		**280**	**(406)**	**924**	**798**	**(4,065)**
Transfers between funds	19/20/21	(56)	98	(42)	-	-
Actuarial (losses)/gains on defined benefit pension scheme	24	(1,146)	-	-	(1,146)	(1,005)
Net movement in funds for the year		**(922)**	**(308)**	**882**	**(348)**	**(5,070)**
Funds brought forward at 1 Jan 2023	19/20/21	**32,375**	**2,757**	**11,738**	**46,870**	**51,940**
Funds carried forward at 31 December 2023		**31,453**	**2,449**	**12,620**	**46,522**	**46,870**

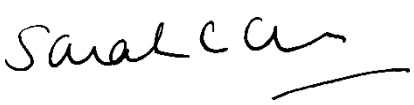
Consolidated and RCP balance sheets as at 31 December 2023

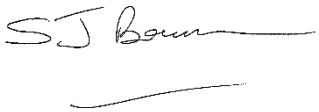
		Notes	2023 Group	2023 RCP	2022 Group	2022 RCP
			£000	£000	£000	£000
Fixed assets						
	Intangible assets	**13a**	1,016	1,016	1,097	1,097
	Tangible fixed assets	**13b**	24,646	24,646	25,528	25,528
	Investments	**14**	27,550	27,550	32,808	32,808
			53,212	**53,212**	**59,433**	**59,433**
Current assets						
	Stocks		68	68	68	68
	Debtors	**15**	3,867	4,260	2,939	4,082
	Investment accounts		7	1	7	1
	Cash		9,318	8,017	12,235	10,016
			13,260	**12,346**	**15,249**	**14,167**
Creditors						
Amounts falling due within 1 year						
	Creditors and accrued expenses	**16**	(7,094)	(6,180)	(8,505)	(7,423)
	Examination and other income					
	received in advance	**16**	(7,876)	(7,876)	(7,872)	(7,872)
	Provisions	**16b**	-	-	(50)	(50)
	Loan		-	-	(441)	(441)
			(14,970)	**(14,056)**	**(16,868)**	**(15,786)**
Net current liabilities			**(1,710)**	**(1,710)**	**(1,619)**	**(1,619)**
Total assets less current liabilities			**51,502**	**51,502**	**57,814**	**57,814**
Amounts falling due after 1 year						
	Loan		-	-	(6,838)	(6,838)
	Other liabilities		(4,980)	(4,980)	(4,106)	(4,106)
Net non-current liabilities			**(4,980)**	**(4,980)**	**(10,944)**	**(10,944)**
Net assets excluding pension liability			**46,522**	**46,522**	**46,870**	**46,870**
Defined benefit pension scheme liability		**24**	-	-	-	-
Net assets including pension liability		**22**	**46,522**	**46,522**	**46,870**	**46,870**

		Notes	2023 Group	2023 RCP	2022 Group	2022 RCP
Represented by						
Unrestricted funds:						
Designated funds		**19**				
	Fixed and Intangible Assets Fund		25,662	25,662	19,346	19,346
	Legacies Development Fund		120	120	120	120
	Care Quality Improvement		18	18	18	18
	Maintenance Fund		160	160	80	80
	JAG Fund		345	345	-	-
			26,305	**26,305**	**19,564**	**19,564**
General charitable fund			5,148	5,148	12,811	12,811
	Less: Pension scheme liabilities	**24**	-	-	-	-
			5,148	**5,148**	**12,811**	**12,811**
Total unrestricted			31,453	31,453	32,375	32,375
Restricted		**20**	2,449	2,449	2,757	2,757
Endowment		**21**	12,620	12,620	11,738	11,738
			46,522	**46,522**	**46,870**	**46,870**

The results of the parent charity for the year ended 31 December 2023 was a £348k deficit (2022: £5,070k deficit).

Approved for and on behalf of the RCP (Charity Registration No. 210508) on 20 June 2024 and authorised for issue.





President: Dr Sarah Clarke

Treasurer: Professor Simon Bowman

Consolidated statement of cash flow for the year ended 31 December 2023

		2023 £000	2022 £000
Cash flow from operating activities			
Net cash provided by / (used in) operating activities	**A**	**(1,039)**	**1,561**
Dividends, interest and rents from investments		642	761
Purchase of property, plant and equipment		(1,417)	(1,841)
Purchase of intangible assets		(266)	(304)
Proceeds from sale of investments		7,047	171
Purchase of investments		(48)	(91)
Net cash provided by (used in) investing activities		**5,958**	**(1,304)**
Borrowings interest and principal repayments		(7,654)	(350)
Finance lease payments		(182)	(206)
Net cash provided by (used in) financing activities		**(7,836)**	**(556)**
Change in cash and cash equivalents in the reporting period		(2,917)	(299)
Cash and cash equivalents at the beginning of the reporting period	**B**	12,242	12,541
Cash and cash equivalents at the end of the reporting period	**B**	**9,325**	**12,242**

Notes to consolidated statement of cash flow for the year ended 31 December 2023

	2023 £000	2022 £000
A. Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net movement in funds for the reporting period (as per the statement of financial activities)	798	(4,065)
Adjustments for:		
Depreciation charges	2,298	2,285
Amortisation charges	347	364
Disposal and impairment of assets	-	45
Loss/(gains) on investments	(1,741)	3,582
Increase/(decrease) in provisions	(50)	7
Dividends, interest and rents from investments	(642)	(761)
(Gain) on valuation of defined benefit pension scheme	(1,146)	(1,391)
(Increase)/decrease in stocks	-	40
(Increase)/decrease in debtors	(928)	876
Increase/(decrease) in creditors	25	579
Net cash provided by/(used in) operating activities	**(1,039)**	**1,561**

	2023 £000	2022 £000
B. Analysis of cash and cash equivalents		
Cash in hand	9,318	12,235
Notice deposits and investment accounts (less than 30 days)	7	7
Total cash and cash equivalents	**9,325**	**12,242**

Analysis of changes in net debt						
	At 1 Jan 2023	Cash flow	New finance leases	Acquired debt	Interest and non-utilisation charges	At 31 Dec 2023
	£000	£000	£000	£000	£000	£000
Cash and cash equivalents						
Cash in hand	12,235	(2,917)	-	-	-	**9,318**
Notice deposits and investment accounts (less than 30 days)	7	-	-	-	-	**7**
Total cash and cash equivalents	**12,242**	**(2,917)**	**-**	**-**	**-**	**9,325**
Borrowings						
Loan to finance fixed assets – falling due after more than one year*	(7,279)	7,654	-	-	(375)	**-**
Finance lease obligations	(552)	182	-	-	(7)	**(377)**
Total borrowings	**(7,831)**	**7,836**	**-**	**-**	**(382)**	**(377)**
Total net debt	**4,411**	**4,919**	**-**	**-**	**(382)**	**8,948**

* During 2020 the organisation utilised £7.5m of a £10m revolving credit facility with Santander to fund the RCP at The Spine development, this facility converted to a term loan in 2022. In 2023 the decision was made to liquidate part of the investment portfolio to pay off the outstanding balance on the loan, to limit the impact of rising interest rates.

Notes to the financial statements

1 Accounting policies

Charity information

The Royal College of Physicians (RCP) was established by royal charter in 1518. It is a registered with the Charity Commission for England and Wales and is a Royal Charter company registered with Company House. The charity registration number is 210508 and the company registration number is RC000899. RCP is a Public Benefit Entity and its registered office is 11 St Andrews Place, London NW1 4LE.

Basis of preparation

The consolidated financial statements comprise the financial statements of RCP, and its subsidiary undertaking, The RCP Regent's Park Limited, on a line-by-line basis and adjusted for the elimination of inter-group transactions and balances.

The financial statements, as presented on pages 50 to 78, have been formatted to report under the three priority areas of educating, improving and influencing for the year ending 31 December 2023, aligned to the RCP's 2022–24 strategy.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (2015) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The RCP constitutes a public benefit entity as defined by FRS 102.
The financial statements are drawn up on the historical accounting basis, except that investments held as fixed assets are carried at market value.

Going concern

The financial statements are prepared on a going concern basis. The Board of Trustees has considered the adoption of a going concern basis in the preparation of these financial statements. A projection of the RCP's financial position has been undertaken including:

- a review of budgets and 2024 management accounts
- consideration of the key risks and uncertainties in the context of the RCP's operations; and
- the mitigating actions the RCP can deploy for liquidity, together with the impact on reserves.

For the period to September 2025 the Board of Trustees has considered the strength of operational recovery, set against inflationary pressures, risks and assumptions, together with actions including income generation and cost saving measures. Working capital requirements are met through income received from business activities and the RCP can drawdown against funds held within the investment portfolio if required. The Board has agreed a financial strategy for the period 2024–27 that demonstrates that the RCP has adequate levels of cash and reserves going forward. Having regard to the above, the Board of Trustees believes it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Income

Subscriptions income, admission fees, grants and donations are accounted for once there is entitlement, probability of receipt and can be reliably measured. Legacies are accounted for where there is entitlement, probability of receipt and amounts can be measured. For residuary legacies, entitlement is deemed to be the earlier of settled estate accounts or notification of a pending payment or actual payment being received. For pecuniary legacies these are recognised on confirmation that probate has been obtained. Investment income is recognised when due except for dividends which are accounted for on receipt. Income is deferred only when conditions have to be fulfilled before the RCP becomes entitled to it or where the donor has specified that the income is to be expended in the future period. In the case of examination admissions any receipt in respect of future years is shown as deferred income. Membership fee is seen as an annual subscription and is recognised in the year it is due. Any membership fees received in advance are shown as deferred income. Government grants are recognised as income when any specific conditions are met.

Expenditure

All expenditure is accounted for under the accruals concept and stated gross of irrecoverable VAT. All costs are allocated to the charitable cost centres on an actual basis, with the exception of administration costs which are allocated on the following basis:

- central management and human resources: number of staff in the cost centres
- finance: proportion of transactions processed
- buildings and office services: square footage of office space occupied
- IT services: number of users of the RCP network.

Salaries are allocated according to the nature of work performed by each member of staff. Governance costs comprise the costs incurred, which are directly attributable to the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements. Rentals for leased assets held under the terms of operating leases are charged directly to the statement of financial activities (SOFA) over the term of the lease.

Tangible and intangible fixed assets

No 11 St Andrews Place, a leasehold property held under a 99-year lease expiring in 2060 and Nos 1–10 St Andrews Place, leasehold properties held under a lease that expires in 2084, are being depreciated over 49 years from the commencement of the respective leases. The cost of additions to existing structures has been depreciated, concurrently, over the remaining life of the leases. Equipment, intangible assets, furniture and fixtures are capitalised when the cost of the project exceeds £15,000 and has a useful life spread over a number of financial years. These capital costs are depreciated and intangible assets amortised by equal instalments over their anticipated useful lives, at rates between 5% and 25%. Depreciation and amortisation is allocated to the departments within the RCP on the basis of area occupied. No depreciation or amortisation is charged on assets in the course of construction. At each reporting date the RCP assesses if there is any indication of impairment of its estate and other fixed assets.

Collections

In addition to the capitalised fixed assets held for the RCP's own use, the RCP also has a number of assets of historical interest. These comprise learned publications and a unique collection of busts and portraits, together with other objects, whose intrinsic value is also bound up with the RCP's history. The trustees consider that the significant administrative expenses incurred in deriving a reliable cost for the capitalisation of these items would exceed the usefulness of such information to the user of the financial statements.

Finance leases

Finance leases are recognised where the risks and rewards of ownership of the leased asset are held by the lessee (The RCP). These are recognised as right-to-use fixed assets with a corresponding lease liability comprised of the present value of the minimum lease payments, derived by discounting them at the interest rate implicit in the lease. Right-to-use assets are depreciated over the lease period or asset life, where the asset is retained at the end of lease and has an asset life longer that the lease term.

Investments

Investments are stated in the balance sheet at the mid-market value at the balance sheet date. Realised gains or losses are calculated by reference to

disposal proceeds and either opening market value or cost if acquired during the year.

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

Cash and cash equivalents
Cash and cash equivalents includes cash at bank and in hand, cash held for reinvestment and short-term deposits.

Taxation
The RCP is eligible for the tax exemptions available for charitable activities.

Unrestricted funds
These funds are received and applied to achieve the general objectives of the RCP.

Designated funds
Designated funds are unrestricted funds set aside by the trustees for specific future purposes or projects. The movements on these funds are analysed in note 19.

Restricted funds
Restricted funds are subject to specific conditions laid down by the donors as to how they may be used. Note 20 gives details of these funds.

Endowment funds
Endowment funds relate to bequests and gifts to the RCP, the terms of which stipulate that the capital may not be spent, and the income is to be utilised to meet the costs of awards, lectures and other RCP expenditure. Movements in these funds are shown in note 21.

Total return accounting
The trustees of the RCP applied to the Charity Commission in January 2012 for authorisation to enable the permanent endowments within the RCP trust funds to be invested on a total return basis as this would facilitate a better return on investments, without prejudicing the investment management policy.

Upon receiving the requisite order from the Charity Commission on 6 February 2012 the RCP trust fund committee approved the base date for the commencement of the total return investment policy to be 30 September 1988. The permanent endowments in note 21 of the financial statements have been recalculated as at the above date.

Critical accounting judgements and key sources of estimation uncertainty
The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – the charity recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 24.

Financial instruments
Financial assets and financial liabilities are recognised when the RCP becomes a party to the contractual provisions of the instrument. Additionally, all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, short-term investments together with accrued interest and other debtors. Financial liabilities held at amortised costs comprise other creditors and accruals.

Operating leases
Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Incoming resources

		Unrestricted	Restricted/ endowment	2023	2022
		£000	£000	£000	£000
2	**Donations, grants and legacies**				
	Donations	215	52	267	569
	Grants	-	-	-	-
	Legacies	231	-	231	10
		446	**52**	**498**	**579**
3	**Educating**				
	Examinations	12,230	-	12,230	12,358
	Education and training	4,128	263	4,391	3,977
	Conferences	1,838	-	1,838	1,350
	Library and museum	135	7	142	40
		18,331	**270**	**18,601**	**17,725**
4	**Improving**				
	Accreditation programmes	2,660	29	2,689	2,146
	National audits	26	1,401	1,427	1,854
	Quality improvement programmes	496	84	580	375
	Invited reviews	526	-	526	251
		3,708	**1,514**	**5,222**	**4,626**
5	**Influencing**				
	Subscriptions	8,641	-	8,641	7,992
	Journals and publications	678	-	678	708
	Media, policy and campaigns	136	103	239	241
	Member conferences and events	814	-	814	628
		10,269	**103**	**10,372**	**9,569**
6	**Investment income**				
	Dividends	210	128	338	129
	Interest on investments	164	107	271	360
	Bank interest	31	3	34	-
		405	**238**	**643**	**489**
7	**Other income**				
	Rental income	856	-	856	480
	Café sales	124	-	124	62
	Building contribution	-	-	-	144
	Other	22	-	22	83
	Realised gains	158	-	158	-
		1,160	-	**1,160**	**769**

Resources expended

		Unrestricted	Restricted/endowment	2023	2022
		£000	£000	£000	£000
8	**Educating**				
	Examination services	10,271	-	10,271	9,326
	Conferences	5,101	-	5,101	4,817
	Education and training	5,177	400	5,577	4,456
	Library and museum services	1,228	16	1,244	1,232
		21,777	**416**	**22,193**	**19,831**
9	**Improving**				
	Accreditation	3,244	14	3,258	2,706
	National audits	13	1,565	1,578	2,254
	Quality improvement	1,174	21	1,195	963
	Invited reviews	611	-	611	464
	Awards, fellowships and bursaries	-	286	286	214
		5,042	**1,886**	**6,928**	**6,601**
10	**Influencing**				
	Membership services	2,075	-	2,075	1,895
	Journals and publications	1,491	-	1,491	1,574
	Media, policy and campaigns	2,031	121	2,152	2,183
	Member conferences and events	860	-	860	599
	Committees	893	-	893	886
	International networks	599	42	641	601
		7,949	**163**	**8,112**	**7,738**

11	Expenditure on	Direct costs	Staff costs	Other support costs	Total 2023	Total 2022
		£000	£000	£000	£000	£000
	Raising funds					
	Fundraising costs	29	185	205	419	657
	Investment management fees	150	-	-	150	153
	Trading activities	5,321	-	-	5,321	3,713
	Charitable expenditure					
	Educating	6,760	7,111	8,322	22,193	19,831
	Improving	1,970	2,397	2,561	6,928	6,601
	Influencing	1,754	2,860	3,498	8,112	7,738
	Other expenditure	136	-	-	136	208
	Total for 2023	**16,120**	**12,553**	**14,586**	**43,259**	**38,901**
	Total for 2022	**13,951**	**11,475**	**13,475**	**38,901**	

	2023	2022
The analysis of other support costs is as follows:	**£000**	**£000**
Property services	6,780	6,282
Information technology costs	2,773	2,507
Audio visual	366	410
Human resources	1,051	1,054
Finance	1,212	1,060
Internal events	372	118
Governance costs*	156	191
Central	1,876	1,853
	14,586	**13,475**

*Governance costs include fees payable to the auditors from audit fees of £54.8k (2022: £52.7k) and non-audit services of £2.5k (2022: £2.4k).

12	Employees and trustees	2023	2022
	The total costs of salaries and wages were as follows:	£000	£000
	Salaries and wages	15,509	14,210
	Social security costs	1,628	1,537
	Pension costs	1,299	1,208
		18,436	**16,955**

		2023	2022
	The average number of employees in the year was:	**409**	**387**
	The number of employees whose emoluments exceeded £60,000 were:		
	£60,001–£70,000	20	14
	£70,001–£80,000	9	12
	£80,001–£90,000	6	1
	£90,001–£100,000	2	2
	£100,001–£110,000	4	2
	£110,001–£120,000	-	1
	£120,001–£130,000	-	-
	£130,001–£140,000	-	-
	£140,001–£150,000	-	-
	£150,001–£160,000	-	1
	£160,001–£170,000	1	-

12a	Key management personnel	2023 £000	2022 £000
	Total employee benefits paid to key management personnel (Including pension contributions)	1,128	1,205

12b	Termination payments	2023	2022
	No of payments	4	6
	Value of payments (£000)	52	111

12c	Payments to trustees*	2023	2022
	Number of payments made to trustees, this includes payments to officers supporting their defined roles as senior officers as well as their trustee roles. No other remuneration was paid to trustees from the RCP in the current or preceding years.	14	12
	Value of payments (£000)	20	16

*Trustees are not remunerated and this is a reimbursement of costs.

13a Intangible IT assets (Group and RCP)	Intangible IT assets in use	Intangible IT assets under construction	Total 2023
	£000	**£000**	**£000**
Cost at 1 January 2023	**5,142**	**403**	**5,545**
Additions	1	265	**266**
Transfers/adjustments	-	-	**-**
Disposals	-	-	**-**
Cost at 31 December 2023	**5,143**	**668**	**5,811**
Accumulated amortisation at 1 January 2023	(4,448)	-	**(4,448)**
Amortisation for the year	(347)	-	**(347)**
Disposals	-	-	**-**
Accumulated amortisation at 31 December 2023	**(4,795)**	**-**	**(4,795)**
Net book value at 31 December 2023	**348**	**668**	**1,016**
Net book value at 31 December 2022	694	403	1,097

13b Tangible assets (Group and RCP)	Leasehold properties	Furniture and fixtures	IT & AV tangible assets	Assets under construction	Total 2023
	£000	**£000**	**£000**	**£000**	**£000**
Cost at 1 January 2023	**37,519**	**2,808**	**5,345**	**-**	**45,672**
Additions	1,060	194	163	-	1,417
Transfers/adjustments	-	-	-	-	-
Disposals	-	-	-	-	-
Cost at 31 December 2023	**38,579**	**3,002**	**5,508**	**-**	**47,089**
Accumulated depreciation at 1 January 2023	**(16,300)**	**(1,003)**	**(2,841)**	**-**	**(20,144)**
Depreciation for the year	(1,427)	(242)	(630)	-	(2,299)
Disposals	-	-	-	-	-
Accumulated depreciation at 31 December 2023	**(17,727)**	**(1,245)**	**(3,471)**	**-**	**(22,443)**
Net book value at 31 December 2023	**20,852**	**1,757**	**2,037**	**-**	**24,646**
Net book value at 31 December 2022	21,219	1,805	2,504	-	25,528

14 Investments (Group and RCP)	Unrestricted				Total	
	Designated for leasehold	General	Restricted	Endowment	2023	2022
	£000	£000	£000	£000	£000	£000
Market value at 1 January 2023	48	20,930	1,562	10,268	32,808	36,470
Additions at cost	7	42	-	-	49	91
Disposals	(6)	(7,003)	(2)	(36)	(7,047)	(171)
Realised (Loss)/gains	-	158	-	-	158	-
(Loss)/gains	(3)	722	43	820	1,582	(3,582)
Total investments at 31 December 2023	**46**	**14,849**	**1,603**	**11,052**	**27,550**	**32,808**
Historical cost at 31 December 2023		12,576	556	10,551	23,683	28,996

The above investments are held as follows:	2023	2022
	£000	£000
Equities	18,207	20,904
Bonds	3,064	2,989
Multi-asset funds	687	1,380
Alternatives	4,261	4,956
Cash	1,331	2,579

15 Debtors (Group and RCP)	2023		2022	
	Group	RCP	Group	RCP
	£000	£000	£000	£000
Current				
Trade debtors	1,978	1,665	1,532	1,206
Other debtors	134	133	79	79
Prepayments	1,366	1,366	1,130	1,130
Accrued income	389	389	198	198
Amounts due from subsidiary	-	707	-	1,469
Non-current				
	3,867	**4,260**	**2,939**	**4,082**

16 Creditors and accrued expenses (Group and RCP)	2023		2022	
	Group	RCP	Group	RCP
	£000	£000	£000	£000
Current				
Trade creditors	1,610	1,595	1,226	1,206
Other creditors	2,103	1,289	2,892	1,954
Tax and social security creditors	633	633	959	959
Accruals	2,552	2,467	3,237	3,113
Obligations under finance lease	196	196	191	191
Bank loan*	-	-	441	441
	7,094	**6,180**	**8,946**	**7,864**

Examination and other income received in advance (Group and RCP)	Balance b/f 1 Jan 23	Released to SOFA	Received in year	Balance c/f 31 Dec 23
	£000	£000	£000	£000
Examination income	5,018	(5,018)	5,029	5,029
Other income	2,854	(2,974)	2,967	2,847
	7,872	**(7,992)**	**7,996**	**7,876**

Non-current				
	Group	RCP	Group	RCP
	£000	£000	£000	£000
Bank loan*	-	-	6,838	6,838
Accruals	4,799	4,799	3,745	3,745
Obligations under finance lease	181	181	361	361
	4,980	**4,980**	**10,944**	**10,944**

* A loan was taken out as part of the contribution to the fit-out costs of The Spine. In 2023, part of the investment portfolio was liquidated to pay off the loan to limit the impact of rising interest rates.

16b Provisions for liabilities (Group)	Other £000	2023 total	2022 total
Provisions at 1 January	50	50	43
Additional provisions made in the year	-	-	7
Provisions released from prior years	(50)	(50)	-
Provision for liabilities at 31 December	**-**	**-**	**50**

17 Contingent liabilities

HMRC has raised an assessment for underpaid VAT against the RCP in relation to services and staff made available by the RCP to the Federation of the Royal Colleges of Physicians of the UK. The RCP has formally requested a review of this decision with HMRC on the basis that services provided by RCP to the Federation are made in line with its role as a Federation partner. The outcome of the review is awaited from HMRC, there is then the opportunity for the RCP to appeal any decision in tribunal; so it is not practical to state the timing of any payment. No provision for any liability has been made in these financial statements due to the uncertainty of the outcome and the inability to reliably estimate its value.

18 Financial assets and liabilities

	2023	2022
	£000	£000
Financial assets held at fair value	27,550	32,808
Gains/(losses) on assets held at fair value	1,740	(3,581)

19 Unrestricted funds

	Balance as at 01/01/2023	Income	Expenditure	Gains/losses	Transfers	Balance as at 31/12/2023
	£000	£000	£000	£000	£000	£000
Unrestricted general	12,811	40,298	(40,737)	(427)	(6,797)	5,148
Unrestricted designated						
Fixed and Intangible Assets Fund	19,346	-	-	-	6,316	25,662
Legacies Development Fund	120	-	-	-	-	120
Care Quality Improvement	18	-	-	-	-	18
Maintenance Fund	80				80	160
JAG Fund	-				345	345
	32,375	40,298	(40,737)	(427)	(56)	31,453

Fixed and Intangible Assets Fund – this represents the amounts set aside from the general fund to fund the net book value of the RCP's fixed and intangible assets.
Legacies Development Fund – the fund will be utilised for appropriate and relevant projects for such purposes that the major donors can be recognised and remembered.
Care Quality Improvement – funds remaining on completed projects have been designated with the aim of expanding the work carried out by this department.
Maintenance Fund – the fund is designated for the quinquennial external building renovations for leased property in London.
JAG Fund – the fund is designated for amounts ringfenced for future spend on the Joint Advisory Group.

20 Restricted funds	Balance at 01/01/2023	Income	Expenses	Gains/(losses)	Transfers	Balance at 31/12/2023
	£000	£000	£000	£000	£000	£000
Dorothy Whitney Wood – Physicians' Fund	480	-	(49)	-	-	431
National Respiratory Audit Programme	-	883	(861)	-	-	22
Falls and Fragility Fracture Audit Programme	116	517	(704)	-	71	-
Physicians' Fund	168	13	(147)	-	-	34
Advanced clinical practice curricula development	102	72	(103)	-	-	71
The Saltwell Will Trust Research Branch	173	-	-	-	24	197
Research course project	203	73	(100)	-	-	176
Harold Thomas Barten Trust	113	2	(1)	9	-	123
Dr Everley-Jones legacy	93	1	-	7	-	101
KSS Clinical Education Fellowship	108	-	(56)	-	-	52
External Affairs – Alcohol project	101	104	(108)	-	-	97
Medical Care	-	84	-	-	-	84
Sustainability fellow	-	65	-	-	-	65
Pulmonary Rehabilitation Services Accreditation Scheme	44	-	(13)	-	-	31
E-learning for healthcare – acute medicine project	43	-	(11)	-	-	32
Catherine Mills Bequest	77	1	-	5	-	83
Thomas Cotton Trust	80	-	-	-	3	83
Frank Peacock Bequest	69	1	-	5	-	75
QIPS – patient partners/medication safety	45	-	-	-	-	45
Queenie Louisa Higgins Bequest	50	1	-	3	-	54
E-learning for healthcare project	30	-	(30)	-	-	-
Drabu MTI programme	45	-	(42)	-	2	5
Mackenzie-Mackinnon Streatfield	34	1	-	2	-	37
Fundraising	35	-	-	-	-	35
Eric Watts donation	34	-	(21)	-	-	13
Symons collection	34	-	-	-	-	34
Will Edmonds Clinical Research Trust	41	2	-	-	10	53
Fundraising Heritage Museum	34	-	-	-	-	34
HEE-funded enhanced research project	30	28	(58)	-	-	-
31 other funds balances below £30,000	375	105	(98)	12	(12)	382
Total	**2,757**	**1,953**	**(2,402)**	**43**	**98**	**2,449**

Funds with closing balances over £100k are as follows:

- The grants for Care Quality Improvement and Education are received in respect for specific projects.
- The Physicians' Fund awards grants to trainees and new consultants pursuing innovation in medicine. The grants enable recipients to take up to 12 months out of clinical practice to undertake research in a UK institution and are funded by donors to the RCP.
- The Dorothy Whitney Wood Physicians' Fund relates to a legacy received in 2020 to establish the 'Whitney-Wood Scholarship' to be awarded for the purposes of research in the field of medicine preferably concerned with the understanding and management of cancer.
- The Dr Everley-Jones legacy was received from the estate of Dr Everley-Jones, to be used in the field of communication in medicine in its broadest sense, encompassing all aspects of information technology.
- The Harold Thomas Barten Trust is to be used for the purpose of scientific study of the human brain and mental disorder.

21 Endowment funds	Unapplied total return 01/01/2023	Income	Gains/(Losses)	Conversion to income	Transfers	Unapplied total return 31/12/2023	'Frozen' permanent capital 31/12/2023	Total endowment 31/12/2023
	£000	£000	£000	£000	£000	£000	£000	£000
Bradshaw Trust	194	6	23	(9)	-	214	143	357
Eden Fellowship in Paediatrics	1,192	25	93	(6)	-	1,304	142	1,446
John Rosser Scholarship	34	1	5	-	-	40	42	82
Joseph Senior White Trust	119	5	19	(1)	-	142	161	303
Lewis Thomas Gibbon Jenkins-Briton Ferry	1,450	51	188	(17)	-	1,672	1,250	2,922
ORL Wilson Bequest	116	3	11	(1)	-	129	44	173
James Maxwell Grant Prophit Bequest	472	19	70	(36)	-	525	539	1,064
Sadleir Trust	389	9	33	(2)	-	429	91	520
Samuel Leonard Simpson Fellowship	677	18	67	(12)	-	750	280	1,030
TK Stubbins bequest	21	2	9	(13)	-	19	104	123
Watson Smith Trust	593	20	74	(6)	-	681	470	1,151
William Withering Prize	146	3	13	(1)	-	161	38	199
Dr JD Ramsay Scholarship	51	2	6	-	-	59	30	89
Graham Bull Prize	54	1	6	-	-	61	25	86
Sir Michael Perrin Lecture	81	2	6	-	-	89	12	101
Lady Teale Lecture	104	3	10	(1)	-	116	44	160
John Glyn	109	4	13	(3)	-	123	80	203
Dame Sheila Kift Bequest	40	1	5	-	-	46	38	84
John Thornton Ingram Lecture	34	1	3	-	-	38	6	44
Lockyer Lectureship and Fellowship	29	1	3	-	-	33	12	45
Simms Bequest	24	1	3	-	-	28	16	44
Professor PF Thomas Bequest	28	1	4	-	-	33	25	58
10 other funds with balances below £40,000	61	3	8	(2)	-	70	50	120
Subtotal	**6,018**	**182**	**672**	**(110)**	**-**	**6,762**	**3,642**	**10,404**

Funds not included in total return	Balance at 01/01/2023	Income	Gains/(losses)	Conversion to income	Transfers	'Frozen' permanent capital	Balance at 31/12/2023
	£000	£000	£000	£000	£000	£000	£000
Thomas Cotton Fund	203	3	-	-	(3)	-	203
The London Fever Hospital Research Fund	176	3	14	(1)	(3)	-	189
Saltwell Will Trust Research Branch	1,085	24	88	(6)	(24)	-	1,167
Will Edmonds Clinical Research Fund	491	10	37	(2)	(10)	-	526
Drabu Fund	123	2	9	(1)	(2)	-	131
Subtotal	**2,078**	**42**	**148**	**(10)**	**(42)**	**-**	**2,216**
Total endowment	**8,096**	**224**	**820**	**(120)**	**(42)**	**3,642**	**12,620**

The RCP received a total return order from the Charity Commission, dated 6 February 2012, which enables the trustees to decide which part of the unapplied total return from the investment of the charity's permanent endowments should be held on trust for application for the purposes of the charity.

Funds with closing balances over £300k are as follows:

- The Bradshaw Trust was founded by a bequest from Mrs Sally Hall Bradshaw by her will of 1875, in memory of her husband Dr William Wood Bradshaw MRCP FRCS (1800–1866): £1,000 to endow an annual lecture on a subject connected with medicine or surgery. The lecturer is appointed by the president: the honorarium is £20.
- The Eden Fellowship in Paediatrics was established in 1947 from the estate of Dr Thomas Watts Eden, to establish and maintain travelling fellowships for the study of childhood in health and disease.
- The Lewis Thomas Gibbon Jenkins of Briton Ferry Memorial Trust was received by the RCP in November 1998 from the executors of Mrs Nancy Crawshaw's will. The capital is to remain intact for a minimum of 21 years after her death. The income is to be applied for the promotion of medical research connected with a physical disorder prevalent in Wales.
- The Joseph Senior White Trust was by a bequest from Mrs Eliza White, received in 1953 – in memory of her husband Joseph Senior White, to be used for scientific research solely with a view to the discovery of means to alleviate human suffering and for the prevention and cure of diseases.
- The James Maxwell Grant Prophit Trust was received in November 1998. The endowment is an addition to the Prophit Bequest and as with the original bequest the fund is to be devoted to the promotion and furthering of research work concerning the nature, causes, prevention, treatment and cure of tuberculosis.
- The Samuel Leonard Simpson Fellowship was founded in 1984 by a gift of shares/stocks from Mrs HM Simpson in memory of her husband Dr Samuel Leonard Simpson FRCP (1900–1983) for a travelling scholarship in endocrinology.
- The Watson Smith Trust was a bequest from Dr Sydney Watson Smith FRCP in memory of his wife and himself, to endow an annual lecture and medical research fellowship.
- The Sadleir Trust was established by a bequest from Lady Sadleir, wife of Sir Edwin Sadleir Bt and widow of Dr William Croone (1633–1684), fellow of the RCP, to provide for the two annual lectures Dr Croone had planned, but for which he had made no endowment: one to be read before the Royal College of Physicians by a fellow of the college, with a sermon to be preached at St Mary-le-Bow; the other on the nature and laws of muscular motion to be delivered before the Royal Society.
- Saltwell Will Trust Research Branch was established for the income generated to be used to aid research work in connection with and the cure and prevention of cancer, rheumatism, malaria and morbid conditions of the prostate gland.
- Will Edmonds Clinical Research Fund was established in 1925 to award a fellowship in clinical research in hospitals in the Metropolitan area of London. The research must concern diseases usually treated at a general hospital, excluding tropical and rare diseases.

22 Analysis of group net assets after pension scheme liability

		Intangible and tangible assets	Investments	Net liabilities inc pension liability	Total 2023	Total 2022
		£000	£000	£000	£000	£000
Unrestricted:						
Designated	Fixed Assets Fund	25,662	-	-	25,662	19,346
	Legacies Development Fund	-	-	120	120	120
	Care Quality Improvement	-	-	18	18	18
	Maintenance Fund	-	-	160	160	80
	JAG Fund	-	-	345	345	-
		25,662	**-**	**643**	**26,305**	**19,564**
General funds		**-**	**14,895**	**(9,747)**	**5,148**	**12,811**
		25,662	**14,895**	**(9,104)**	**31,453**	**32,375**
Restricted		-	1,603	846	2,449	2,757
Endowment		-	11,052	1,568	12,620	11,738
Total		**25,662**	**27,550**	**(6,690)**	**46,522**	**46,870**

23 Trading subsidiary – The RCP Regent's Park Limited

The trading results and balance sheet of the RCP subsidiary company as extracted from its audited accounts are set out below.

	2023	2022
Profit and loss account	**£000**	**£000**
Turnover	5,979	4,661
Cost of sales	(1,901)	(1,320)
Gross profit	**4,078**	**3,341**
Administrative expenses	(3,420)	(2,393)
Operating profit/(loss)	658	948
Gift aid to Royal College of Physicians	(658)	(831)
Retained profit/(loss) for the financial year	**-**	**117**

Included within administrative expenses is £3,326k (2022: £2,329k), which represents a reimbursement in respect of costs incurred by the RCP.

	2023	2022
Balance sheet	**£000**	**£000**
Debtors	314	325
Balance at bank	1,307	2,226
Current and total assets	**1,621**	**2,551**
Creditors due within 1 year:	(914)	(1,082)
Creditors due more than 1 year:	-	-
Creditor – due to RCP	(707)	(1,469)
Total creditors	**(1,621)**	**(2,551)**
Net assets	**-**	**-**
Capital and reserves		
Accumulated deficit	-	-
Called up share capital	£1	£1
Shareholders' funds	**£1**	**£1**

The RCP's wholly owned trading subsidiary, The RCP Regent's Park Limited, was incorporated on 17 September 2001, company registration 04288664.

The operating profit for the year ended 31 December 2023 was £658k (2022: £948k).

The principal activity of the company is to organise, provide facilities for and hold conferences, seminars, and courses of instruction, demonstrations, lectures, exhibitions, private dinners and functions.

24 Pension schemes

The RCP has three pension schemes, one providing defined benefits based on final salary, the other two providing benefits based on defined contributions invested with Standard Life and Aon. The pension costs for the defined contribution scheme are charged to the statement of financial activities as they become payable in accordance with FRS 102. The pension costs relating to the defined benefit scheme are assessed in accordance with the advice of an independent qualified actuary.

The defined benefit pension scheme current service costs and the net of the scheme interest cost and the expected return on the scheme assets for the year are charged to the statement of financial activities within superannuation costs. Actuarial gains and losses are recognised within other recognised gains and losses.

Total pension costs charged for the year was net income £26k (2022: £6k) for the defined benefit pension scheme and employer pension contributions of £1,299k (2022: £1,208k) for the defined contribution pension scheme.

One of the defined contribution schemes closed to new members in 2018 – employer contribution rates for this defined contribution scheme are determined by the members' age bands with incremental rates for older members. The new scheme opened for new membership has a flat employer contribution rate of 7%.

The defined benefit pension scheme is closed to new members and closed to future accrual. There is no further salary linkage. For the purposes of FRS 102 the valuation of the defined benefit scheme has been calculated under FRS 102 as at 31 December 2023 by a qualified actuary. The scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

The valuation, details of which are given below, shows £17.05 million of assets and £16.23 million of liabilities, resulting in a scheme surplus of £826k. However, in accordance with paragraph 28.22 of FRS 102 the net pension asset has been restricted to the value of the scheme's future pension cost less future employee contributions. The net pension asset therefore becomes £nil.

The scheme's assets and liabilities as at 31 December 2023, analysis of pension costs and details of the valuation were as follows:

Principal assumptions	2023	2022	2021	2020	2019
	% per annum	% per annum	% per annum	% per annum	% per annum
Discount rate	4.55	4.80	1.85	1.30	2.00
Aggregate long-term expected rate of return on assets	4.55	4.80	1.85	1.30	2.00
Rate of increase of salaries	n/a	n/a	n/a	n/a	n/a
RPI inflation assumption for pensions in payment	2.95	3.00	3.25	2.75	3.00
CPI inflation assumption for deferred pensions	2.40	2.45	2.65	2.15	2.00
Pension increases	2.90	2.95	3.15	2.75	2.95
Pension commencement lump sum taken at retirement	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value

Mortality tables: 101% of S3PMA tables for men and 92% of S3PFA tables for women using CMI 2022 model with a 1.25% long-term rate of improvement based on year of birth.

The assets valued below are in the form of monies invested with Legal and General Investment Management, BMO Global Asset Management, M&G Investments and Janus Henderson Investors together with the trustees' bank account. The assets in the scheme and the expected rate of return were:

Assets breakdown	2023	2022
	%	%
Real return and absolute return funds	-	-
Diversified Growth Fund	-	-
UK Government index-linked gilts	61.77	-
Corporate bonds	-	-
Multi asset credit	17.75	39.13
UK corporate bonds	13.51	11.24
Liability driven investments	-	20.99
Equities	5.11	12.72
Cash	1.86	15.92
Total market value of assets	**100**	**100**

The pension scheme has not invested in any of Royal College of Physicians' own financial instruments, nor in properties or other assets used by the Royal College of Physicians. The assets are all quoted in an active market.

Movement in deficit during the year	2023	2022
	£000	£000
Pension scheme liability at the beginning of the year	-	(386)
Actuarial losses and gains on present value of obligations	(101)	7,732
Experience gains and losses on defined benefit obligations	(598)	(1,199)
Gains/(losses) on return of scheme assets	(289)	(6,901)
Employer contributions	1,120	1,385
Net interest on the net defined benefit liability	26	6
	158	**637**
	2023	**2022**
	£000	**£000**
Present value of scheme liabilities at beginning of the year	15,445	22,342
Interest cost	726	406
Actuarial (loss)/gain on scheme liability assumption changes	699	(6,533)
Benefits paid	(645)	(770)
Present value of scheme liabilities at the end of the year	**16,225**	**15,445**

Movement in deficit during the year	2023	2022
	£000	**£000**
Fair value of scheme assets at beginning of the year	16,082	21,956
Interest income	783	412
Return on scheme assets	(289)	(6,901)
Employer contributions	1,120	1,385
Benefits paid	(645)	(770)
Fair value of scheme assets at the end of the year	**17,051**	**16,082**
	2023	**2022**
	£000	**£000**
Fair value of scheme assets	17,051	16,082
Value of liabilities (defined benefit obligation)	(16,225)	(15,445)
Funded status	826	637
Adjustment in accordance with the limit in FRS 102 paragraph 28.22	(826)	(637)
Recognised pension scheme liability	-	-

Analysis of pension scheme assets and liabilities for the current and previous five financial periods	2023	2022	2021	2020	2019	2018
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Present value of scheme liability	(16,225)	(15,445)	(22,342)	(24,526)	(22,482)	(19,966)
Fair value of scheme assets	17,051	16,082	21,956	20,287	18,239	16,988
Surplus/(Deficit)	826	637	(386)	(4,239)	(4,243)	(2,978)
Adjustment in accordance with the limit in FRS 102 paragraph 28.22	(826)	(637)	-	-	-	-
Surplus/(Deficit)	**-**	**-**	**(386)**	**(4,239)**	**(4,243)**	**(2,978)**

At the date of the last triennial statutory actuarial assessment as at 1 January 2021, the market value of the scheme was £22.35 million and the actuarial value of those assets represented 75.5% of the value of the benefits which had accrued at that date, allowing for future pension increases.

25	Lease obligations	2023	2022
		£000	£000
	Operating leases on land and buildings, by expiry date:		
	Under 1 year	16	25
	1 to 5 years	2,475	1,254
	5 years plus	25,095	26,328
	Total future minimum operating lease commitments	**27,586**	**27,607**
	Operating leases on office equipment and computers, by expiry date:		
	Under 1 year	100	105
	1 to 5 years	111	230
	5 years plus	-	-
	Total future minimum operating lease commitments	**211**	**335**
	Finance leases on IT equipment, by expiry date:		
	Under 1 year	88	91
	1 to 5 years	23	113
	5 years plus	-	-
	Total future finance lease commitments	**111**	**204**
	Finance leases on land and buildings, by expiry date:		
	Under 1 year	108	100
	1 to 5 years	158	258
	5 years plus	-	-
	Total future minimum finance lease commitments	**266**	**358**

In August 2019 the RCP signed an agreement for lease for 69,890 square feet over seven floors of 'The Spine' with Liverpool City Council for 25 years. The rental for the total period is £27.5 million. The lease came into effect at the end of June 2020.

26 Related party transactions

The Royal College of Physicians, a charity registered (charity number 210508) in England and Wales, is the ultimate controlling parent of its subsidiary undertaking. The RCP Regent's Park Limited, which is consolidated on a line-by-line basis in these group accounts. The total transactions in the year from the RCP Regent's Park Limited to the college totalled £762k with the company as at 31 December 2023 owing the RCP £707k in relation to an inter-company balance. Donations totalling £933 (2022: £2,133) were received from three trustees in the year (2022: 4). There were no other related party transactions in the period.

Awards, fellowships and donors

Awards, prizes and lectures

Croonian lecture
Professor Jane Davies

FitzPatrick lecture
Professor Helen Lachmann

Fix IT in Healthcare prize
My Clinical Outcomes team – Dr Ollie Minton, Rob Herriot, Tim Williams

Graham Bull Prize and Goulstonian lectureship
Dr Stephen John Sammut

Harveian orator
Sir Patrick Vallance

Lady Estelle Wolfson lecture in translational medicine
Dr Nimzing Ladep

Linacre lecture
Dr Shivan Sivakumar

Milroy lecture
Dr Barry Monk

Moxon medal
Professor Edel O'Toole

President's award
Dr Bryan Williams

Qureshi lecture
Professor Johann Sebastian de Bono

Samuel Gee lecture
Professor David Sanders

RCP-NIHR Clinical Research Network awards
Aaron Bancil
Kieran McCafferty
Peter Scanlon
Oscar Swift

Teale essay prize for trainees
Dr Fraser Brown

Fellowships and bursaries

RCP medical student elective bursaries
Adanna Ewuzie
Aishah Hagan-Bezgin
Anish Ray
Catherine Napper
Eleaha Saiady
Jamie Richards
Lucy Richman
Luke Solomi
Niraj Doshi
Rogan Dean
Ruth Foulsham
Yasmin Cabdi

James Maxwell Grant Prophit fellowship
Dr Stephen Large

John Glyn Bursary
Dr Ben Faber
Dr Puja Mehta

Samuel Leonard Simpson fellowship in endocrinology
Dr Melanie Nana

Fellowship admissions

New fellows
578 elected under bye-law 8.2 (1) a
6 elected under bye-law 8.2 (1) b
398 elected under bye-law 8.2 (1) c
3 elected under bye-law 8.6 (1)

New honorary fellows
Jane Knowles
Professor Matthew Ashton
Professor Dame Caroline MacEwen

Major donors for 2023

The Amateurs Trust
Art Fund
AstraZeneca UK
Becton Dickinson
BMS
Boehringer Ingelheim
CAE Healthcare
Christine Towner
Daiichi Sankyo
Dr Alfred Frankland
EUSA Pharma
Miss Florence Green
GSK
Illumina
Jerwood Foundation
Lord Leverhulme's Charitable Trust
Lilly
Moderna
Modiano Charitable Trust
Novartis
Dr Henry Oakeley
Dr Mary Peard
Pfizer
Dr Sarfraz Qureshi
Rosetrees Trust
Tay Charitable Trust
Tru Vue Inc.
Professor Harold Thimbleby
Dr Olwen Williams OBE
The Lord Leonard and Lady Estelle Wolfson Foundation
The Wolfson Foundation
Vertex
Rue and John Ziegler

Our sponsors

The following corporate partners supported our work in 2023:
AstraZeneca
Becton Dickinson
BMS
Boehringer Ingelheim
CAE Healthcare
Daiichi Sankyo
GSK
Lilly
EUSA Pharma
Illumina
Moderna
Novartis
Pfizer
St James's Place
Vertex
Wesleyan

Administrative information

Principal address

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

Principal advisers

Solicitors
Fieldfisher LLP
Riverbank House
2 Swan Lane
London EC4R 3TT

DAC Beachcroft LLC
Administration Centre
Portwall Place
Portwall Lane
Bristol BS1 9HS

Bankers
C Hoare and Company
37 Fleet Street
London EC4P 4DQ

Lloyds plc
National Clubs and Charities Centre
Sedgemoor House
Dean Gate Avenue
Blackbrook Business Park
Taunton TA1 2UF

Santander UK plc
Education Specialist Sectors Group
4 St Paul's Square
Liverpool L3 9SJ

Auditor

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

Investment managers

Cazenove Capital Management
12 Moorgate
London EC2R 6DA

Morgan Stanley Private Wealth Management
25 Cabot Square
Canary Wharf
London E14 4QA

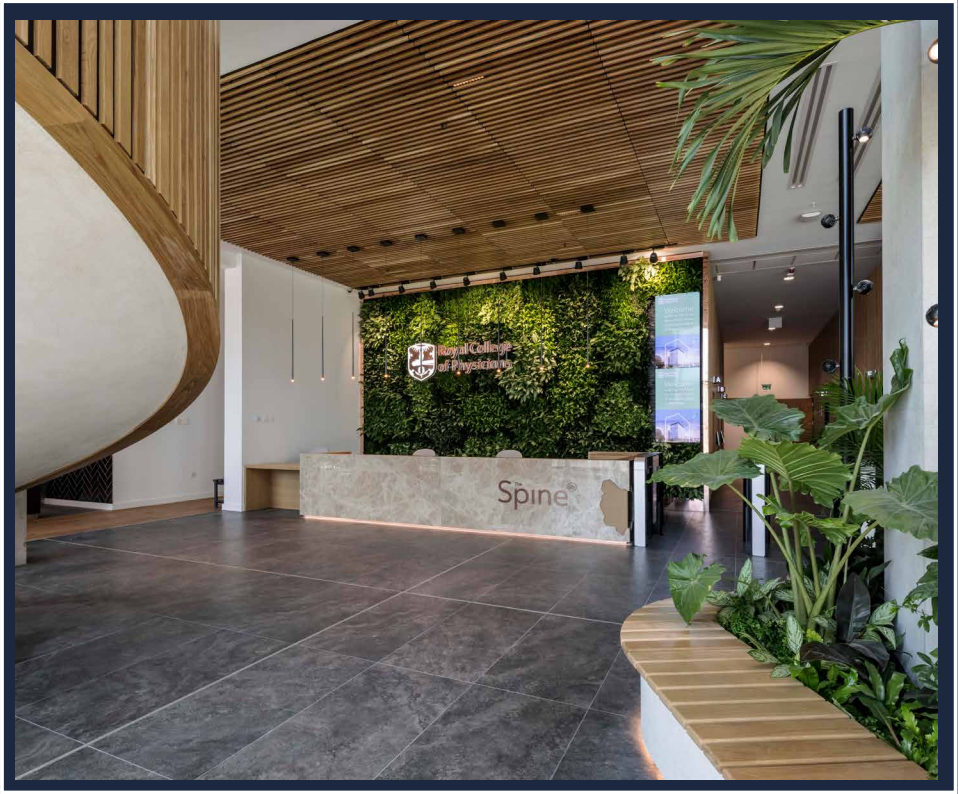
Royal Bank of Canada
1 Place Ville Marie 12th floor
Suite 1240
Montréal
Quebec H3B 4P5
Canada

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

The Spine
2 Paddington Village
Liverpool L7 3FA

www.rcp.ac.uk





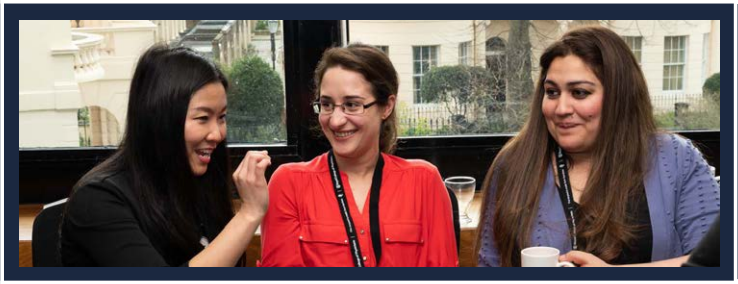
Royal College of Physicians

THE ROYAL COLLEGE OF PHYSICIANS OF LONDON

England & Wales - Charity number 210508

Accounts

Reconnecting and rebuilding





RCP annual report 2022



Royal College of Physicians

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Who we are and what we do

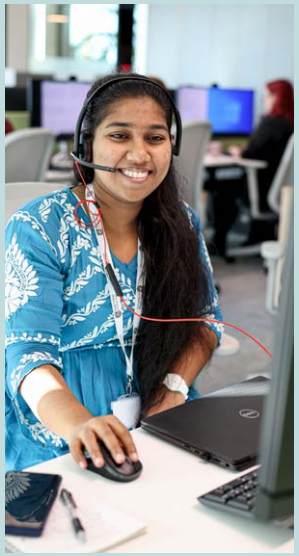
About the RCP

The Royal College of Physicians (RCP) is a professional membership body for physicians, with around 40,000 members and fellows around the globe working in hospitals and communities across 30 medical specialties. Physicians diagnose and treat illness, and promote good health. They care for millions of medical patients with a broad range of conditions, from asthma and diabetes to stroke and yellow fever.

Everything that we do at the RCP aims to improve patient care and reduce illness. Our work is patient centred and clinically led. We drive improvement in the diagnosis of disease, the care of individual patients and the health of the whole population, both in the UK and across the globe. We work to ensure that physicians are educated and trained to provide high-quality care. We also develop doctors to become leaders, providing advice and expertise to deliver service improvements in the NHS and more broadly.

Our partnership with patients

Our Patient and Carer Network (PCN) was established in 2004. A network of volunteers throughout England and Wales, PCN members are involved in the full range of RCP activities. Their invaluable contribution helps to ensure a continuous focus on patient-centred care, patient safety and health improvement. Partnership is key, with patients and carers providing a vital range of lived experiences and perspectives, which help to inform the design and delivery of healthcare.





> **‘At a time of significant pressures upon the NHS and rapid technological change, it is more important than ever that the patient voice is central to the dialogue about future healthcare. The PCN is an integral part of the RCP and proud to help shape its work on behalf of patients.’**
>
> **– Eddie Kinsella, chair of the RCP Patient and Carer Network**

Our vision, mission and values

Our vision

As the leading body for physicians in the UK and internationally, the RCP envisages a world in which everyone has the best possible health and healthcare.

Our mission

The RCP understands its purpose in realising that vision to be:

- **educating** physicians and supporting them to fulfil their potential
- **improving** health and care and leading the prevention of ill health across communities
- **influencing** the way that healthcare is designed and delivered.

Our values

Our values are **taking care**, **learning** and **being collaborative**.



Public benefit

The Royal College of Physicians (RCP) was established by royal charter from Henry VIII in 1518. It is a registered charity, and the trustees are mindful of their duty to ensure that the charity's purpose accords with the objects set out in its governing document (the charter).

Uniquely for the time, through the charter the king established the RCP in perpetuity as a professional body in the name of the public benefit. He empowered it to set standards by regulating practice, to protect the public.

Today, the RCP continues to focus its work to support high standards of medical training and patient care through activities within the meaning of charitable purpose as defined by the Charities Act 2011 that are carried out for the general public benefit.

In particular, most of our activities fall within the purposes of the advancement of health or the saving of lives; the advancement of education; and the advancement of the arts, culture, heritage or science.

Our work in these areas is made possible through the involvement of our fellows and members wherever they work, in the UK or overseas, and is summarised annually in this report.





Our Visitor, HM The Queen

The RCP was saddened by the death of our Visitor Her Majesty The Queen in 2022. As Visitor – the equivalent of a patron for other organisations, but a much older term reflecting the RCP's heritage – Her Majesty visited the college three times, most recently in 2018 to mark our 500th anniversary.

During this visit, The Queen came face to face with a portrait of her predecessor King Henry VIII, who agreed to the founding of the college in 1518 when asked by his own personal doctor Thomas Linacre.

We now welcome His Majesty King Charles III as the RCP's Visitor, in keeping with our heritage.

Foreword





Dr Sarah Clarke, RCP president
Dr Ian Bullock, chief executive

We began 2022 with the launch of our new strategy focused on the three key strategic priorities of educating, improving and influencing. We built on the RCP's position as a thought leader, collaborator, critical friend and enabler, as we worked throughout the year to support the NHS, improve patient care, and remain relevant to our membership and the wider healthcare community. Our members and fellows continue to be at the heart of our activities and lead national conversations on vital health and care issues.

This report is written during a time of great geopolitical uncertainty, economic challenge and the continued long tail effect of COVID-19 on NHS core services. The ongoing social impacts threaten to worsen current health inequalities and access to health. This remains a key focus for us as an organisation, with the RCP continuing to use its influence to achieve our vision of 'a world in which everyone has the best possible health and healthcare'.

We are pleased to show a continuing improvement of our financial position in 2022. This year we have focused on harnessing the opportunities offered by The Spine (our RCP home in Liverpool), while mitigating increasing cost pressures. The Spine continues to be the beating heart of the Liverpool Knowledge Quarter, and is hosting regular meetings focused on innovation and improvement across the region. Both our people and our buildings continue to be recognised through national awards, with our membership magazine *Commentary* winning a key Memcom award, our meetings and events teams winning multiple national awards, and The Spine achieving a BREEAM outstanding rating. This rating measures environmental performance, assessing the use of materials, waste reduction, water and CO_2 emissions, and is an illustration of our commitment to environmental sustainability.

In a year of significant change, we continue to modernise the way we deliver our strategic priorities and the governance structures that support us. RCP staff have successfully transitioned to hybrid working, and trend data have allowed us to plan the way we support them and use our buildings more efficiently. As we reflect on the year, we are pleased with our continued progress on becoming more inclusive, with targeted implementation of the Summerskill recommendations. Continuing pressure on healthcare delivery both in the UK and across the globe poses challenges which have not been seen in our lifetime. The response of our members and fellows, our physician associates and wider physician community is inspiring and fills us with hope for the future.

Annual reports naturally lend themselves to reflection. We would like to express a profound appreciation of all that our officers, volunteers, staff and membership have achieved in 2022, alongside a renewed commitment to develop and extend the RCP's influence and impact on health and healthcare.

> **"We would like to express a profound appreciation of all that our officers, volunteers, staff and membership have achieved in 2022'**

Report of trustees

The trustees of the RCP are pleased to present their annual report for the year ended 31 December 2022. The report presents our activities, significant achievements and successes in 2022.

Message from the chair of the Board of Trustees



The three priority areas of educating, improving and influencing are at the heart of RCP activities and the focus of our engagement with our fellows, members and widespread stakeholders. This report serves as a record of the many successes and achievements delivered under those priority areas in 2022, and reflects the RCP's significant influence on the quality of healthcare.

While the external environment was one of challenge in recovering from the global pandemic and facing high levels of cost inflation, we were able to sustain our financial recovery and focus increasingly on identifying and realising new opportunities to contribute to the health and wellbeing of patients and the public, as befits an influential thought-leadership organisation. Our president Dr Sarah Clarke, supported by the vice presidents, registrar, treasurer and executive team, has continued to give strong professional leadership in addressing issues of healthcare delivery at a time of unprecedented challenge and change.

Over the year our increases in both income and expenditure were aligned with one another, so overall the RCP remains financially strong and secure. I and my fellow trustees are vigilant in seeking to ensure that the RCP employs all its available resources to meet its charitable objectives, support its fellows and members, and promote its work as effectively as possible. It continues to be my privilege to chair the board, and I am indebted to my fellow trustees for their thoughtful and careful governance of the college.

Professor David Croisdale-Appleby OBE

Our 2022–24 strategy

The RCP is both a professional membership body and a registered charity. In January 2022 we published our strategy for 2022–24, which is mindful of our responsibilities in both of these roles and was developed following consultation with our members and stakeholders. This 3-year plan sets out our three main priorities of **educating**, **improving** and **influencing**.

These priorities are underpinned by a set of 'enablers': close engagement with the RCP membership, patient and carer involvement, a focus on diversity and inclusion, good governance and working in a sustainable way. This annual report covers our main activities and achievements under the three priority areas with a section on our enablers.



The Federation of the Royal Colleges of Physicians of the UK

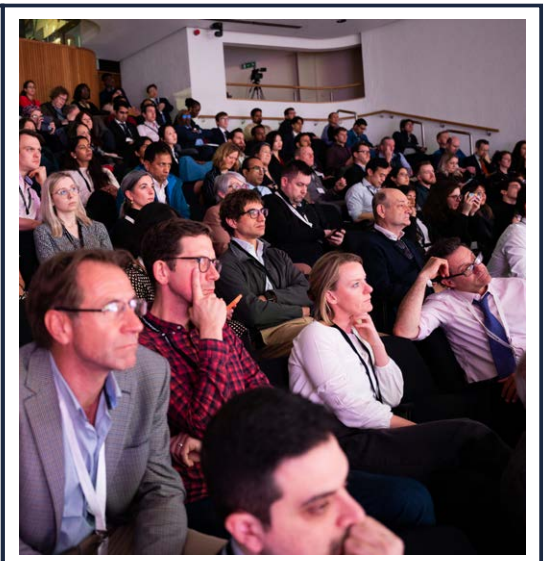
The Federation of the Royal Colleges of Physicians is a collaboration between the Royal College of Physicians of Edinburgh, the Royal College of Physicians and Surgeons of Glasgow, and the RCP. Together, the three colleges represent more than 60,000 physicians worldwide

The Federation develops and delivers services to support doctors at every stage of their careers, including:

- providing frameworks for continuing professional development (CPD) and its accreditation
- examinations (Membership of the Royal Colleges of Physicians of the UK – MRCP(UK), specialty certificate examinations and international clinical examinations)
- training curricula and quality criteria for training environments (Joint Royal Colleges of Physicians Training Board – JRCPTB).

Highlights of key Federation activities are included in this report.







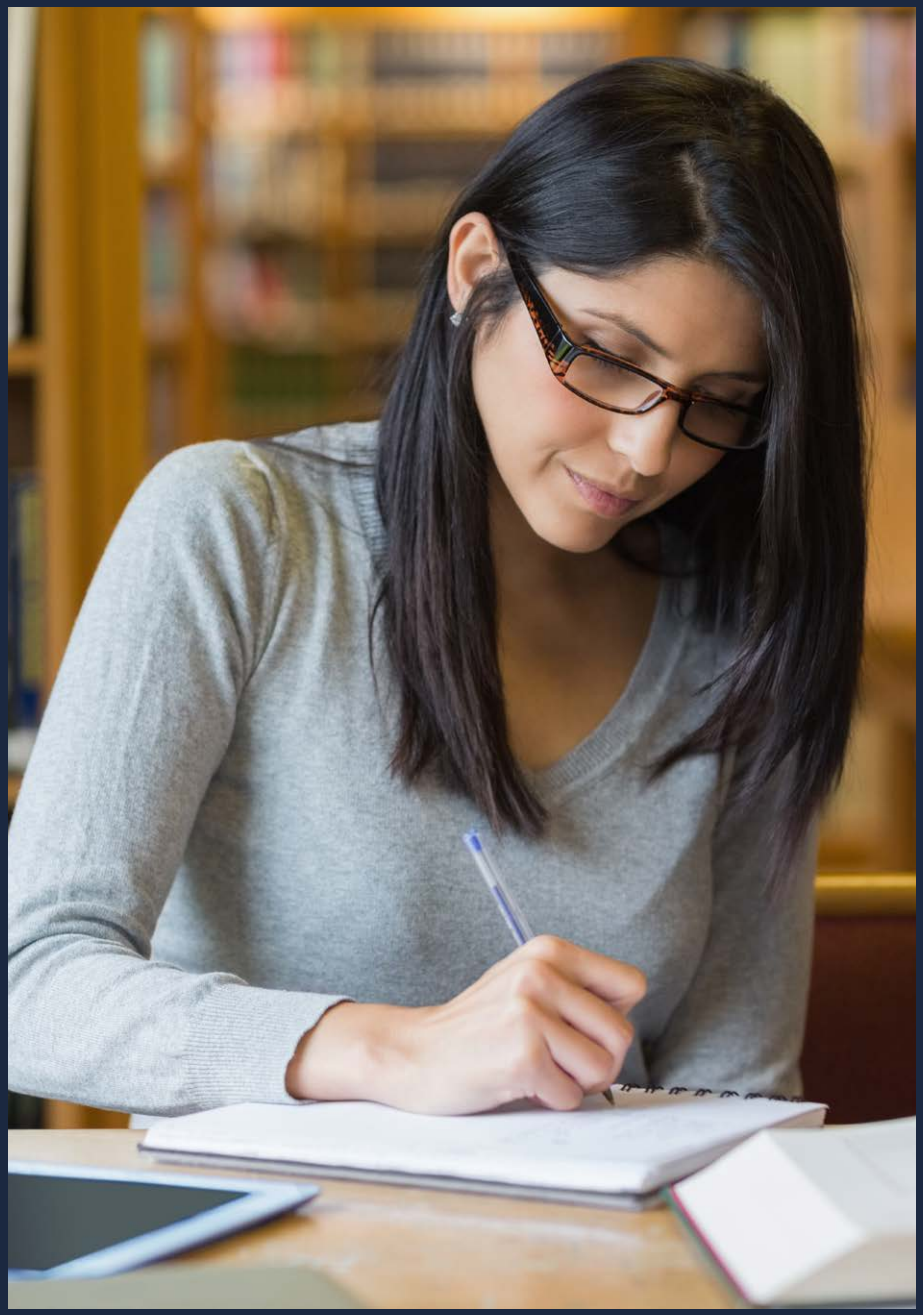


Educating

physicians and supporting them to fulfil their potential

We strive for excellence in the training and continuing professional development of physicians and physician associates throughout their multifaceted careers. We develop them as career-long learners and improvers, leaders, educators and researchers. We formulate and present the knowledge of our members for wider public benefit.

> **As the PCN representative on the RCP's Education Board, I am really pleased to see support for proposals to adopt lay examiners in the assessment processes'**
>
> – Frances Blunden, Patient and Carer Network member



Key educating activities in 2022

We announced the

12

winners of our unique Turner-Warwick lecturer scheme for trainees



We launched RCP Launchpad, a resource for new consultants and SAS doctors



We supported

130

international medical graduates to work and train in the NHS

3,000

doctors gained MRCP(UK) and over 900 physician associates passed their exams



We provided over

72

CPD hours of content via in-person events





1,300

physician associates joined the FPA virtual annual conference

1,400

delegates attended our first hybrid annual conference Medicine 2022





More than

10,500

delegates enjoyed our digital webinars



225,000

Our Medicine podcasts were downloaded over 225,000 times

Our activities and achievements

As pandemic restrictions were lifted, many of our education activities resumed in person, with physicians enjoying the chance to get together, network and receive peer support. We also offered a wealth of online learning opportunities, including webinars, podcasts and revision aids. For trainee doctors waiting to sit exams, we worked hard to expand the number of slots offered for PACES (Practical Assessment of Clinical Examination Skills).

Assessment and exams

PACES exams test the knowledge of trainee doctors by assessing essential skills in a clinical setting. By expanding the use of our state-of-the-art exam suite at RCP at The Spine in Liverpool and recruiting additional centres, we increased our capacity by more than 20% to offer 2,340 exam slots and clear the waiting list of UK candidates. International capacity also increased, with existing centres able to restart as pandemic restrictions eased and new centres opened.

We continued to run the physician associate (PA) National Certification and Recertification examinations. Over 900 PAs passed in 2022 and were eligible to join or remain on the Managed Voluntary Register.

Through our work with the Federation of Royal Colleges of Physicians, online delivery of the MRCP(UK) written exams in the UK has become business as usual and had positive feedback from candidates. A fourth diet was rolled out to some international centres in 2022, and specialty certificate examinations will soon increase to run on a 9-monthly schedule in six specialties.

Supporting physicians throughout their careers

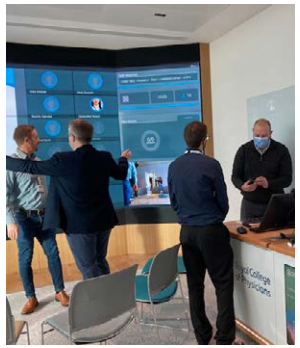
We provided key CPD opportunities for clinicians through a stimulating conferences and events programme. Medicine 2022 was our first hybrid annual conference, taking place in London, Liverpool and online. More than 1,400 delegates enjoyed 30 hours of content delivered by over 100 expert speakers.

Med+, our second core college conference of the year, provided essential clinical updates and included a trainee focus. And our medical streaming service RCP Player, rated as one of our membership's most highly rated benefits, hosted over 20 webinars and led to 1,500 new member sign-ups.

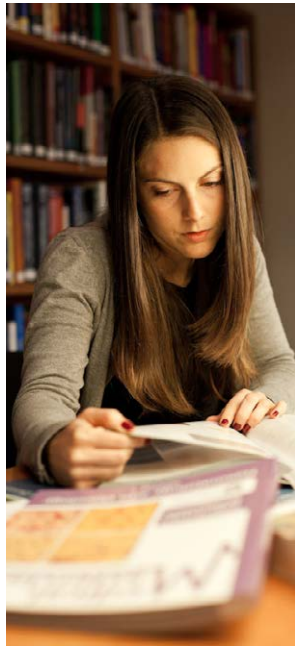
We were delighted to return to hosting our popular 'Update in medicine' conferences in person for the first time since the pandemic, offering physicians the opportunity to network with peers and RCP representatives within their region. We held six in 2022, welcoming 1,200 delegates. A resounding 99% of the feedback received by attendees said they would recommend the event series to their colleagues.

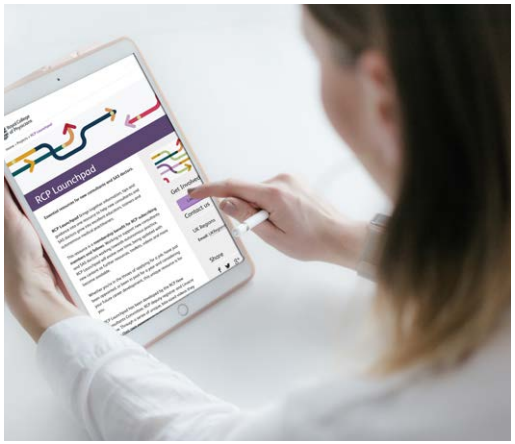
Our new year-long Six-step course for the new consultant programme got off to a flying start with inaugural cohorts in London and Liverpool, which included 46 learners with 13 funded places.

Over 2,000 learners attended our virtual and face-to-face workshops and almost 300 enrolled on our Master's-level courses and longer programmes. RCPOnlineEd learning and revision products were accessed over 2,000 times and our popular Medicine podcasts were downloaded over 225,000 times.









We launched a member-only online resource for new consultants and SAS (specialty and associate specialist) doctors. RCP Launchpad brings together information, tips and guidance to support doctors to grow into excellent educators and autonomous medical practitioners. The resource had over 2,000 views during its first 4 months.

We announced the 12 physician trainee winners of our prestigious Turner-Warwick lectureships. The scheme gives trainees a unique opportunity to present to a wide range of specialists and future collaborators, building confidence in public speaking. Winners will present their lectures digitally via RCP Player and at the 2023 Update in medicine conferences.

We delivered a wealth of initiatives for physicians at different career stages. These included a regional poster competition for trainees, a 'Call the medical registrar' conference, and a national new consultants conference. Almost 1,300 registered delegates enjoyed the Faculty of Physician Associates (FPA) virtual annual conference in December.

In February we launched a report on the F3 phenomenon. Commissioned by Health Education England (HEE), the report explores the increasingly common practice of taking a break following foundation doctor training, and has prompted significant discussion.

Federation saw an increase in the number and variety of applications for CPD approval, including live and hybrid events, and a significant growth in approved e-learning. The CPD Diary guidelines were updated to allow greater flexibility, relaxing limitations on e-learning and personal CPD credits.

Curriculum development

We continued to work with the National Institute for Health and Care Research (NIHR) and the Academy of Medical Royal Colleges (AoMRC) to develop multidisciplinary Clinician Researcher Credentials. We launched two PGCert programmes (with the universities of Exeter and Newcastle) with over 100 learners, including 75 funded by Department of Health bursary awards, and selected three universities to develop MRes extension pathways.

In collaboration with the General Medical Council (GMC), we published the draft physician associate curriculum in September, providing a standardised framework to ensure high-quality education for physician associate students.

Our Diploma in Geriatric Medicine (designed for non-geriatricians) is now open to non-medical advanced clinical practitioners.

Through Federation, all the group 1 specialty and stroke medicine subspecialty curricula were approved by the GMC and implemented from August 2022. A transition period for the dual running of the previous and new curricula for applicants to the specialist register will run for the next 2 years. Following their success in general internal medicine and geriatric medicine, panel reviews are now being rolled out to other specialties.

Supporting recruitment of doctors

Our flexible portfolio training (FPT) pilot project – which addressed recruitment, retention and wellbeing challenges in medical specialties that contribute to the 'acute take' – has now been transferred to HEE for embedding as business as usual via their regional recruitment teams. This marked the culmination of a successful 4-year project involving clinical fellows and wider teams to design, pilot and improve this targeted innovation in training pathway. The pilot received a positive external evaluation from Newcastle University. HEE now intends to replicate this flexible model in other contexts.

Global work

We supported 130 international medical graduates applying to work and train in the NHS, and delivered 28 educational events and conferences for RCP members outside of the UK, attracting a total audience of over 6,000.

The Federation opened five new international MRCP(UK) PACES centres, launching in Jamaica and Jordan for the first time, with additional centres in India and Pakistan. Each will add an additional 90 candidate places a year to help meet demand. In addition, the network supporting trainees in Malaysia was expanded. We worked with partners to launch two new internal medicine stage 1 programmes at hospitals in Kerala, India.

Advanced talks took place with European Union of Medical Specialists Sections in Geriatric Medicine and Rheumatology with a plan to launch two new pilot examinations for European doctors from 2024.



Improving

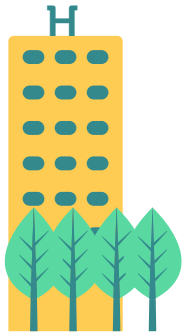
health and care and leading the prevention of ill health across communities

We improve the quality, outcomes, safety and experience of patient care by developing and setting standards. We support the clinical community to embed those standards by enabling and sharing local, regional, national and international quality and service improvement initiatives. We continually seek to identify and respond to the improvement challenges that our members face in practice.

> **I used my personal experience as a patient to help develop a resource on the safe use of medicines when leaving hospital – just one of the innovative ways the RCP is working to improve healthcare that includes the patient perspective.'**
>
> – Rebecca Harrison, RCP Patient and Carer Network member



Key improving activities in 2022



15

hospitals piloted our new Diabetes Care Accreditation Programme to improve inpatient services

Almost

100

people completed training in quality improvement for respiratory care



Our new resources included a checklist for patients on the safe use of medicines when leaving hospital





Over

100

new senior trainees joined our flagship Chief Registrar Programme

We celebrated

10 years

of the National Early Warning Score (NEWS), used throughout the NHS to ensure a rapid response to acutely deteriorating patients



We assessed over

60

clinical services for accreditation across our five programmes



We published national audit reports, including on COPD, asthma, inpatient falls and fragility fracture care

Almost

400

NHS Advisory Appointments Committees were supported by RCP representatives





We completed

10

invited reviews to support healthcare organisations

Our activities and achievements

We worked collaboratively with patients, specialist societies and other key partners on new resources to support clinical teams to deliver improvements in healthcare. Our ambitious audit and accreditation programmes focused on improving care for patients with measurable outcomes, and our new digital health strategy will support our members and their teams to exploit the significant role that digital tools will play in the future of healthcare.

Audit, accreditation and service review

The Healthcare Quality Improvement Partnership (HQIP) continued to commission us to deliver two national clinical audit programmes: the National Asthma and COPD Audit Programme (NACAP) and the Falls and Fragility Fracture Audit Programme (FFFAP). Work in both audits included support for local clinical teams to engage in quality improvement (QI) projects and maintain the momentum to sustain improvement.

The NACAP completed work to develop local capacity to deliver improvement. Nearly 100 individuals from 37 participating teams completed online training in QI skills and 14 people had training to become coaches and provide support to local respiratory teams. The FFFAP completed an improvement collaborative for clinical teams participating in its audits.

We continued to assess the quality of clinical services through our accreditation programmes for endoscopy, allergy, pulmonary rehabilitation, primary immunodeficiency and liver services. This included environmental assessments for services that were deferred in 2020–21 due to pandemic restrictions. Thirty new services registered with our programmes, and 44 achieved full accreditation for the first time.

We launched a pilot of the new Diabetes Care Accreditation Programme, working with 15 hospitals in the East of England and Wales to test the standards framework and process. The programme was developed through collaborative work with Diabetes UK and senior diabetes clinicians.

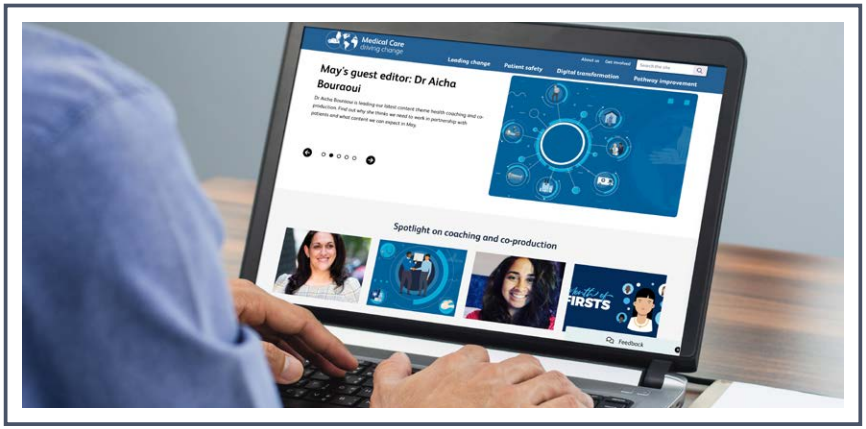
Invited reviews support healthcare organisations requiring independent external advice. We completed 10 invited reviews in 2022 and published a thematic analysis of those undertaken in 2014–21. The report offers key insights into dealing with difficult-to-manage situations in medical teams, departments and hospitals.

Enabling improvements in care

Our flagship Chief Registrar Programme is becoming increasingly popular. In 2022 it passed the one-hundred mark for the first time with over 100 senior trainee doctors joining the programme and expressions of interest from 15 new NHS organisations. Designed to support doctors with leadership development, in turn it helps NHS organisations to deliver the highest quality care for patients.

To maintain the momentum once chief registrars have completed the programme, we launched an alumni network. It provides over 400 chief registrar alumni with ongoing opportunities to connect with their peers, continue their development and share leadership and improvement skills.

We continued to work across specialties and disciplines to influence and advise on safer healthcare through the RCP's multidisciplinary Patient Safety Committee and by hosting the Medicines Safety Joint Working Group. New resources included a checklist to help patients to use medicines safely when leaving hospital. Our Patient and Carer Network co-produced these resources as part of a strong partnership.



We published a digital health strategy outlining how we will support our members and their teams to exploit the significant role that digital tools will play in the future of healthcare delivery. This addresses our key priority areas of educating, improving and influencing. We appointed a digital health clinical lead to oversee implementation of the strategy.

Reflecting the emphasis on improvement work in the NHS, our programmes saw a substantial increase in the number of clinicians undertaking projects focused on improving healthcare or the prevention of ill health. For example, over a quarter of doctors attending our inaugural Six-step course for new consultants were focused on improvement.

We worked with GIRFT (Getting it Right First Time) clinical leads and the British Geriatrics Society to develop a series of webinars on alleviating pressures and highlighting best practice in the management of frailty in an acute setting.

Guidance and resources

We worked with a new editor-in-chief and over 20 advisers, specialist societies, national bodies and senior leaders to select and build content for the Medical Care – driving change website, choosing to launch at our 2023 annual conference. This newly updated online resource will support the medical workforce to deliver long-lasting improvements in healthcare and act as a hub for showcasing information and innovative practice.

New published resources included 10 updated recommendations for hospitals and integrated care systems on providing better medical pathways for acute care, and a statement on urgent and emergency care promoting a consistent and coordinated approach across medical specialties to meet the needs of patients.

We produced an acute care toolkit on providing medical care for people with a learning disability who present acutely unwell to hospital. It includes top tips and guidance on adjustments, and was accompanied by an Easy Read version for people with learning disabilities.

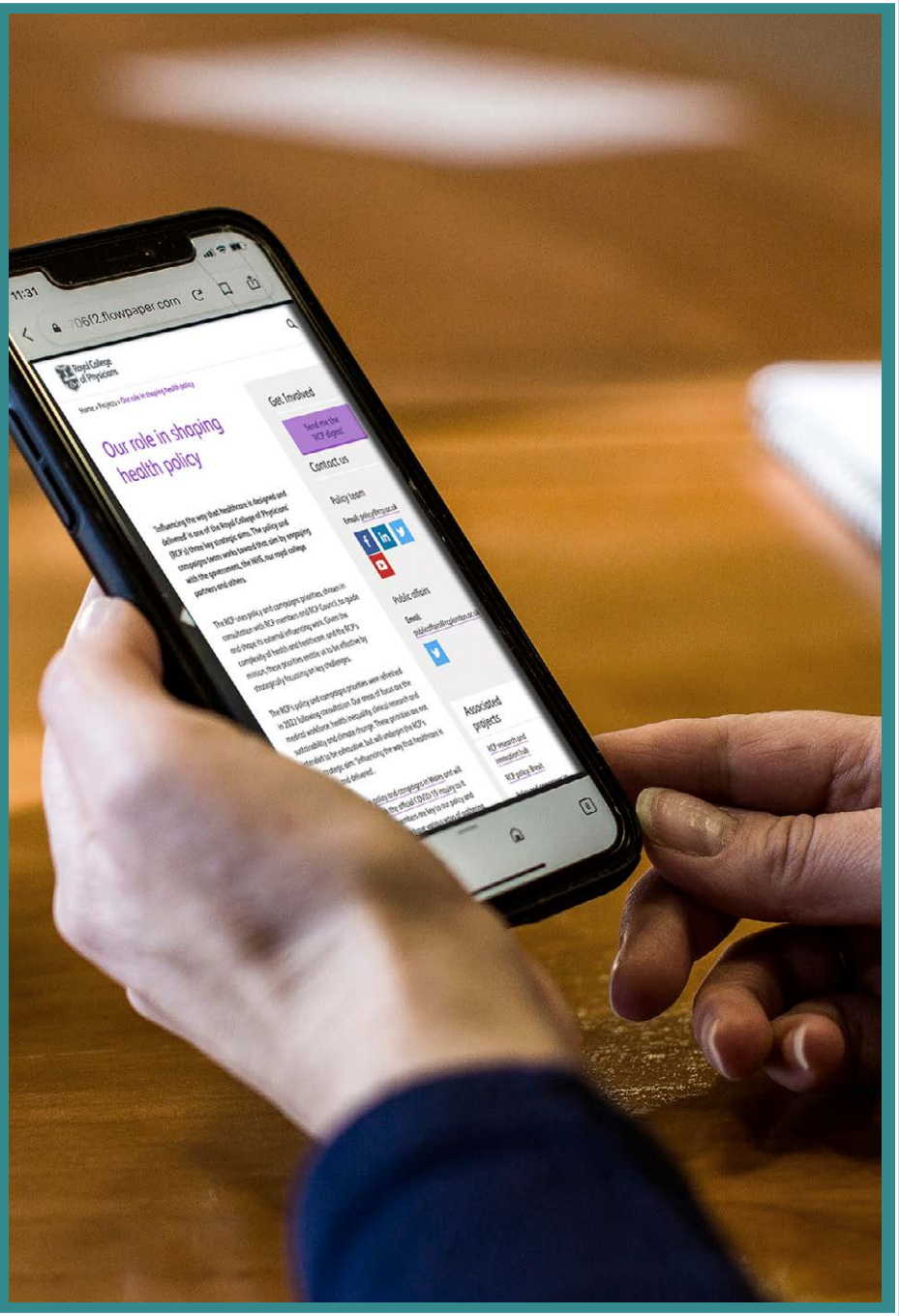
A special edition of the *Future Healthcare Journal* described future models of care to deliver improvement. To mark the 10-year anniversary of NEWS, our NEWS2 independent advisory group guided the content of a special issue of *Clinical Medicine*.

Influencing

the way that healthcare is designed and delivered

We provide leadership to shape government, health and care policy and practice. We constantly improve our understanding of the drivers of good health, the physician community and the NHS. We are the voice of medicine and set standards for medical care, working alongside the wider medical community, patients and our partners to develop, promote and publish solutions.

> **Harnessing patient and carer expertise and working towards co-production with physicians in healthcare improvement is key. We collaborated on a paper exploring this, a version of which featured in *Commentary* magazine.'**
>
> **– Alan Cribb, RCP Patient and Carer Network member**



Key influencing activities in 2022

We made the news with over

6,000

pieces of media coverage





More than

5,200

physicians completed the census, helping us plan and lobby for change



We had over

3 million

page views on our website and gained nearly 14,000 new followers on social media

Our members voted for **sustainability** to become our fourth key policy and campaigns priority





More than

230

organisations are now part of the Inequalities in Health Alliance

***Commentary* won 'Best in-house membership magazine' at the 2022 Memcom Awards**



We had

70

questions raised and mentions in parliament

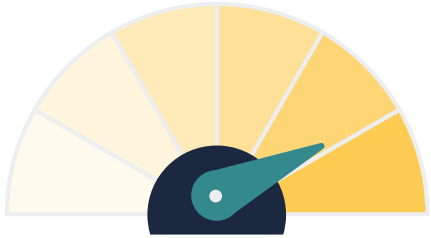




We published over

30

policy positions, reports, consultation responses and guidance to support our members



***ClinMed's* impact factor more than doubled to**

5.41

and article downloads increased to over 5.7 million

Our activities and achievements

We continued to promote, advocate and campaign on the issues that we know matter most to our members. We worked together with other royal colleges and medical societies to present a united voice on a range of topics, including leading a coalition of over 100 organisations on the #StrengthInNumbers campaign for independently verified assessments of the numbers of health and care staff needed to meet demand.

Our policy priorities

Following consultation with our members, we refreshed our policy and campaigns priorities, resulting in four key areas of focus: the medical workforce, health inequality, clinical research, and sustainability and climate change. These will form the foundation of our influencing agenda for the next 4 years.

We were pleased to secure a manifesto commitment from Labour to double the number of medical school places. We remain focused on our call for an expansion of medical school places and will continue to lobby government.

Following a year of campaigning and working with over 100 other organisations, we also secured a commitment to a long-term workforce plan with independently verified forecasts of workforce numbers needed over the next 5, 10 and 15 years. We secured legislative changes in the Health and Care Act 2022 so that NHS bodies in England have specific duties to facilitate research and ensure that the impact on health inequalities is part of their decision-making processes.

We led the Inequalities in Health Alliance (IHA) and the campaign for a cross-government strategy to reduce health inequality. Membership increased to over 230 organisations, and the campaign was highly commended in the 2022 Memcom Awards. Underpinning our work to positively impact the public health agenda, we continued our proactive membership of the Alcohol Health Alliance, Obesity Health Alliance and the UK Health Alliance on Climate Change, as well as leading the Tobacco Advisory Group. Our first video documentary, which explores obesity through the lens of health inequalities, has had over 110,000 views and 900 comments on YouTube.

We strengthened support for our members and fellows in Wales and Northern Ireland. In Wales, we established three cross-sector working groups on health inequalities, clinical strategies and multidisciplinary workforce. And in Northern Ireland, we published Stormont election calls, held a president's roundtable and published a follow-up briefing.

Media and engagement

We continued to be a key voice for medicine and to showcase the RCP's work in the media, on our website, social media channels and in member emails. We focused on development of a new RCP website (due to launch in 2023), evolving our streaming service RCP Player, and growing our social media following.

We achieved well over 6,000 appearances in the media in 2022, with strong coverage supporting our key campaigns on workforce and health inequalities. In digital engagement, we logged over 3 million page views on our website and gained nearly 14,000 new followers across our social media channels, with a particular increase on LinkedIn.

An impactful brand refresh improved the look and feel of materials across all our platforms, strengthening our digital brand and introducing greater consistency to aid recognition.

To support our internal communications, we sent weekly emails to staff with vital messages, news and information to support wellbeing, and created a new strategy for engagement. We also focused on the redevelopment of our intranet to a new user-friendly platform for launch early in 2023.

Spreading best practice

We published over 30 policy positions, reports, consultation responses and guidance to support our members. Resources on the new NHS landscape focused on helping clinicians influence integrated care systems and work more closely with social care colleagues.

Our journals *Clinical Medicine* and *Future Healthcare Journal* continued to be a key platform for spreading best practice with over 6 million articles downloaded over the course of 2022. We were delighted to see ClinMed's impact factor more than double to 5.41, a reflection of its growing profile and influence. Another highlight was our member magazine *Commentary* winning 'Best in-house membership magazine' at the Memcom Awards 2022.

Our online and in-person conferences and events provided essential clinical updates, with RCP Player hosting over 20 webinars on a diverse range of topics from medical problems in pregnancy to cholesterol, blood pressure and atrial fibrillation.

We published new guidance to support clinicians in the key areas of pharmacogenomics, and prenatal and childhood genetic testing, as well as an acute care toolkit for people with learning disabilities. New guidelines on the diagnosis of fibromyalgia syndrome are proving popular and the published materials have been downloaded over 10,000 times so far, reflecting the need for support in managing this difficult-to-diagnose condition.

Promoting medicine and the RCP

We interpreted our historical resources to promote the history of medicine and the RCP through a varied programme of exhibitions, displays, tours and talks. We shared our heritage with over 1,200 attendees at events and tours, and nearly 90% rated them as 'very good' or 'excellent'.

Our collections were viewed by 930,000 people in person at the RCP, at other museums, and online. Ongoing conservation and catalogue improvement work continues to enhance engagement and maximise research potential.

We launched a new targeted tour aimed at encouraging secondary school pupils into careers in medicine. Following a successful pilot, a full programme is planned for roll-out in 2023. We also held our first exhibition at The Spine in Liverpool in May. SELFLESS documented the lives of health and care staff during the COVID-19 pandemic in a collection of stark and compelling photographs by photographer Jessica van der Weert.



Our enablers

Our enablers form threads that run through and support each of our three priorities.

1 Membership engagement

We welcomed over 3,750 new members and launched a more inclusive fellowship proposal process, which saw 550 doctors become FRCP.

We continued to survey our membership to understand the pressures they are facing and highlight their concerns to government. Over 4,000 members responded to our 2022 surveys, including one carried out in December to understand how doctors were being affected by winter pressures.

The annual census of physicians provides a wealth of crucial data on the medical workforce. We published the 2021 census report focusing on consultants, SAS doctors and higher specialty trainees, as well as a set of toolkits, which now include the ability to view data at trust level to explore local trends in the workforce. Our analysis of the 2021 physician associate census provided vital insights for workforce planning to help develop a picture of the physician associate profession.

Reflecting the increasing numbers of doctors wanting to work more flexibly at all stages of their careers, we recruited a new clinical adviser to support our work in this area.

Our second annual SAS week celebrated the contribution of doctors in specialty and associate specialist doctor roles, while regular CT/ACT and regional representative meetings enabled us to engage with trainees.

We held bespoke membership engagement events for members and fellows in Myanmar, Uganda, Kochi, Iraq, Egypt, Chennai, Chicago, Melbourne and Jordan, and recruited eight new international advisers.

We offered members discounted fees for our workshops and free access to our e-learning programmes, which were accessed 4,000 times in 2022.

Our library provided a wide range of online resources, which were accessed over 32,000 times and were particularly popular with our international fellows. The 'Read' app allows members to keep up-to-date with the latest research in their specialty and was used to read over 3,000 papers and 7,000 abstracts.

We facilitated the free use of rooms at RCP at The Spine to support local training programme directors delivering education and training to specialty trainees.



2 Working with patients

We involved patients in the development of all our programmes to ensure we are gaining the vital input of 'experts by experience'.

Our Patient and Carer Network (PCN) contributed invaluable expertise to a large number of RCP projects throughout 2022, with representation on over 20 RCP boards and committees. Resources and programmes involving the PCN included a medicines safety checklist, FFFAP Patient and Carer Panel, our six-step course for new consultants, Med+ conference, Chief Registrar Programme and *Future Healthcare Journal* editorial board. External stakeholder involvement included contributing essential patient expertise to the Health and Social Care Committee for the evaluation of digitalisation in NHS England

We involved lay reviewers on the governance group for invited reviews as well as improving the patient voice in the reviews undertaken throughout the year.

3 Diversity and inclusion

Equality and diversity were a driving force in our policy work, particularly on health inequalities and supporting the widening of participation in medicine as a career, so that the medical workforce better reflects the communities it serves.

We implemented a new fellowship proposal process to make it fairer and more transparent, as well as improve membership engagement through fellowship panels in the UK and around the world.

New visual displays, policies for diversity in comms and events, and a rich diversity of voices featured in our member magazine *Commentary* exemplified our commitment to diversity and inclusion.

We worked to increase diversity in our clinical teaching faculty and are including diversity and inclusion in all of our educational programmes and in examiner training for the physician associate national exams.

During programme planning for conferences, we worked to ensure the speakers and topics were diverse and inclusive to reflect our membership.

Internationally, we launched a pilot of our Global Women Leaders Programme in Pakistan, and supported the growth of the RCP Iraq Network.

Through Federation we continued to explore the use of diversity and inclusion data to help support training recovery. A new data sharing agreement with Health Education England will allow access to physician recruitment data to help facilitate this work.



4 Governance and stakeholder engagement

To increase engagement and provide networking opportunities we returned to in-person meetings for some key Council and committee meetings, and held our AGM and College Day as hybrid events.

We embedded our new fellowship proposal process in 2022, which involves and engages fellows during the candidate review process and panel meetings, which were held both globally and within the UK.

To support staff engagement, we launched a new internal communications strategy and redeveloped our intranet, transferring to a new and improved platform, which supports staff to connect and collaborate.

We were delighted to return to hosting in-person membership and fellowship ceremonies, giving physicians the opportunity to celebrate their significant achievement in style. To increase capacity, we held 14 ceremonies during the year, including one in Cardiff, which attracted local, national and international attendees.

To provide greater transparency, improved governance and reduced reputational risk, we made improvements to the RCP and FPA Code of Conduct processes to help manage more complex cases.

We recruited four new censors, increasing the number of senior college members able to support key projects, and appointed a new Linacre fellow to lead work with our college tutors. We held over 60 stakeholder meetings with tutors, regional representatives and local networks, and our president delivered a programme of visits to trusts, engaging with staff in hospitals and hearing their concerns.



At the RCP at Regent's Park, we upgraded our IT servers and made improvements to the wifi to support the latest security standards and provide reliable, high-speed connectivity.

We decommissioned old IT equipment, reducing operational risk and delivering estimated electricity savings of over £10k per year.

To improve our IT security, we introduced multi-factor authentication across the RCP.

5 Sustainability

The Spine, our new building in Liverpool, was awarded BREEAM Excellent certification in 2022. This internationally recognised badge of assurance recognises the quality, performance and sustainable credentials of the building.

We completed the first phase of a complex electrical infrastructure project in our RCP at Regent's Park building, which dates from the 1960s. This will mitigate any safety risks and provide assurances to our building insurers. The £1.2m project was completed on budget and to deadline.

With most staff now working in a hybrid way post pandemic, we reviewed the use of office space and drew up plans to reduce our utility and maintenance costs.

We significantly reduced our dependence on paper, moving to a completely digital election process for our president and senior officer roles. Similarly, our conference and event programmes, speaker biographies and feedback surveys are now all online-only with QR codes offering quick access for delegates.

To reduce the impact of travel, we continued to run the majority of our board and committee meetings virtually. Many international activities are now also delivered virtually by our global office.

Our JAG accreditation scheme introduced an aspirational standard in support of green endoscopy.

We continued to build opportunities for commercial events at Spaces at The Spine and RCP London Events to ensure a robust income stream for both venues. Spaces at The Spine won 'gold' for venue sustainability at the 2022 Conference and Events Awards.



Looking ahead

In 2023 we plan to carry out the following activities, grouped under our three priority areas and enablers:

Educating

- Deliver year-long leadership and mentoring programmes for experienced clinicians as commissioned by the British Association of Sport and Exercise Medicine, UK Kidney Association and GIRFT Stroke Programme.
- Launch online modules on the NIHR Learn platform to support clinicians to carry out clinical research.
- Launch a training programme on meeting the medical needs of adults with a learning disability, and work-based credentials for registered practitioners working in gender identity healthcare for adults.
- Increase the training sites offering the credential in obstetric medicine.
- Continue to develop RCP Launchpad with new content and videos for new consultants and SAS doctors.
- Deliver a varied and stimulating conference programme, including Medicine 2023, Med+, regional updates in medicine and a 'Call the med reg' conference.
- Continue to support regulation of physician associates, deliver an in-person FPA conference and launch an FPA e-portfolio to support CPD.
- Deliver the MRCP(UK) written exams online in international centres, and launch PACES23, the new format PACES exam, across all our UK centres.
- For Federation, transition fully to the new curricula, improve trainer training in high-level outcomes and review academic pathways in group 1 specialties.
- Apply IT improvements to the CPD diary.

Improving

- Further develop the Chief Registrar Programme and its alumni network to build physician improvement leadership potential in the NHS.
- Deliver national clinical audit programmes to support measurable improvements in care, including transitioning NACAP to the new National Respiratory Audit Programme and delivering the FFFAP.
- Link physician teams to innovative practice and each other by developing the content, functionality and reach of the Medical Care – driving change website.
- Enable consistent improvements in care standards for people with diabetes in hospital through our new diabetes accreditation programme.
- Work with key partners and our Patient Safety Committee to develop patient safety skills and practice in medical teams.
- Support physicians to deliver improvements in urgent and elective care through joint guidance across medical specialties, in partnership with GIRFT.
- Publish updated principles and practice for patient-centred outpatient care to support service planning and delivery.



- Understand the digital healthcare requirements for our members and their teams, and connect those with an interest in digital transformation.
- Carry out invited reviews and deliver an event for medical leaders on resolving complex challenges in clinical medicine.
- Explore the needs and experiences of physician improvers to inform how we support doctors to carry out improvement.

Influencing

- Make sure our work is informed by the latest insight by developing and delivering the census on behalf of the three royal colleges of physicians of the UK and using all our channels to gather additional insight from RCP members.
- Continue to be a leading voice on NHS workforce planning, making sure that the broad agreement on what is needed is high on the agenda of political parties in the lead up to the next general election.
- Maintain our position as a thought leader on the future of the medical workforce, education and training by publishing a paper and facilitating discussion that will inform our strategy.
- Provide thought leadership to the challenges in outpatient care, through clinical summits for key stakeholders to inform RCP and NHS strategies.
- Make sure that ambitions for the regulation of medical associate professions (MAPs) and its implementation is informed by member opinion, improves their working lives and enhances patient safety.
- Continue to communicate the medical response to growing health inequality by convening the Inequalities in Health Alliance, leading the campaign for a cross-government strategy to reduce health inequalities and developing resources on health inequalities for clinicians.
- Establish the RCP's policy calls on sustainability and climate change in a new 'RCP view' report and develop an action plan for increasing the sustainability of medicine.
- Develop the RCP's traditional media profile to promote the physician voice, protect and enhance our reputation and extend our influence as thought leaders ahead of a general election.
- Launch our new website and continue to develop our digital communications approach to extend our reach and enhance our impact.
- Continue our work to transition the RCP journals to a new publishing partner, with the aim of widening their reach, increasing their impact and sustainability.

Our enablers

1. Membership engagement

- Develop a 'one RCP' events programme to grow membership and engagement through proactive cross-college collaboration.
- Continue to develop RCP Player as an engagement and educational tool by increasing the audience by 10%.
- Engage with the membership and public via an active programme of exhibitions, events and tours, including rolling out a new schools programme.



- Carry out data validation and benchmarking to improve our membership data.
- Survey members and fellows on digital health to understand their needs and help shape our plans across our strategic priorities.
- Engage with trainees via Turner-Warwick lectureships, poster competitions, a careers showcase and call the med reg conference.
- Revitalise the MTI scheme to meet the needs of the NHS today.

2. Working with patients

- Work with our Patient and Carer Network to enhance the impact of the patient voice in the RCP's work and increase the diversity of its members.

3. Diversity and inclusion

- Publish an update on our progress implementing recommendations from Ben Summerskill's 2020 report into diversity and inclusion at the RCP.
- Improve access to collections via development of finding aids, research services and digital content; continuing to engage with social and societal movements tackling institutional bias and prejudice.
- Increase the number of women we support to develop towards leadership roles, in the UK and internationally.
- Develop Federation's equality, diversity and inclusion strategy and begin to implement the action plan to eliminate unfairness in medical education, training and assessment.

4. Governance and stakeholder engagement

- Continue to call for an expansion of the medical and wider NHS workforce, working with stakeholders to influence the long-term workforce plan.
- Develop and strengthen our relationships with parliamentarians and advisers ahead of a likely 2024 general election, to maintain the RCP's reputation as a credible health policy stakeholder.
- Launch new websites for the RCP and Federation, as well as self-service member portals.
- Generate income through offering our editorial/design/print services to external stakeholders, and from the RCP shop.
- Reinvigorate staff engagement and improve our internal systems for staff, including our intranet, other internal channels and image library.
- Support the RCP to embody best practice by managing GDPR and information governance compliance activities.
- Introduce accreditation and a formal policy for becoming an external provider of CPD for Federation.
- Implement changes to meet the International Academy of CPD Accreditation standards.

5. Sustainability

- Continue to work towards achieving WELL Platinum status for RCP at The Spine, an international building standard on its impact on health and wellbeing.
- Carry out phase two of our electrical infrastructure project and begin plant improvements and essential repairs to the RCP at Regent's Park building.
- Conduct a tender for facilities management support across our buildings in London and Liverpool from 2024.
- Implement IT infrastructure and cyber security enhancements, including new firewalls, upgraded remote access and improved power outage resilience.
- Continue to develop income-based opportunities for commercial events in our buildings in London and Liverpool.
- Develop potential for income generation for the RCP's collections, commercial talks and tours, including sponsorship.

Our structure, governance and management

The RCP is a registered charity (no. 210508), incorporated by royal charter dated 23 September 1518, affirmed by an act of parliament in 1523. The charter of 1518 was amended by a supplemental royal charter dated 11 March 1999. The governing instruments of the RCP are the royal charters, and the bye-laws as amended from time to time. The RCP is also registered at Companies House as a company incorporated by royal charter (no. RC000899).

Board of Trustees

The Board of Trustees is the RCP's governing body and meets five times a year – four main quarterly meetings plus a November budget review meeting. It is responsible for:

- ensuring the RCP operates within its charitable objectives, and its standing orders in terms of matters reserved for the Board and those delegated to the CEO
- providing strategic direction
- agreeing the RCP annual operations plan and monitoring the progress of performance against that plan
- ensuring the effective management and custody of all RCP assets.

The RCP is committed to ensuring best practice governance and the Board of Trustees embeds the Charity Governance Code to ensure the organisation's effectiveness:

- **Organisational purpose** – the Board of Trustees is clear about the RCP's purpose, vision and mission as described in this report, and the public benefit this serves in supporting the evolution of the healthcare agenda. The current RCP strategy, launched at the beginning of 2022, will guide our planned activities from 2022–24.
- **Leadership** – in addition to setting strategy, the Board of Trustees seeks to provide leadership for the RCP and ensure delivery of the charity's aims and values by the involvement of trustees (officers and lay trustees) alongside the executive team in key committees.
- **Integrity** – trustees are expected to follow 'The seven principles of public life' drawn up by the Committee on Standards in Public Life. The RCP has embedded its Code of Conduct and organisational values within all areas of its business. A raising concerns policy is in place to support and encourage a responsive culture where people can speak up when things go wrong and the organisation can continue to learn and improve. An anti-fraud policy is also in place, supported by existing RCP policies including hospitality and gifts (anti-bribery). A statement relating to the Modern Slavery Act is on the RCP website.
- **Decision-making, risk and control** – in order to ensure strong oversight of the organisation by the Board of Trustees, the RCP commissioned two internal audits in 2021. The RCP continues to embed improved risk identification and reporting.

- **Board effectiveness** – the members of the Board reflect the complexity of the organisation. As part of the ongoing modernisation of governance and effectiveness of trustees a lay chair was appointed in June 2019.
- **Equality diversity and inclusio**n – the Board currently has a diverse membership, and this will be kept under review. In 2020 the RCP published an independent review of equality, diversity and inclusivity across all areas of activity with recommendations to the trustees. This was followed up with two reports on our progress.
- **Openness and accountabilit**y – the RCP has many touchpoints with a wide variety of stakeholders. As part of the bye-law review consideration was given to aligning a Council meeting with the annual general meeting to improve attendance and enable a question-and-answer session with trustees as part of the meeting.

The Board of Trustees has the authority to delegate any of its powers to the RCP's boards and committees. Ultimately, all decisions apart from changes to the bye-laws and regulations are either taken by or on behalf of the Board of Trustees, and reported at the annual general meeting.

The Board of Trustees comprises:

- senior officers of the RCP (*ex officio* – five)
- members nominated from Council (three)
- lay members appointed by the Board of Trustees (up to six)
- a lay chair.

Trustees are inducted in the operations of the RCP as well as their statutory obligations as a charity trustee when they are appointed. The training requirement for trustees is kept under regular review. An online governance hub makes material more accessible to trustees and an online declaration of personal interests and good standing of trustees supports good governance processes.

RCP Council

Council meets six times a year. Its function is to develop RCP policy in relation to professional and clinical matters, and to give authority to:

- RCP statements and publications
- conduct and results of the MRCP(UK) examination
- elections to the fellowship and membership as well as of RCP officers.

There is one board with specific responsibility to the Council:

- Medical Specialties Board.

RCP officers

The senior officers of the RCP (president, clinical vice president, academic vice president, vice president for education and training, treasurer and registrar) all have trustee responsibilities during their tenure. The president, treasurer and registrar are trustees of the charity for the entirety of their tenure, while vice presidents are trustees on a rotational basis. Their involvement in all of the main boards and committees of the RCP ensures that due consideration is given to the RCP's charter and bye-laws on every occasion.

Annual general meeting

The annual presidential election is held on the first Monday after Palm Sunday by Act of Parliament. The AGM was decoupled from the presidential election in 2020 and now takes place in September.

Fellows

Fellowship is the highest level of membership of the RCP and comes with many benefits and responsibilities. Fellows have distinguished themselves in the practice of medicine, medical science or medical literature. At the time of election, the fellow is normally a member of the RCP of at least 4 years standing, in a substantive consultant post for a minimum of 3 years, and making a significant contribution in one or more of these areas of practice. Fellows are nominated for election by Council and have the right to stand for office, to vote for officers and to attend and vote at the AGM.

Boards

There are four boards with specific responsibility to the Board of Trustees. They are:

- Council
- Finance and Resources Board
- Audit and Risk Committee
- Remuneration Committee.

Finance and Resources Board

In 2022 the Finance and Resources Board met four times. It has responsibility for:

- agreeing and monitoring the application and use of resources
- monitoring the business planning process and delegating decisions on new activities to senior management within agreed financial limits.

The Board is chaired by the treasurer, and its membership includes the president and registrar (both *ex officio*), two elected members of Council, two other fellows and up to five members from outside the RCP.

There are three committees with specific responsibility to the Finance and Resources Board. They are:

- Funding Awards Committee (formerly Trust Funds Management Committee)
- Investment Advisory Panel
- Estates Committee.

Audit and Risk Committee

This committee is responsible for internal controls, risk management and audit, leading to assurances on the veracity of the financial and management statements. During the year the committee commissioned two internal audits by Haysmacintyre, as part of a continuing series which seeks to examine and improve various financial and operational practices of the RCP.

Remuneration Committee

This committee provides independent review and recommendations to the Board of Trustees on the RCP's remuneration policy, pay awards, senior staff performance reviews, and pay and related matters.

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with International Financial Reporting Standards (FRS102) and applicable law.

Under charity 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 the charity and the group and of the group's net incoming or outgoing resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the presentation principles in the Charities' Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity and the group will continue to operate.

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

The trustees of the charity are aware of their duty under section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

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

Management

Responsibility for the day-to-day operations of the RCP is delegated to the chief executive, who is accountable to the Board of Trustees. The management and staff of the RCP are structured to carry forward the work and achieve the objectives of the RCP, and to provide support services. Each department of the RCP is also overseen at a governance level by a designated officer.

Key management personnel are considered to be those personnel who have the authority and responsibility for planning, directing and controlling the activities of the RCP. Key management personnel are remunerated within the RCP's general staff policy for pay and reward that is competitive within the charity sector, proportionate to the complexity of each role, and responsible in line with our charitable objectives.

A large number of volunteers are involved with the RCP's work, in the UK and abroad. The vast majority are doctors who are RCP members and support RCP activities, such as by being examiners, regional advisers or representatives on consultant appointment committees. There are many more examples, and the RCP also has a Patient and Carer Network which allows members of the public to become involved. Medical staff give their own time, but also rely on NHS guidance about the ability to use NHS time for the greater benefit of the NHS.

Modern slavery statement

Pursuant to section 54(1) of the Modern Slavery Act 2015, the RCP has published a slavery and human trafficking statement on its website.

Risk management and principal risks

The trustees have overall responsibility for risk management in the RCP. Agreed processes are in place by which the trustees review, identify and assess major risks and agree with management the controls that already are, or will be, put in place to manage those risks. These details form part of the risk register, which trustees regularly review in full. The controls put in place provide a reasonable but not absolute assurance that risks have been adequately mitigated.

Risk issues in the day-to-day operations of the RCP are delegated to management to monitor and implement appropriate control measures. Any new areas of risk identified are reported to the Audit and Risk Committee, including how they have been managed. The Audit and Risk Committee reports any areas of concern to the trustees, with recommendations for corrective action.

The principal categories of risk that the RCP monitored and sought to mitigate in 2022 and into 2023 are:

- geopolitical events driving up cost inflation for staff, goods and services increasing pressure on operating budgets, value of investments and rising interest rates
- governance structure concerns regarding the Federation and its activities, which could impact on the sustainability of relationships with key partners as well as sustainability of income

- increasing cost of running an ageing Grade I estate in London and the impact increased costs have on the ability to achieve core charitable purposes and strategic objectives
- redundant areas of estate due to new models of flexible working and online activities and the impact this has on the ability to realise the full potential of the estate
- risk from cyber threats as a result of credential compromise, data leaks or network compromise.

Remedial actions to mitigate or remove these risk areas focus on:

- robust budgetary control systems and redevelopment of financial strategy driven by in-depth executive review of college activities
- continuing to collaborate with partners to deliver a programme of improvement to Federation activities, processes and governance to ensure efficient and effective ways of working, which mitigate operational risks to Federation and ensure fitness for purpose collaboration for all partners
- exploration of estate capacity versus future estate needs to inform negotiations with the Crown Estate regarding lease allocations
- a newly formed Estates Committee to drive development of a modern and agile strategy to both realise the potential of the estate while ensuring core charitable purposes and strategic objectives are met
- development of an IT strategy which includes the continued development of digital capabilities to protect RCP digital data assets
- corporate exercises to test the resilience of cyber security across the organisation through vulnerability scans and penetration testing and continued training across all users.



Officers and key staff of the RCP

The officers, trustees and councillors listed below served during 2022. Current lists can be found via www.rcp.ac.uk/about-us/who-we-are/our-governance

Visitor

Her Majesty The Queen (until her death in September 2022)
His Majesty The King (from September 2022)

Officers of the RCP

College officers represent the interests of our fellows and members. They provide strategic leadership and lead the way on policy development, playing an important role in representing physicians' interests in the development of the profession and standards of healthcare.

Senior officers

President
Dr Sarah Clarke (appointed September 2022)
Sir Andrew Goddard (demitted September 2022)

Registrar
Professor Cathryn Edwards OBE

Treasurer
Professor Simon Bowman (appointed April 2022)
Professor Chuka Nwokolo CBE (demitted April 2022)

Clinical vice president
Dr John Dean (appointed August 2022)
Dr Sarah Clarke (demitted July 2022)

Academic vice president
Professor Ramesh Arasaradnam OBE

Vice president for education and training (senior censor)
Professor Áine Burns

College officers

Vice president for Wales
Dr Olwen Williams OBE

Vice president – Global
Dr Mumtaz Patel

Linacre fellow
Dr Shruthi Konda (appointed October 2022)
Dr Joanna Szram (demitted October 2022)

Harveian librarian
Dr Louella Vaughan

Patient involvement officer
Dr Amy Proffitt

Censors

Dr Tun Aung
Dr Jyoti Baharani (demitted July 2022)
Professor Rudolf Bilous (demitted July 2022)
Dr Harriet Gordon
Dr Manish Gautam
Dr Ruth Law (appointed July 2022)
Dr Rajaratnam Mathialagan (appointed July 2022)
Dr Rasha Mukhtar (demitted July 2022)
Dr Catherine Sargent
Professor Tom Solomon (appointed July 2022)
Dr Jo Sykes (appointed July 2022)

Medical directors

Medical director of CME and CPD
Professor Áine Burns

Medical director of publishing
Professor Anton Emmanuel

Director, Medical Workforce Unit
Dr Sarah Logan

Director, invited service reviews
Dr Adam De Belder

Clinical leads

Improvement clinical director
Dr Andrew Rochford (appointed October 2022)
Dr John Dean (demitted August 2022)

Clinical director for digital health
Dr Wajid Hussain (demitted November 2022 – role not directly replaced)

Digital health clinical lead
Dr Anne Kinderlerer (appointed November 2022)

Editor-in-chief, Clinical Medicine and Commentary
Professor Anton Emmanuel

Editor – Future Healthcare Journal
Dr Kevin Fox

Specialty and associate specialist (SAS) lead
Dr James Read (appointed March 2022)
Dr Waleed Arshad (demitted March 2022)

Examiners

RCP chief examiner
Dr Emma Vaux OBE (demitted August 2022 – role not directly replaced)

Clinical lead for assessment
Dr Celia Bielawski (appointed August 2022)

Supported by by four senior examiners:

Senior examiner: RCP PACES
Dr Abdul-Majeed Salmasi

Senior examiner: Physician Associate National Examinations
Jade Moore

Senior examiner: Diploma in Tropical Medicine and Hygiene
Professor Uli Schwab

Senior examiner: Diploma in Geriatric Medicine
Professor Michael Vassallo

Other senior roles

Deputy registrars
Dr Alastair Gilmore

Deputy medical director, invited service reviews
Dr Jonathan Bennett

Clinical adviser for flexible working
Dr Rifca Le Dieu

Garden fellow
Professor John Newton (appointed March 2022)
Dr Henry Oakeley (demitted February 2022)

Representative on the Advisory Committee of the Chelsea Physic Garden
Professor Michael de Swiet

Officers of the Federation

Executive medical director
Dr Gerrard Phillips

Medical director, training and development
Dr Mike Jones

Medical director, assessment
Dr Kenneth Dagg

International medical director, training and development
Professor David Black

Deputy international medical director, training and development
Dr Alastair Miller (appointed December 2022)

International medical director, assessment
Dr Tanzeem Raza (appointed December 2022)
Dr Donald Farquhar (demitted December 2022)

Medical director, CPD
Dr Adrian Jennings

Associate medical director, written exams
Professor Albert Ferro

Associate medical director, clinical exams
Dr Stuart Hood

Deputy medical director, JRCPTB
Dr David Marshall (appointed December 2022)
Dr Alastair Miller (demitted December 2022)

Board of Trustees

The governing body responsible for ensuring the RCP operates within its charitable objectives, agreeing and monitoring our operational plans and ensuring the effective management and custody of RCP assets.

Ex-officio members (senior officers)

Dr Sarah Clarke
Sir Andrew Goddard (demitted September 2022)
Professor Cathryn Edwards OBE
Professor Simon Bowman
Professor Ramesh Arasaradnam OBE
Professor Áine Burns (demitted July 2023)
Dr John Dean (appointed July 2023)

Members nominated from Council

Professor Namita Kumar (demitted June 2022)
Dr Iain Lawrie (demitted December 2022)
Dr Joanna Szram
Dr James Read (appointed March 2023)
Dr Ananthakrishnan Raghuram (appointed March 2023)

Lay members

Professor Charles Baden-Fuller
Sarah Barzycki (demitted June 2022)
Andrew Chandler (demitted December 2022)
Professor David Croisdale-Appleby OBE
Graham Meek
Anne-Marie Millar (appointed February 2023)
Katie Smith (appointed February 2023)
Professor John Bateson (appointed June 2023)
Dr Fiona Pathiraja (appointed June 2023)
Dominic Whittle (appointed June 2023)

Members of Council

Council develops RCP policy in relation to professional and clinical matters. Members hold voting rights. Other college officers and roles are in attendance at Council but do not hold voting rights.

President
Dr Sarah Clarke (appointed September 2022)
Sir Andrew Goddard
(demitted September 2022)

Senior censor and education and training vice president
Professor Áine Burns

Clinical vice president
Dr John Dean (appointed August 2022)
Dr Sarah Clarke (demitted July 2022)

Academic vice president
Professor Ramesh Arasaradnam OBE

Treasurer
Professor Simon Bowman

Registrar
Professor Cathryn Edwards OBE

Vice president for Wales
Dr Olwen Williams OBE

Vice president – Global
Dr Mumtaz Patel

Representative of the Faculty of Occupational Medicine
Professor Steven Nimmo

Representative of the Faculty of Pharmaceutical Medicine
Dr Flic Gabbay

Representative of the Faculty of Physician Associates
Jamie Saunders (appointed August 2022)
Kate Straughton (demitted July 2022)

Representative of the Faculty of Public Health
Professor Kevin Fenton CBE
(appointed July 2022)
Professor Maggie Rae (demitted June 2022)

Representative of the Faculty of Forensic and Legal Medicine
Professor Paul Marks

Representative of the Faculty of Intensive Care Medicine
Dr Daniele Bryden (appointed October 2022)
Dr Alison Pittard (demitted October 2022)

Representative of the Royal College of Emergency Medicine
Dr Adrian Boyle (appointed October 2022)
Dr Katherine Henderson MBE
(demitted October 2022)

Representatives of the regional advisers
Dr Anita Banerjee
Dr Philip Johnston
Dr Vivek Goel (appointed November 2022)
Dr Mick Kumwenda (demitted October 2022)
Dr Christopher Roseveare

Elected councillors
Dr Tun Aung
Dr Angshu Bhowmik
Professor Rob George (demitted July 2022)
Dr Helena Gleeson
Dr Toby Hillman (appointed August 2022)
Dr Khin Swe Myint (appointed August 2022)
Dr Ruth Law (demitted July 2022)
Dr Catherine Mummery
Dr Ananthakrishnan Raghuram MBE
Professor Tom Solomon CBE (demitted July 2022)
Dr Mark Temple
Dr Jenny Vaughan OBE (demitted July 2022)
Dr Ajay Verma (appointed August 2022)
Dr Hilary Williams (appointed August 2022)
Dr Louella Vaughan
Dr Robert Wright

Representatives of the censors
Professor Rudolf Bilous (demitted July 2022)
Dr Rasha Mukhtar (demitted July 2022)
Dr Manish Gautam (appointed August 2022)
Dr Catherine Sargent (appointed August 2022)

Chair of the Patient and Carer Network
Eddie Kinsella

Representatives of the New Consultants Committee
Dr Katie Honney
Dr Kailash Krishnan

Representatives of the Trainees Committee
Dr Melanie Nana (appointed July2022)
Dr Megan Rutter (appointed July 2022)
Dr Michael Fitzpatrick (demitted July 2022)
Dr Rachel Jones (demitted July 2022)

Representative of the Staff and Associate Specialists Steering Group
Dr James Read

Representatives of the specialist societies
Dr Tanya Bleiker (demitted June 2022)
Dr Jennifer Burns (demitted November 2022)
Dr Mohammed Chowdhury (appointed July 2022)
Dr Tim Cooksley
Dr Sarah Cox (appointed November 2022)
Professor Adam Gordon
(appointed November 2022)
Professor John Greenwood
Dr Robert Gregory (demitted January 2022)
Dr Alastair McKinlay (demitted July 2022)
Dr Sanjeev Patel
Dr Amy Proffitt (demitted November 2022)
Professor Andrew Veitch (appointed July 2022)
Dr Paul Walker
Professor Thomas Warner

Trustee councillors (in attendance)
Professor Namita Kumar (demitted July 2022)
Dr Iain Lawrie
Dr Joanna Szram

Finance and Resources Board

Professor Simon Bowman, treasurer
(from April 2022)
Professor Charles Baden-Fuller
Dr Kaushik Chaudhuri
Dr Sarah Clarke, president (from Sept 2022)
Steve Clarke
Professor David Croisdale-Appleby OBE
Professor Cathryn Edwards OBE, registrar
Professor Rob George
Sir Andrew Goddard, president (until Sept 2022)
Dr Wajid Hussain
Professor Chuka Nwokolo CBE, treasurer
(until April 2022)
Dr Mark Temple

Audit and Risk Committee

Dr Angshu Bhowmik
Professor Simon Bowman
Andrew Chandler
Professor David Croisdale-Appleby
Tim Golbourn
Graham Meek
Ray Sadler

Investment Advisory Panel

Peter Allen
Martin Been
Professor Simon Bowman, treasurer
(from April 2022)
Consuelo Brooke
James Hordern
Professor Chuka Nwokolo CBE, treasurer
(until April 2022)
Professor Ganesh Subramanian

Remuneration Committee

Professor Simon Bowman
Andrew Chandler
Graham Meek
Professor Chuka Nwokolo CBE
(until April 2022)
Nigel Turner
Professor Anthony B Ward

Executive leadership team

The leadership team is responsible for the delivery of strategic and operational objectives.

Chief executive officer
Dr Ian Bullock

Executive director, Membership Support and Global Engagement
Matthew Foster

Executive director, Care Quality Improvement
Sue Latchem

Executive director, Education
Professor Della Freeth

Executive director, Communications, Policy and Research
Claire Burroughs

Chief operating officer – Federation
Yasmin Becker (until 31 March 2023)
Christopher Ward-McQuaid (interim, from April 2023)

Executive director of finance
Tim Golbourn (interim, until November 2022)
Catherine Powell (from November 2022)

Director of HR
Linda Asamoah (until June 2022)
Chiraag Panchal (interim, from June 2022; appointed as **executive director, People and Culture** from March 2023)



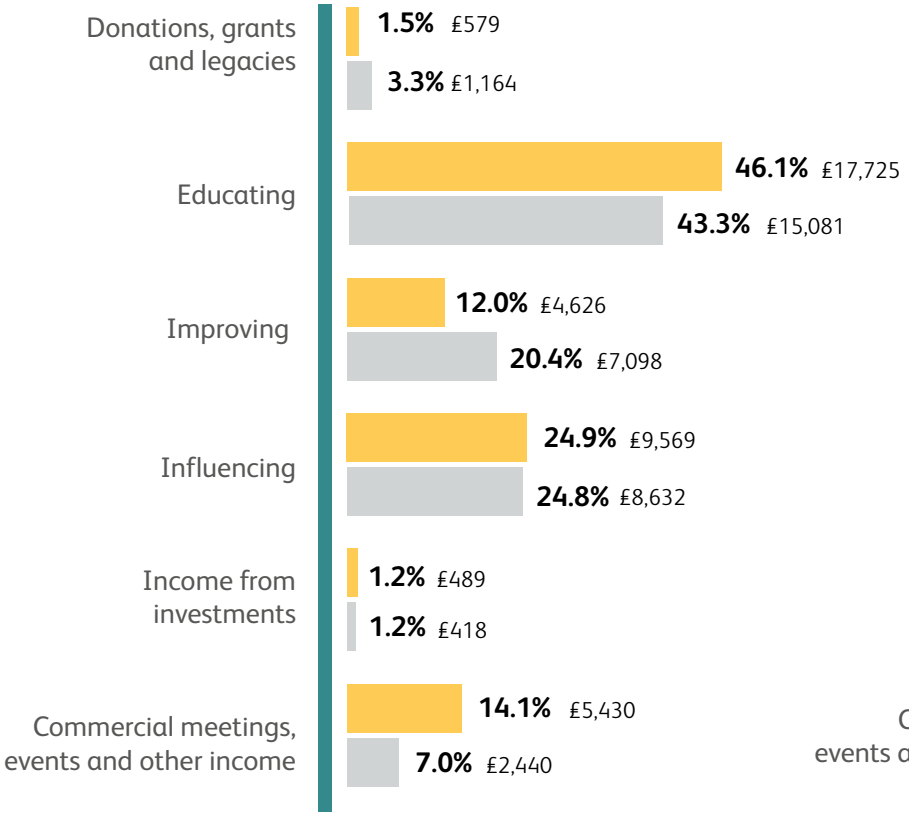


Summary of our income and expenditure

Income

Total in 2022: £38.4 million
Total in 2021: £34.8 million

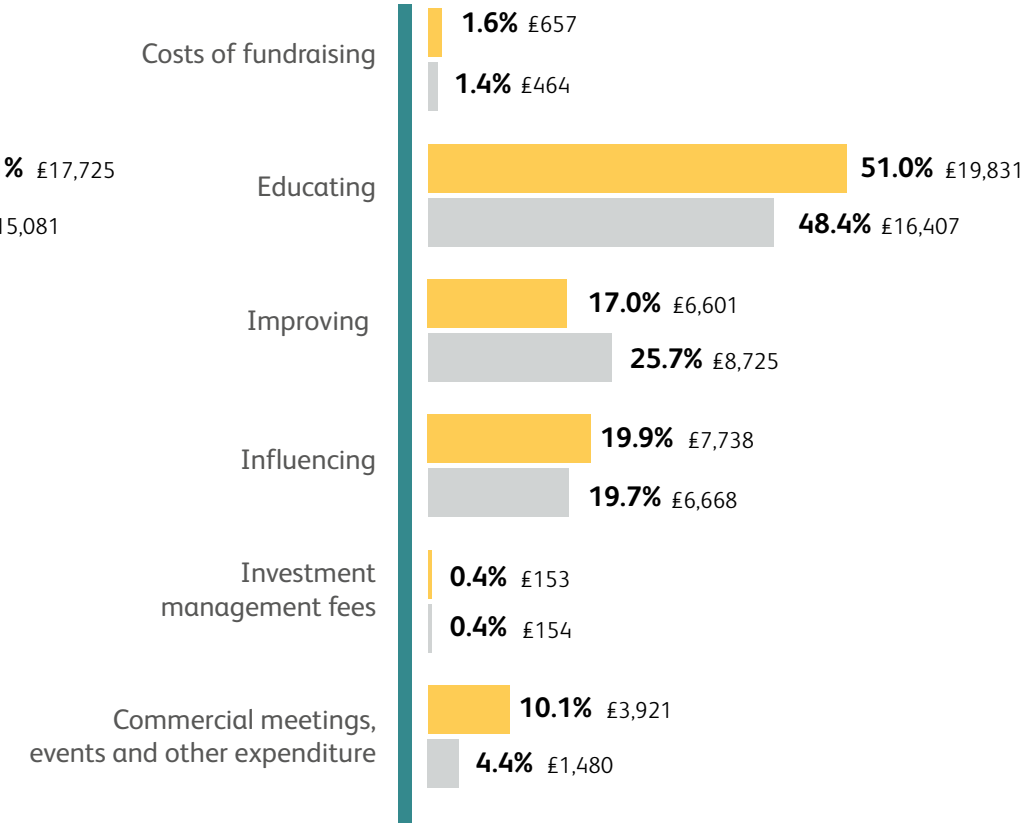
Breakdown of income in £000s



Expenditure

Total in 2022: £38.9 million
Total in 2021: £33.9 million

Breakdown of expenditure in £000s



2022
2021

Notes

2021 figures have been restated to align with our strategic priorities of educating, improving and influencing. **Costs of fundraising** include overheads (see Note 11 on p63). **Educating** includes examinations, conferences, education and training, library and museum services. **Improving** includes audit and accreditation programmes, invited reviews and quality improvement activities. **Influencing** includes membership activities, publishing, policy and campaigns.

Our financial policies

Fundraising

The RCP is grateful for the exceptional level of support that we have received during 2022 from our generous donors, including members and fellows, charitable trusts and foundations, and corporate partners.

Philanthropic support and corporate sponsorship are fundamental to the work of the RCP and help us to fulfil our charitable vision of ensuring the best possible health and healthcare for everyone. The funds that we raise go directly to supporting research; education and training; clinical improvement; patient safety; and the maintenance and development of our buildings and historic collections. This report allows us to show how our charitable funds are distributed and spent. It demonstrates the benefits and impact of fundraising on supporting physicians and on improving standards of patient care.

Principal fundraising activities and performance

During 2022, we secured a total of £1.5 million in new gifts, pledges, and sponsorships (including gifts to restricted and unrestricted funds). Projects that were supported during the year included:

- The Spine – a state-of-the-art facility in Liverpool for the education and examination of physicians that opened in 2021 and is now pioneering advances in medical education.
- Global Women Leaders – a training programme to empower women in healthcare globally to advance into healthcare leadership roles.
- A partnership with the East, Central and Southern Africa College of Physicians to provide financial and in-kind support for a region desperately short of well-trained doctors.
- RCP Player – a medical streaming service developed in response to the pandemic, which offers CPD-accredited learning resources and events, both live and on demand.
- The Physicians' Fund – the award of grants to trainees and new consultants pursuing innovation in medicine and helping to create a research-active health service.
- Heritage – maintaining our Grade I listed buildings in London, including caring for our historic collections and providing welcoming spaces for meeting and collaboration.

In May we unveiled the first 60 unique Voronoi polygons on the O'Donoghue Wall at The Spine, named in memory of our late registrar Professor Donal O'Donoghue. In July we held the opening ceremony for the Dr Sarfraz Qureshi room at The Spine, in recognition of Dr Qureshi's generous donation towards the cost of the building.

In September the RCP COVID Memorial to members and fellows who died during the pandemic was unveiled by Sir Chris Whitty in the RCP Medicinal Garden. The memorial was entirely funded by grants and donations from the Jerwood Foundation and two of our fellows.

Fundraising programme

The RCP's fundraising programme is carried out by a dedicated team including specialists in trust/foundation, corporate, and major donor fundraising. The director of development reports to the CEO and works closely with the Board of Trustees.

Fundraising controls and regulation

We recognise that our fundraising success is dependent on maintaining the trust of our donors and the public. We have multiple controls in place to ensure that our fundraising remains ethical, transparent, respects vulnerable people and is compliant with current regulation. Our campaigns are run by an in-house team, and we do not engage the services of commercial partners to raise funds on our behalf.

Our Board of Trustees plays an active role in our fundraising activities, reviews fundraising plans, and ensures that fundraising activity operates in line with regulatory requirements and relevant best practice.

We have an ethical fundraising policy and carry out due diligence to ensure that we do not receive any donations or sponsorships that conflict with our values. All our fundraisers receive mandatory training in this area and are members of the Chartered Institute of Fundraising, the professional membership body for UK fundraising.

The RCP is registered with the Fundraising Regulator (ref 128235) and has adopted the Code of Fundraising Practice. No complaints were received in relation to our fundraising activities during 2022 (2021: nil).

Investments

Powers and governance

The RCP's bye-laws give the trustees powers to appoint fund managers to manage its investments.

The Investment Advisory Panel (IAP) is responsible for monitoring the performance of the investment portfolios and of the fund managers. The IAP meets with the fund managers quarterly to review their reports and progress. The IAP is chaired by the treasurer, and its membership includes fellows, independent external advisers and the executive director of finance. The panel reports to the Finance and Resources Board.

Management

The majority of investments are managed by Cazenove Capital (part of Schroders plc) who have discretionary powers of investment within agreed restrictions as agreed in the Statement of Investment Principles. The managers' mandate is to invest, on a total returns basis, in a globally diversified portfolio of cash, equity, fixed income, convertible bonds, hedge fund securities, property funds and commodities' funds. A relatively small investment remains with the former (pre-2011) investment managers Morgan Stanley, in the form of hedge funds that are slowly being run down, liquidated and transferred to Cazenove. One other trust fund (The Cotton Trust) remains invested (as per its terms) with RBC / Royal Trust Corporation of Canada.

During 2022, the management of the investment portfolio has been reviewed by the Finance and Resources Board, and the trustees, and our approach has been clarified with the investment managers.

The RCP's objective is to invest its investment assets to manage returns, with a low to moderate level of risk, with targeted returns of CPI + 3% through a diversified asset portfolio. Within this framework a number of objectives have been agreed to help guide the Finance and Resources Board in their strategic management of the RCP's investments.

Ethical and Climate Change Investment Policy

The RCP has operated an Ethical Investment Policy in line with guidance issued by the Church of England Investment Fund. We continue to hold minimal tolerances on the proportion of indirect funds held linked to production or supply of tobacco, armaments, pornography, gambling and sale or production of alcohol.

Climate change will significantly impact public health both in the UK and around the world. All that can be done should be done to limit global temperature rises in line with the goals of the Paris Agreement on climate change. If we are to avoid the extreme impacts of climate change on both people and the environment this means a world where we limit temperature rises to 1.5 degrees above pre-industrial levels.

As a medical college the Royal College of Physicians (RCP) has a particular role to play in highlighting the health impact of climate change. By December 2021 our fund managers reported that indirect investment in fossil fuels had reduced to zero.

Total returns policy

The RCP received a total return order from the Charity Commission, dated 6 February 2012, which enables the trustees to decide which part of the

unapplied total return from the investment of the charity's permanent endowments should be held on trust for application for the purposes of the charity.

The policy applied in determining the initial amounts of the trusts for investments and any unapplied total return was identifying an appropriate and suitable date at which the investments (which were all invested with and managed by external fund managers) were at their lowest. This date was determined (through reference to the general stock market conditions over the period) as 30 September 1988.

The value of the investments at this date was 'frozen' and classified as frozen permanent capital and the remainder of the investments was classified as unapplied total return.

The amount of the unapplied total return allocated to income was the actual costs of grants, fellowships and other costs such as medals, prizes and honoraria that were awarded in the financial year, as stipulated by and within the remit of the various funds.

Policy on reserves

To deliver its business plan, the RCP has agreed a budgeting and reserves policy that enables it to make appropriate strategic allocations of funds, while also securing a sound financial base for future requirements. Services are provided with a clear understanding of whether they should be subsidised, cost neutral or delivered at a surplus. Through this policy, the RCP seeks to develop new sources of income to mitigate the risk of overreliance on major income streams. Investment decisions on the resources necessary, both to deliver new activities and to sustain continuing commitments, are based on the RCP's overall strategic needs.
The trustees make allocations between the main activities, based on the current environment and the changing requirements of the RCP's key activities. The Finance and Resources Board recommends an overall financial framework for the preparation of annual budgets to the trustees, taking into account the need to maintain an appropriate level of reserves.

Reserves provide an important base from which the RCP can deliver against its charitable objectives, recognising that some areas of income and expenditure can be variable and uncertain. The budgets and future plans are put in place to overcome any uncertainty over income or unexpected calls on the charity's funds.

At 31 December 2022 total reserves of RCP were £46.9 million. The RCP holds a number of permanently endowed and restricted funds which result from bequests or donations for particular purposes, details of which are set out in notes 19 and 20 to the financial statements. At 31 December 2022 total restricted funds were £2.8 million and endowment funds were £11.7 million.

The RCP also holds reserves in the form of designated funds that are earmarked for particular purposes by the trustees. At 31 December 2022 the balance on the designated funds was £19.6 million. The main designated fund is the intangible and fixed assets fund, represented by tangible and intangible fixed assets less associated loan finance outstanding in respect of The Spine fit-out. The fund is not readily converted into cash.

The general reserves of the RCP, excluding designated funds, are represented by a mixture of external investments and net assets that include cash reserves. The minimum target free reserves level is in the range of 3–6 months of unrestricted expenditure and is set based on: the risk to income and expenditure fluctuations, unexpected needs for funds, and the need to provide working capital for the operation.

The general reserves of the RCP as at 31 December 2022 were £12.8 million. Free reserves net of pension scheme deficit represent 4 months of the unrestricted operational expenditure, which is within the target free reserves level of between 3 and 6 months (£8.9m–£17.8m). While the financial impact of inflationary conditions continues to put pressure on the level of free reserves going forward, the target level is still appropriate.

Trading subsidiary

The principal activity of the company is to organise, provide facilities for and hold conferences, seminars, and courses of instruction, demonstrations, lectures, exhibitions, private dinners and functions. The accumulated net profit for the RCP's wholly-owned trading subsidiary, The RCP Regent's Park Limited, for the year ended 31 December 2022 was £948k. The company is looking to recover its trading position through the provision of more virtual and hybrid events, as well as harnessing opportunities from new facilities at The Spine building. The trading results and balance sheet of the subsidiary extracted from its audited accounts are set out in note 22 to the financial statements.

Going concern

The financial statements are prepared on a going concern basis. The Board of Trustees has considered the adoption of a going concern basis in the preparation of these financial statements. A projection of the RCP's financial position has been undertaken including:

- a review of budgets and 2023 management accounts;
- consideration of the key risks and uncertainties in the context of the RCP's operations; and
- the mitigating actions the RCP can deploy for liquidity, together with the impact on reserves.

Income levels for the RCP were significantly impacted in 2020 through to 2021 by the COVID-19 pandemic. Income has recovered in 2022, reaching 90% of pre pandemic levels.

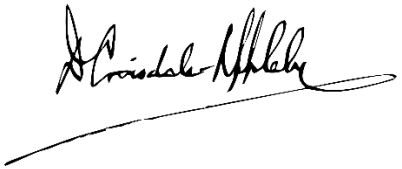
For the period to September 2024 the Board of Trustees has considered the strength of operational recovery, set against inflationary pressures, risks and assumptions, together with actions including income generation and cost saving measures. Working capital requirements are met through income received from business activities and the RCP can drawdown against funds held within the investment portfolio if required. The Board have agreed a financial strategy for the period 2023 to 2026 that demonstrates that the RCP has adequate levels of cash and reserves going forward.

External auditor

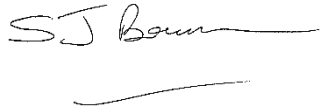
Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

Approved by the Board

The annual report has been approved by the Board of Trustees on 31 August 2023 and signed on its behalf by:



Professor David Croisdale-Appleby
Chair of Board of Trustees



Professor Simon Bowman
Treasurer

Financial review

During 2022 we started implementing our new strategy for the period 2022–24, centred around the three priority areas of educating, improving and influencing. These have always been at the heart of RCP activities and of our engagement with members and stakeholders. The new strategy enables us to be clearer about these in everything that we do. The financial statements, as presented on pages 52 to 80, have been reformatted to report under the three priority areas of educating, improving and influencing for the year ending 31 December 2022, aligned to the 2022–24 strategy. The comparative 2021 figures have also been restated to provide a meaningful prior year comparison.

In 2022 the RCP continued to recover from the challenges arising from the COVID-19 pandemic. Recovery in our income position has occurred during 2022, with unrestricted income increasing by 23%. Although the year has seen unprecedented inflationary challenges, together with the full year impact of The Spine running costs, unrestricted expenditure has increased in line with income. Restricted expenditure has exceeded restricted income in 2022, as brought-forward restricted funds have been used on certain programmes. Overall, this has resulted in a total operating deficit of £483k (2021: surplus of £935k).

Market conditions have been very challenging during 2022, with compounding market decline as the year progressed. This resulted in an overall unrealised loss on investments of £3,582k (2021: gain of £3,962k). This, coupled with an actuarial loss on the (closed) defined benefit pension fund of £1,005k (2021: gain of £2,937k), resulted in an overall deficit net funds movement of £5,070k (2021: gain of £7,834k).

Income and expenditure

The RCP's consolidated total income in 2022 was £38.4 million (2021: £34.8 million), representing a steady recovery from the COVID-19 crisis. During the year a substantial national audit contract worth £2.6 million came to an end; once this is taken into account, income levels have risen to more than 95% of pre-pandemic levels.

While unrestricted income increased by 23% in 2022, restricted income recorded a 56% reduction due to the cessation of a national audit contract during the year, as reported above.

	2022 (£000)				2021 (£000)
	Unrestricted	Restricted	Endowment	Total	Total
Total income	35,784	2,449	185	38,418	34,833
Total expenditure	35,677	3,146	78	38,901	33,898
Net operating result	107	(697)	107	(483)	935
Net (losses)/ gains on investment assets	(2,236)	(69)	(1,277)	(3,582)	3,962
Other net gains/(losses)	(1,005)	-	-	(1,005)	2,937
Transfers	(11)	46	(35)	-	-
Net movement in funds for the year	(3,145)	(720)	(1,205)	(5,070)	7,834

With activity levels bouncing back to pre-pandemic levels, the RCP has faced the pressure of increasing expenditure with record levels of inflation hitting energy, catering and maintenance costs. The executive team has worked hard to mitigate these inflationary pressures by limiting investments in the London estate and IT systems development to essential levels, and by cutting non-essential costs while preserving our core capabilities, key NHS supporting activities and support for members tackling the pandemic. As a result, unrestricted expenditure has risen in line with income in 2022.

Construction and fit-out of The Spine was completed in May 2021 with 2022 being the first full year of operation. As part of Liverpool's Knowledge Quarter, The Spine will be a centre of excellence and innovation to engage members, fellows and partner organisations in the north and enhance RCP

activities. It has been certified to the Platinum WELL Standard, making it one of the healthiest buildings in the UK.

Investments

As at 31 December 2022 our investments, including cash deposits, stood at £32.8 million. World markets had a challenging year in 2022, reacting to high inflation, Russia's invasion of Ukraine, increasing oil and gas prices and, as a consequence, increasing interest rates.

The objectives of our investment strategy are to achieve long-term growth at 3% ahead of CPI inflation, at an acceptable level of risk, applying a total return strategy. Our investments are now mainly held by fund managers Cazenove, with small holdings still with Morgan Stanley and Canada Trust Corp. The investment skills of Cazenove, together with our knowledgeable Investment Advisory Panel, enable us, on average, to achieve target performance with downside protection. We are continuing to evolve our ethical investment stance, which is aligned to the RCP's charitable objectives to improve health and prevent health harms. The process of removing any residual fossil fuel assets in the RCP's portfolio is complete.

Pensions

As at the end of 2022, the defined benefit pension scheme, which has been closed to new members since 2002 and to further accrual from 2008, moved into a surplus position of £637k (2021: deficit of £386k) on an FRS 102 basis. This significant improvement has been caused by a combination of market movements, which has led to a lower value being placed on the liabilities, and an increase in employer contributions over the period.

The triennial actuarial valuation of the defined benefit pension scheme, dated 1 January 2021, was concluded at the end of March 2022. This showed an increase in the deficit, driven by a combination of assumption changes as well as recognition of changes to the benefit structure. The next triennial valuation is due on 1 January 2024.

The RCP continues to run a Group Personal Pension Plan (GPPP) scheme for new staff joiners and maintains the RCP single employer trust-based defined contribution pension scheme, which was closed to new entrants from the start of 2018 but continues to run for existing staff members.

Balance sheet and reserves

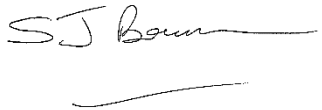
At the end of 2022 the RCP held net assets of £46.8 million of which £32.8 million is the market value of our investment portfolio and £12.2 million is in cash. Endowment and restricted funds comprise £14.5 million, therefore unrestricted funds comprise £32.4 million, of which free reserves (net of the designated funds but gross of the long-term defined benefit pension deficit) have reduced to £12.8 million (2021: £16 million).

During 2022, a revolving credit facility held with Santander to fund The Spine development was converted to a term loan. Heritage assets (rare books, manuscripts, paintings, silverware), originally gifts to the college over the past 5 centuries, are not valued at all in the financial balance sheet, but have an insurance value of ~£41 million.

Future financial plans

The trustees and I remain vigilant in seeking to protect the RCP and support its members and to use the resources available to fulfil the RCP's objectives and promote its work as efficiently as possible. Our reserves policy is to maintain the level of general reserves at between 3 and 6 months of unrestricted operational expenditure.

While the RCP's balance sheet position remains strong, the economic conditions facing the RCP remain challenging. The focus will be on growing our membership and keeping expenditure down while continuing to carry out key activities as set out in our strategy.



Professor Simon Bowman
Treasurer

Independent auditor's report to the trustees of the RCP

Opinion

We have audited the financial statements of Royal College of Physicians for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the parent and consolidated balance sheets, the consolidated cash flow statements 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's and the parent charity's affairs as at 31 December 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 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 trustee's 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 charity's or the group'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 33, the trustees 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 group and the parent charity'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 charity 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 section 151 of the Charities Act 2011, and report in accordance with the Acts 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. 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 charity and group 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 together with the Charities SORP (FRS102) 2019. 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 fundamental to the charities and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), employment legislations and taxation legislations.

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 of recognition of income, the defined benefit pension liability, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, review of internal audit reports conducted in the period 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 the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London

Date: 4th September 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Financial statements

Consolidated statement of financial activities for the year ended 31 December 2022

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 31 Dec 22	Total funds 31 Dec 21
		£000	£000	£000	£000	£000
Income from:						
Donations, grants and legacies	2	327	252	-	579	1,164
Charitable activities						
Educating	3	17,495	230	-	17,725	15,081
Improving	4	2,764	1,862	-	4,626	7,098
Influencing	5	9,474	95	-	9,569	8,632
Activities to generate funds						
Investment income	6	294	10	185	489	418
Trading activities	22	4,661	-	-	4,661	1,448
COVID-19 Job Retention Scheme		-	-	-	-	768
Other income	7	769	-	-	769	224
Total income		**35,784**	**2,449**	**185**	**38,418**	**34,833**
Expenditure on:						
Raising funds						
Fundraising costs		592	65	-	657	464
Investment management fees		95	3	55	153	154
Trading activities	22	3,713	-	-	3,713	1,459
Charitable activities						
Educating	8	19,419	409	3	19,831	16,407
Improving	9	4,050	2,531	20	6,601	8,725
Influencing	10	7,620	118	-	7,738	6,668
Other		188	20		208	21
Total expenditure	11/12	**35,677**	**3,146**	**78**	**38,901**	**33,898**
Net operating (loss)/gain		**107**	**(697)**	**107**	**(483)**	**935**

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 31 Dec 22	Total funds 31 Dec 21
Net gains/(losses) on investment assets	14	(2,236)	(69)	(1,277)	**(3,582)**	**3,962**
Net income/(expenditure)		**(2,129)**	**(766)**	**(1,170)**	**(4,065)**	**4,897**
Transfers between funds	18/19/20	(11)	46	(35)	-	-
Actuarial (losses)/gains on defined benefit pension scheme	23	(1,005)	-	-	(1,005)	2,937
Net movement in funds for the year		**(3,145)**	**(720)**	**(1,205)**	**(5,070)**	**7,834**
Funds brought forward at 1 Jan 2022	18/19/20	**35,520**	**3,477**	**12,943**	**51,940**	**44,106**
Funds carried forward at 31 December 2022		**32,375**	**2,757**	**11,738**	**46,870**	**51,940**

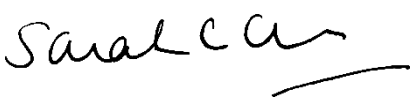
Consolidated and RCP balance sheets as at 31 December 2022

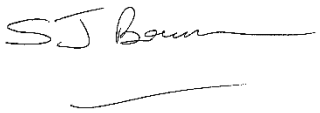
		Notes	2022 Group	2022 RCP	2021 Group	2021 RCP
			£000	£000	£000	£000
Fixed assets						
	Intangible assets	**13a**	1,097	1,097	1,170	1,170
	Tangible fixed assets	**13b**	25,528	25,528	26,004	26,004
	Investments	**14**	32,808	32,808	36,470	36,470
			59,433	**59,433**	**63,644**	**63,644**
Current assets						
	Stocks		68	68	108	108
	Debtors	**15**	2,939	4,082	3,815	4,014
	Investment accounts		7	1	7	1
	Cash		12,235	10,016	12,534	12,277
			15,249	**14,167**	**16,464**	**16,400**
Creditors						
Amounts falling due within 1 year						
	Creditors and accrued expenses	**16**	(8,505)	(7,423)	(16,299)	(16,118)
	Examination and other income					
	received in advance	**16**	(7,872)	(7,872)	(8,171)	(8,171)
	Provisions	**16b**	(50)	(50)	(43)	(43)
	Loan		(441)	(441)	-	-
			(16,868)	**(15,786)**	**(24,513)**	**(24,332)**
Net current liabilities			**(1,619)**	**(1,619)**	**(8,049)**	**(7,932)**
Total assets less current liabilities			**57,814**	**57,814**	**55,595**	**55,712**
Amounts falling due after 1 year						
	Loan		(6,838)	(6,838)	-	-
	Other liabilities		(4,106)	(4,106)	(3,269)	(3,269)
Net non-current liabilities			**(10,944)**	**(10,944)**	**(3,269)**	**(3,269)**
Net assets excluding pension liability			**46,870**	**46,870**	**52,326**	**52,443**
Defined benefit pension scheme liability		**23**	-	-	(386)	(386)
Net assets including pension liability		**21**	**46,870**	**46,870**	**51,940**	**52,057**

		Notes	2022 Group	2022 RCP	2021 Group	2021 RCP
Represented by						
Unrestricted funds:						
Designated funds		**18**				
	Fixed and Intangible Assets Fund		19,346	19,346	19,673	19,673
	Legacies Development Fund		120	120	147	147
	Care Quality Improvement		18	18	105	105
	Maintenance Fund		80	80	-	-
			19,564	**19,564**	**19,925**	**19,925**
General charitable fund			12,811	12,811	15,981	16,098
	Less: Pension scheme liabilities	**23**	-	-	(386)	(386)
			12,811	**12,811**	**15,595**	**15,712**
Total unrestricted			32,375	32,375	35,520	35,637
Restricted		**19**	2,757	2,757	3,477	3,477
Endowment		**20**	11,738	11,738	12,943	12,943
			46,870	**46,870**	**51,940**	**52,057**

The results of the parent charity for the year ended 31 December 2022 was a £5,070k deficit (2021: £7,834k surplus).

Approved for and on behalf of the RCP (Charity Registration No. 210508) on 31 August 2023 and authorised for issue.





President: Dr Sarah Clarke

Treasurer: Professor Simon Bowman

Consolidated statement of cash flow for the year ended 31 December 2022

		2022 £000	2021 £000
Cash flow from operating activities			
Net cash provided by / (used in) operating activities	**A**	**1,561**	**5,437**
Dividends, interest and rents from investments		761	410
Purchase of property, plant and equipment		(1,841)	(4,589)
Purchase of intangible assets		(304)	(254)
Proceeds from sale of investments		171	567
Purchase of investments		(91)	(141)
Net cash provided by (used in) investing activities		**(1,304)**	**(4,007)**
Borrowings interest and principal repayments		(350)	(63)
Finance lease payments		(206)	(116)
Net cash provided by (used in) financing activities		**(556)**	**(179)**
Change in cash and cash equivalents in the reporting period		(299)	1,251
Cash and cash equivalents at the beginning of the reporting period	**B**	12,541	11,290
Cash and cash equivalents at the end of the reporting period	**B**	**12,242**	**12,541**

Notes to consolidated statement of cash flow for the year ended 31 December 2022

	2022 £000	2021 £000
A. Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net movement in funds for the reporting period (as per the statement of financial activities)	(4,065)	4,897
Adjustments for:		
Depreciation charges	2,285	1,909
Amortisation charges	364	501
Disposal and impairment of assets	45	-
Loss/(gains) on investments	3,582	(3,963)
Increase/(decrease) in provisions	7	(84)
Dividends, interest and rents from investments	(761)	(410)
(Gain) on valuation of defined benefit pension scheme	(1,391)	(916)
(Increase)/decrease in stocks	40	6
(Increase)/decrease in debtors	876	2,288
Increase/(decrease) in creditors	579	1,209
Net cash provided by/(used in) operating activities	**1,561**	**5,437**

	2022 £000	2021 £000
B. Analysis of cash and cash equivalents		
Cash in hand	12,235	12,534
Notice deposits and investment accounts (less than 30 days)	7	7
Total cash and cash equivalents	**12,242**	**12,541**

Analysis of changes in net debt						
	At 1 Jan 2022	**Cash flow**	**New finance leases**	**Acquired debt**	**Interest and non-utilisation charges**	**At 31 Dec 2022**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Cash and cash equivalents						
Cash in hand	12,534	(299)	-	-	-	**12,235**
Notice deposits and investment accounts (less than 30 days)	7	-	-	-	-	**7**
Total cash and cash equivalents	**12,541**	**(299)**	**-**	**-**	**-**	**12,242**
Borrowings						
Loan to finance fixed assets – falling due after more than one year*	(7,500)	350	-	-	(129)	**(7,279)**
Finance lease obligations	(748)	206	-	-	(10)	**(552)**
Total borrowings	**(8,248)**	**556**	**-**	**-**	**(139)**	**(7,831)**
Total net debt	**4,293**	**257**	**-**	**-**	**(139)**	**4,411**

* During 2020 the organisation utilised £7.5m of a £10m revolving credit facility with Santander to fund the RCP at The Spine development. In 2022, the facility converted to a term loan.

Notes to the financial statements

1 Accounting policies

Charity information

The Royal College of Physicians (RCP) was established by royal charter in 1518. It is a registered with the Charity Commission for England and Wales and is a Royal Charter company registered with Company House. The charity registration number is 210508 and the company registration number is RC000899. RCP is a Public Benefit Entity and its registered office is 11 St Andrews Place, London NW1 4LE.

Basis of preparation

The consolidated financial statements comprise the financial statements of RCP, and its subsidiary undertaking, The RCP Regent's Park Limited, on a line-by-line basis and adjusted for the elimination of inter-group transactions and balances.

The financial statements, as presented on pages 52 to 80, have been reformatted to report under the three priority areas of educating, influencing and improving for the year ending 31 December 2022, aligned to the 2022–24 strategy. The comparative 2021 figures have also been restated to provide a meaningful prior year comparison.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (2015) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements are drawn up on the historical accounting basis, except that investments held as fixed assets are carried at market value.

Going concern

The financial statements are prepared on a going concern basis. The Board of Trustees has considered the adoption of a going concern basis in the preparation of these financial statements. A projection of the RCP's financial position has been undertaken including:
a review of budgets and 2023 management accounts

- consideration of the key risks and uncertainties in the context of the RCP's operations; and
- the mitigating actions the RCP can deploy for liquidity, together with the impact on reserves.

Income levels for the RCP were significantly impacted in 2020 through to 2021 by the COVID-19 pandemic. Income has recovered in 2022, reaching 90% of pre-pandemic levels.

For the period to September 2024 the Board of Trustees has considered the strength of operational recovery, set against inflationary pressures, risks and assumptions, together with actions including income generation and cost saving measures. Working capital requirements are met through income received from business activities and the RCP can drawdown against funds held within the investment portfolio if required. The Board have agreed a financial strategy for the period 2023 to 2026 that demonstrates that the RCP has adequate levels of cash and reserves going forward.

Having regard to the above the Board of Trustees believes it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Income

Subscriptions income, admission fees, grants and donations are accounted for once there is entitlement, probability of receipt and can be reliably measured. Legacies are accounted for where there is entitlement, probability

of receipt and amounts can be measured. For residuary legacies, entitlement is deemed to be the earlier of settled estate accounts or notification of a pending payment or actual payment being received. For pecuniary legacies these are recognised on confirmation that probate has been obtained. Investment income is recognised when due except for dividends which are accounted for on receipt. Income is deferred only when conditions have to be fulfilled before the RCP becomes entitled to it or where the donor has specified that the income is to be expended in the future period. In the case of examination admissions any receipt in respect of future years is shown as deferred income. Membership fee is seen as an annual subscription and is recognised in the year it is due. Any membership fees received in advance are shown as deferred income. Government grants are recognised as income when any specific conditions are met.

Expenditure

All expenditure is accounted for under the accruals concept and stated gross of irrecoverable VAT. All costs are allocated to the charitable cost centres on an actual basis, with the exception of administration costs which are allocated on the following basis:

- central management and human resources: number of staff in the cost centres
- finance: proportion of transactions processed
- buildings and office services: square footage of office space occupied
- IT services: number of users of the RCP network.

Salaries are allocated according to the nature of work performed by each member of staff. Governance costs comprise the costs incurred, which are directly attributable to the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements. Rentals for leased assets held under the terms of operating leases are charged directly to the statement of financial activities (SOFA) over the term of the lease.

Tangible and intangible fixed assets

No 11 St Andrews Place, a leasehold property held under a 99-year lease expiring in 2060 and Nos 1–10 St Andrews Place, leasehold properties held under a lease that expires in 2084, are being depreciated over 49 years from the commencement of the respective leases. The cost of additions to existing structures has been depreciated, concurrently, over the remaining life of the leases. Equipment, intangible assets, furniture and fixtures are capitalised when the cost of the project exceeds £15,000 and has a useful life spread over a number of financial years. These capital costs are depreciated and intangible assets amortised by equal instalments over their anticipated useful lives, at rates between 5% and 25%. Depreciation and amortisation is allocated to the departments within the RCP on the basis of area occupied. No depreciation or amortisation is charged on assets in the course of construction. At each reporting date the RCP assesses if there is any indication of impairment of its estate and other fixed assets.

Collections

In addition to the capitalised fixed assets held for the RCP's own use, the RCP also has a number of assets of historical interest. These comprise learned publications and a unique collection of busts and portraits, together with other objects, whose intrinsic value is also bound up with the RCP's history. The trustees consider that the significant administrative expenses incurred in deriving a reliable cost for the capitalisation of these items would exceed the usefulness of such information to the user of the financial statements.

Finance leases

Finance leases are recognised where the risks and rewards of ownership of the leased asset are held by the lessee (The RCP). These are recognised as right-to-use fixed assets with a corresponding lease liability comprised of the present value of the minimum lease payments, derived by discounting them at the interest rate implicit in the lease. Right-to-use assets are depreciated over the lease period or asset life, where the asset is retained at the end of lease and has an asset life longer that the lease term.

Investments

Investments are stated in the balance sheet at the mid-market value at the balance sheet date. Realised gains or losses are calculated by reference to disposal proceeds and either opening market value or cost if acquired during the year.

Stock

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

Cash and cash equivalents

Cash and cash equivalents includes cash at bank and in hand, cash held for reinvestment and short-term deposits.

Taxation

The RCP is eligible for the tax exemptions available for charitable activities.

Unrestricted funds

These funds are received and applied to achieve the general objectives of the RCP.

Designated funds

Designated funds are unrestricted funds set aside by the trustees for specific future purposes or projects. The movements on these funds are analysed in note 18.

Restricted funds

Restricted funds are subject to specific conditions laid down by the donors as to how they may be used. Note 19 gives details of these funds.

Endowment funds

Endowment funds relate to bequests and gifts to the RCP, the terms of which stipulate that the capital may not be spent, and the income is to be utilised to meet the costs of awards, lectures and other RCP expenditure. Movements in these funds are shown in note 20.

Total return accounting

The trustees of the RCP applied to the Charity Commission in January 2012 for authorisation to enable the permanent endowments within the RCP trust funds to be invested on a total return basis as this would facilitate a better return on investments, without prejudicing the investment management policy.

Upon receiving the requisite order from the Charity Commission on 6 February 2012 the RCP trust fund committee approved the base date for the commencement of the total return investment policy to be 30 September 1988. The permanent endowments in note 20 of the financial statements have been recalculated as at the above date.

Critical accounting judgements and key sources of estimation uncertainty

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – the charity recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 23.

Financial instruments

Financial assets and financial liabilities are recognised when the RCP becomes a party to the contractual provisions of the instrument. Additionally, all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, short-term investments together with accrued interest and other debtors. Financial liabilities held at amortised costs comprise other creditors and accruals.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Incoming resources

		Unrestricted	Restricted/ endowment	2022	2021
		£000	£000	£000	£000
2	**Donations, grants and legacies**				
	Donations	317	252	569	559
	Grants	-	-	-	550
	Legacies	10	-	10	55
		327	**252**	**579**	**1,164**
3	**Educating**				
	Examinations	12,358	-	12,358	9,746
	Education and training*	3,757	220	3,977	3,960
	Conferences	1,350	-	1,350	1,283
	Library and museum	30	10	40	92
		17,495	**230**	**17,725**	**15,081**
4	**Improving**				
	Accreditation programmes	2,137	9	2,146	2,068
	National audits	1	1,853	1,854	4,286
	Quality improvement programmes	375	-	375	402
	Invited reviews	251	-	251	342
		2,764	**1,862**	**4,626**	**7,098**
5	**Influencing**				
	Subscriptions	7,992	-	7,992	7,472
	Journals and publications	708	-	708	618
	Media, policy and campaigns	146	95	241	178
	Member conferences and events	628	-	628	364
		9,474	**95**	**9,569**	**8,632**
6	**Investment income**				
	Dividends	74	55	129	80
	Interest on investments	220	140	360	338
		294	**195**	**489**	**418**
7	**Other income**				
	Rental income	480	-	480	213
	Café sales	62	-	62	10
	Building contribution	144	-	144	-
	Other	83	-	83	1
		769	-	**769**	**224**

* A prior year adjustment has been posted related to Joint Royal Colleges of Physicians Training Board (JRCPTB) income. Details of this adjustment are included in Note 27 to the accounts.

Resources expended

		Unrestricted	Restricted/endowment	2022	2021
		£000	£000	£000	£000
8	**Educating**				
	Examination services	9,326	-	9,326	7,021
	Conferences	4,817	-	4,817	4,304
	Education and training	4,058	398	4,456	4,033
	Library and museum services	1,218	14	1,232	1,049
		19,419	**412**	**19,831**	**16,407**
9	**Improving**				
	Accreditation	2,633	73	2,706	2,375
	National audits	6	2,248	2,254	4,681
	Quality improvement	947	16	963	1,082
	Invited reviews	464	-	464	438
	Awards, fellowships and bursaries	-	214	214	149
		4,050	**2,551**	**6,601**	**8,725**
10	**Influencing**				
	Membership services	1,895	-	1,895	1,483
	Journals and publications	1,574	-	1,574	1,415
	Media, policy and campaigns	2,065	118	2,183	1,700
	Member conferences and events	599	-	599	807
	Committees	886	-	886	759
	International networks	601	-	601	504
		7,620	**118**	**7,738**	**6,668**

11	Expenditure on	Direct costs	Staff costs	Other support costs	Total 2022	Total 2021
		£000	£000	£000	£000	£000
	Raising funds					
	Fundraising costs	94	238	325	657	464
	Investment management fees	153	-	-	153	154
	Trading activities	3,713	-	-	3,713	1,459
	Charitable expenditure					
	Educating	6,585	6,094	7,152	19,831	16,407
	Improving	1,778	2,513	2,310	6,601	8,725
	Influencing	1,420	2,630	3,688	7,738	6,668
	Other expenditure	208	-	-	208	21
	Total for 2022	**13,951**	**11,475**	**13,475**	**38,901**	**33,898**
	Total for 2021	**9,492**	**12,938**	**11,468**	**33,898**	

	2022	2021
The analysis of other support costs is as follows:	**£000**	**£000**
Property services	6,282	4,988
Information technology costs	2,507	2,667
Audio visual	410	608
Human resources	1,054	839
Finance	1,060	858
Internal events	118	817
Governance costs*	191	110
Central	1,853	2,520
	13,475	**13,407**

*Governance costs include fees payable to the auditors from audit fees of £52.7k (2021: £46.9k) and non-audit services of £2.4k (2021: £2.8k).

12	Employees and trustees	2022	2021
	The total costs of salaries and wages were as follows:	£000	£000
	Salaries and wages	14,210	14,719
	Social security costs	1,537	1,506
	Pension costs	1,208	1,323
		16,955	**17,548**

		2022	2021
	The average number of employees in the year was:	**387**	**403**
	The number of employees whose emoluments exceeded £60,000 were:		
	£60,001–£70,000	14	13
	£70,001–£80,000	12	7
	£80,001–£90,000	1	3
	£90,001–£100,000	2	4
	£100,001–£110,000	2	3
	£110,001–£120,000	1	-
	£120,001–£130,000	-	-
	£130,001–£140,000	-	-
	£140,001–£150,000	-	1
	£150,001–£160,000	1	-

12a	Key management personnel	2022 £000	2021 £000
	Total employee benefits paid to key management personnel (Including pension contributions)	1,205	1,205

12b	Termination payments	2022	2021
	No of payments	6	18
	Value of payments (£000)	111	198

12c	Payments to trustees*	2022	2021
	Number of payments made to trustees, this includes payments to officers supporting their defined roles as senior officers as well as their trustee roles. No other remuneration was paid to trustees from the RCP in the current or preceding years.	12	6
	Value of payments (£000)	16	10

*Trustees are not remunerated and this is a reimbursement of costs.

13a Intangible IT assets (Group and RCP)	Intangible IT assets in use	Intangible IT assets under construction	Total 2022
	£000	**£000**	**£000**
Cost at 1 January 2022	**5,009**	**297**	**5,306**
Additions	30	274	**304**
Transfers/adjustments	168	(168)	**-**
Disposals	(65)	-	**(65)**
Cost at 31 December 2022	**5,142**	**403**	**5,545**
Accumulated amortisation at 1 January 2022	(4,136)	-	**(4,136)**
Amortisation for the year	(364)	-	**(364)**
Disposals	52	-	**52**
Accumulated amortisation at 31 December 2022	**(4,448)**	**-**	**(4,448)**
Net book value at 31 December 2022	**694**	**403**	**1,097**
Net book value at 31 December 2021	873	297	1,170

13b Tangible assets (Group and RCP)	Leasehold properties	Furniture and fixtures	IT & AV tangible assets	Assets under construction	Total 2022
	£000	**£000**	**£000**	**£000**	**£000**
Cost at 1 January 2022	**36,094**	**2,701**	**5,005**	**67**	**43,867**
Additions	1,392	107	342	-	1,841
Transfers/adjustments	57	-	-	(57)	-
Disposals	(24)	-	(2)	(10)	(36)
Cost at 31 December 2022	**37,519**	**2,808**	**5,345**	**-**	**45,672**
Accumulated depreciation at 1 January 2022	**(14,817)**	**(786)**	**(2,260)**	**-**	**(17,863)**
Depreciation for the year	(1,487)	(217)	(581)	-	(2,285)
Disposals	4	-	-	-	4
Accumulated depreciation at 31 December 2022	**(16,300)**	**(1,003)**	**(2,841)**	**-**	**(20,144)**
Net book value at 31 December 2022	**21,219**	**1,805**	**2,504**	**-**	**25,528**
Net book value at 31 December 2021	21,277	1,915	2,745	67	26,004

14 Investments (Group and RCP)	Unrestricted				Total	
	Designated for leasehold	General	Restricted	Endowment	2022	2021
	£000	£000	£000	£000	£000	£000
Market value at 1 January 2022	52	23,223	1,633	11,562	36,470	32,932
Additions at cost	10	63	-	18	91	141
Disposals	(9)	(125)	(2)	(35)	(171)	(566)
(Loss)/gains	(5)	(2,231)	(69)	(1,277)	(3,582)	3,963
Total investments at 31 December 2022	**48**	**20,930**	**1,562**	**10,268**	**32,808**	**36,470**
Historical cost at 31 December 2022		17,977	303	10,716	28,996	28,379

The above investments are held as follows:	2022	2021
	£000	£000
Equities	20,904	24,196
Bonds	2,989	2,911
Multi-asset funds	1,380	1,778
Alternatives	4,956	4,923
Cash	2,579	2,662

15 Debtors (Group and RCP)	2022		2021	
	Group	RCP	Group	RCP
	£000	£000	£000	£000
Current				
Trade debtors	1,532	1,206	1,303	1,103
Other debtors	79	79	53	53
Prepayments	1,130	1,130	927	927
Accrued income	198	198	1,532	1,532
Amounts due from subsidiary	-	1,469	-	-
Non-current				
Loans due from subsidiary	-	-	-	399
	2,939	**4,082**	**3,815**	**4,014**

16 Creditors and accrued expenses (Group and RCP)	2022		2021	
	Group	RCP	Group	RCP
	£000	£000	£000	£000
Current				
Trade creditors	1,226	1,206	945	765
Other creditors	2,892	1,954	3,163	2,378
Tax and social security creditors	959	959	562	562
Accruals	3,237	3,113	3,959	3,952
Revolving credit facility	-	-	7,500	7,500
Amount due to subsidiary undertaking	-	-	-	791
Obligations under finance lease	191	191	170	170
Bank loan**	441	441		
	8,946	**7,864**	**16,299**	**16,118**

Examination and other income received in advance (Group and RCP)	Balance b/f 1 Jan 22	Released to SOFA	Received in year	Balance c/f 31 Dec 22
	£000	£000	£000	£000
Examination income	5,380	5,380	5,018	5,018
Other income*	2,791	2,824	2,887	2,854
	8,171	**8,204**	**7,905**	**7,872**

Non-current				
	Group	RCP	Group	RCP
	£000	£000	£000	£000
Bank loan**	6,838	6,838	-	-
Accruals	3,745	3,745	2,690	2,690
Obligations under finance lease	361	361	579	579
	10,944	**10,944**	**3,269**	**3,269**

* A prior year adjustment has been posted related to JRCPTB income. Details of this adjustment are included in Note 27 to the accounts.

** A loan was taken out as part of the contribution to the fit-out costs of The Spine. This included a revolving credit facility of up to £10.0m, with £7.5m actually drawn and converted to full loan term in August 2022. The following covenants are in place against the loan:

1. Net asset value should not be less than £28m
2. The investment portfolio value should not at any time be less than 110% of total debt.

The loan has an amortisation period of 17 years and a 7-year term, after which the outstanding balance requires repayment or a new loan agreement put into place. Principal and interest payments are made quarterly with interest consisting of a fixed lending fee and variable rate pegged against SONIA.

16b Provisions for liabilities (Group)	Other £000	2022 total	2021 total
Provisions at 1 January	43	43	127
Additional provisions made in the year	7	7	-
Provisions released from prior years	-	-	(84)
Provision for liabilities at 31 December	**50**	**50**	**43**

17 Financial assets and liabilities	2022	2021
	£000	**£000**
Financial assets held at fair value	32,808	36,470
Gains/(losses) on assets held at fair value	(3,581)	3,962

18 Unrestricted funds

	Balance as at 01/01/2022	Income	Expenditure	Gains/losses	Transfers	Balance as at 31/12/2022
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Unrestricted general*	15,595	35,784	(35,677)	(3,241)	350	12,811
Unrestricted designated						
Fixed and Intangible Assets Fund	19,673	-	-	-	(327)	19,346
Legacies Development Fund	147	-	-	-	(27)	120
Care Quality Improvement	105	-	-	-	(87)	18
Maintenance Fund	-				80	80
	35,520	35,784	(35,677)	(3,241)	(11)	32,375

Fixed and Intangible Assets Fund – this represents the amounts set aside from the general fund to fund the net book value of the RCP's fixed and intangible assets.
Legacies Development Fund – the fund will be utilised for appropriate and relevant projects for such purposes that the major donors can be recognised and remembered.
Care Quality Improvement – funds remaining on completed projects have been designated with the aim of expanding the work carried out by this department.
Maintenance Fund – the fund is designated for the quinquennial external building renovations for leased property in London.

* A prior year adjustment has been posted related to JRCPTB income. Details of this adjustment are included in Note 27 to the accounts.

19 Restricted funds	Balance at 01/01/2022	Income	Expenses	Gains/(losses)	Transfers	Balance at 31/12/2022
	£000	£000	£000	£000	£000	£000
Dorothy Whitney Wood – Physicians' Fund	493	25	(38)	-	-	480
National Asthma and COPD Audit Programme	198	618	(865)	-	49	-
Falls and Fragility Fracture Audit Programme	180	644	(708)	-	-	116
Physicians' Fund	168	75	(75)	-	-	168
Advanced clinical practice curricula development	160	-	(58)	-	-	102
The Saltwell Will Trust Research Branch	154	-	-	-	19	173
Research course project	150	123	(70)	-	-	203
HEE Flexible Portfolio Training	136	-	(136)	-	-	-
Harold Thomas Barten Trust	123	2	-	(12)	-	113
Dr Everley-Jones legacy	103	2	-	(12)	-	93
KSS Clinical Education Fellowship	102	65	(59)	-	-	108
External Affairs - Alcohol project	96	95	(90)	-	-	101
Pulmonary Rehabilitation Services Accreditation Scheme	96	-	(52)	-	-	44
E-learning for healthcare – acute medicine project	89	-	(46)	-	-	43
National Guideline Centre	85	592	(673)	-	(4)	-
Catherine Mills Bequest	84	1	-	(8)	-	77
COVID-19 appeal	81	-	(83)	-	2	-
Thomas Cotton Trust	77	-	-	-	3	80
Frank Peacock Bequest	77	-	-	(8)	-	69
QIPS – patient partners/medication safety	61	-	(16)	-	-	45
Queenie Louisa Higgins Bequest	55	-	-	(5)	-	50
E-learning for healthcare project	54	-	(24)	-	-	30
Drabu MTI programme	43	-	-	-	2	45
Mackenzie-Mackinnon Streatfield	37	1	-	(4)	-	34
Fundraising	35	-	-	-	-	35
Eric Watts donation	34	-	-	-	-	34
Symons collection	34	-	-	-	-	34
Will Edmunds Clinical Research Trust	33	-	-	-	8	41
Fundraising Heritage Museum	18	19	(3)	-	-	34
HEE funded enhanced research project	-	33	(3)	-	-	30
31 other funds balances below £30,000	421	154	(147)	(20)	(33)	375
Total	**3,477**	**2,449**	**(3,146)**	**(69)**	**46**	**2,757**

Funds with closing balances over £100k are as follows:

The grants for Care Quality Improvement and Education are received in respect for specific projects.

The Physicians' Fund awards grants to trainees and new consultants pursuing innovation in medicine. The grants enable recipients to take up to 12 months out of clinical practice to undertake research in a UK institution and are funded by donors to the RCP.

The Dorothy Whitney Wood Physicians' Fund relates to a legacy received in 2020 to establish the 'Whitney-Wood Scholarship' to be awarded for the purposes of research in the field of medicine preferably concerned with the understanding and management of cancer.

The Dr Everley-Jones legacy was received from the estate of Dr Everley-Jones, to be used in the field of communication in medicine in its broadest sense, encompassing all aspects of information technology.

The Harold Thomas Barten Trust is to be used for the purpose of scientific study of the human brain and mental disorder.

20 Endowment funds	Unapplied total return 01/01/2022	Income	Gains/(Losses)	Conversion to income	Transfers	Unapplied total return 31/12/2022	'Frozen' permanent capital 31/12/2022	Total endowment 31/12/2022
	£000	£000	£000	£000	£000	£000	£000	£000
Bradshaw Trust	228	7	(37)	(4)	-	194	143	337
Eden Fellowship in Paediatrics	1,322	21	(144)	(7)	-	1,192	142	1,334
John Rosser Scholarship	41	2	(8)	(1)	-	34	42	76
Joseph Senior White Trust	147	3	(30)	(1)	-	119	161	280
Lewis Thomas Gibbon Jenkins-Briton Ferry	1,716	42	(293)	(15)	-	1,450	1,250	2,700
ORL Wilson Bequest	132	2	(17)	(1)	-	116	44	160
James Maxwell Grant Prophit Bequest	588	17	(112)	(21)	-	472	539	1,011
Sadleir Trust	436	8	(52)	(3)	-	389	91	480
Samuel Leonard Simpson Fellowship	769	15	(103)	(4)	-	677	280	957
T K Stubbins bequest	34	3	(15)	(1)	-	21	104	125
Watson Smith Trust	697	16	(115)	(5)	-	593	470	1,063
William Withering Prize	164	4	(20)	(2)	-	146	38	184
Dr J D Ramsay Scholarship	59	1	(9)	-	-	51	30	81
Graham Bull Prize	63	1	(9)	(1)	-	54	25	79
Sir Michael Perrin Lecture	92	0	(11)	-	-	81	12	93
Lady Teale Lecture	120	1	(16)	(1)	-	104	44	148
John Glyn	125	4	(20)	-	-	109	80	189
Dame Sheila Kift Bequest	47	1	(8)	-	-	40	38	78
John Thornton Ingram Lecture	36	2	(4)	-	-	34	6	40
Lockyer Lectureship and Fellowship	33	-	(4)	-	-	29	12	41
Simms Bequest	28	-	(4)	-	-	24	16	40
Professor PF Thomas Bequest	34	-	(6)	-	-	28	25	53
10 other funds with balances below £40,000	75	-	(13)	(1)	-	61	50	111
Subtotal	**6,986**	**150**	**(1,050)**	**(68)**	**-**	**6,018**	**3,642**	**9,660**

Funds not included in total return	Balance at 01/01/2022	Income	Gains/(losses)	Conversion to income	Transfers	'Frozen' permanent capital	Balance at 31/12/2022
	£000	£000	£000	£000	£000	£000	£000
Thomas Cotton Fund	201	3	2	-	(3)	-	203
The London Fever Hospital Research Fund	199	3	(22)	(1)	(3)	-	176
Saltwell Will Trust Research Branch	1,227	19	(136)	(6)	(19)	-	1,085
Will Edmunds Clinical Research Fund	550	8	(57)	(2)	(8)	-	491
Drabu Fund	138	2	(14)	(1)	(2)	-	123
Subtotal	**2,315**	**35**	**(227)**	**(10)**	**(35)**	**-**	**2,078**
Total endowment	**9,301**	**185**	**(1,277)**	**(78)**	**(35)**	**3,642**	**11,738**

The RCP received a total return order from the Charity Commission, dated 6 February 2012, which enables the trustees to decide which part of the unapplied total return from the investment of the charity's permanent endowments should be held on trust for application for the purposes of the charity.
Funds with closing balances over £300k are as follows:

- The Bradshaw Trust was founded by a bequest from Mrs Sally Hall Bradshaw by her will of 1875, in memory of her husband Dr William Wood Bradshaw MRCP FRCS (1800–1866): £1,000 to endow an annual lecture on a subject connected with medicine or surgery. The lecturer is appointed by the president: the honorarium is £20.
- The Eden Fellowship in Paediatrics was established in 1947 from the estate of Dr Thomas Watts Eden, to establish and maintain travelling fellowships for the study of childhood in health and disease.
- The Lewis Thomas Gibbon Jenkins of Briton Ferry Memorial Trust was received by the RCP in November 1998 from the executors of Mrs Nancy Crawshaw's will. The capital is to remain intact for a minimum of 21 years after her death. The income is to be applied for the promotion of medical research connected with a physical disorder prevalent in Wales.
- The Joseph Senior White Trust was by a bequest from Mrs Eliza White, received in 1953 – in memory of her husband, Joseph Senior White to be used for scientific research solely with a view to the discovery of means to alleviate human suffering and for the prevention and cure of diseases.
- The James Maxwell Grant Prophit Trust was received in November 1998. The endowment is an addition to the Prophit Bequest and as with the original bequest the fund is to be devoted to the promotion and furthering of research work concerning the nature, causes, prevention, treatment and cure of tuberculosis.
- The Samuel Leonard Simpson Fellowship was founded in 1984 by a gift of shares/stocks from Mrs HM Simpson in memory of her husband Dr Samuel Leonard Simpson FRCP (1900–83) for a travelling scholarship in endocrinology.
- The Watson Smith Trust was a bequest from Dr Sydney Watson Smith FRCP in memory of his wife and himself, to endow an annual lecture and medical research fellowship.
- The Sadleir Trust was established by a bequest from Lady Sadleir, wife of Sir Edwin Sadleir Bt and widow of Dr William Croone (1633–1684), fellow of the RCP, to provide for the two annual lectures Dr Croone had planned, but for which he had made no endowment: one to be read before the Royal College of Physicians by a fellow of the college, with a sermon to be preached at St Mary-le-Bow; the other on the nature and laws of muscular motion to be delivered before the Royal Society.
- Saltwell Will Trust Research Branch was established for the income generated to be used to aid research work in connection with and the cure and prevention of cancer, rheumatism, malaria and morbid conditions of the prostate gland.
- Will Edmunds Clinical Research Fund was established in 1925 to award a fellowship in clinical research in hospitals in the Metropolitan area of London. The research must concern diseases usually treated at a general hospital, excluding tropical and rare diseases.

21 Analysis of group net assets after pension scheme liability

		Intangible and tangible assets	Loan	Investments	Net liabilities inc. pension liability	Total 2022	Total 2021
		£000	£000	£000	£000	£000	£000
Unrestricted:							
Designated	Fixed Assets Fund	26,625	(7,279)	-	-	19,346	19,673
	Legacies Development Fund	-	-	-	120	120	147
	Care Quality Improvement	-	-	-	18	18	105
	Maintenance Fund	-	-	-	80	80	-
		26,625	**(7,279)**	**-**	**218**	**19,564**	**19,925**
General funds *		**-**		**20,978**	**(8,167)**	**12,811**	**15,595**
		26,625	**(7,279)**	**20,978**	**(7,949)**	**32,375**	**35,520**
Restricted		-	-	1,562	1,195	2,757	3,477
Endowment		-	-	10,268	1,470	11,738	12,943
		26,625	**(7,279)**	**32,808**	**(5,284)**	**46,870**	**51,940**

***** A prior year adjustment has been posted related to JRCPTB income. Details of this adjustment are included in Note 27 to the accounts.

22 Trading subsidiary – The RCP Regent's Park Limited

The trading results and balance sheet of the RCP subsidiary company as extracted from its audited accounts are set out below.

	2022	2021
Profit and loss account	**£000**	**£000**
Turnover	4,661	1,448
Cost of sales	(1,320)	(594)
Gross profit	**3,341**	**854**
Administrative expenses	(2,393)	(865)
Operating profit/(loss)	948	(11)
Gift aid to Royal College of Physicians	(831)	-
Retained profit/(loss) for the financial year	**117**	**(11)**

Included within operating costs is £2,329k (2021: £795k), which represents a reimbursement in respect of costs incurred by the RCP.

	2022	2021
Balance sheet	**£000**	**£000**
Debtors	325	199
Debtor – due from RCP	-	791
Balance at bank	2,226	264
Current and total assets	**2,551**	**1,254**
Creditors due within 1 year:	(1,082)	(972)
Creditors due more than 1 year:	-	(399)
Creditor – due to RCP	(1,469)	-
Total creditors	**(2,551)**	**(1,371)**
Net assets	**-**	**(117)**
Capital and reserves		
Accumulated deficit	-	(117)
Called up share capital	£1	£1
Shareholders' funds	**£1**	**£1**

The RCP's wholly owned trading subsidiary, The RCP Regent's Park Limited, was incorporated on 17 September 2001, company registration 04288664.

The operating profit for the year ended 31 December 2022 was £948k (2021 loss: £11k).

The principal activity of the company is to organise, provide facilities for and hold conferences, seminars, and courses of instruction, demonstrations, lectures, exhibitions, private dinners and functions.

23 Pension schemes

The RCP has three pension schemes, one providing defined benefits based on final salary, the other two providing benefits based on defined contributions invested with Standard Life and Aon. The pension costs for the defined contribution scheme are charged to the statement of financial activities as they become payable in accordance with FRS 102. The pension costs relating to the defined benefit scheme are assessed in accordance with the advice of an independent qualified actuary.

The defined benefit pension scheme current service costs and the net of the scheme interest cost and the expected return on the scheme assets for the year are charged to the statement of financial activities within superannuation costs. Actuarial gains and losses are recognised within other recognised gains and losses.

Total pension costs charged for the year was net income £6k (2021: £49k) for the defined benefit pension scheme and employer pension contributions of £1,208k (2021: £1,323k) for the defined contribution pension scheme.

One of the defined contribution schemes closed to new members in 2018 – employer contribution rates for this defined contribution scheme are determined by the members' age bands with incremental rates for older members. The new scheme opened for new membership has a flat employer contribution rate of 7%.

The defined benefit pension scheme is closed to new members and closed to future accrual. There is no further salary linkage. For the purposes of FRS 102 the valuation of the defined benefit scheme has been calculated under FRS 102 as at 31 December 2022 by a qualified actuary. The scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

The valuation, details of which are given below, shows £16.08 million of assets and £15.45 million of liabilities, resulting in a scheme surplus of £637k. However, in accordance with paragraph 28.22 of FRS 102 the net pension asset has been restricted to the value of the scheme's future pension cost less future employee contributions. The net pension asset therefore becomes £nil.

The scheme's assets and liabilities as at 31 December 2022, analysis of pension costs and details of the valuation were as follows:

Principal assumptions	2022	2021	2020	2019	2018
	% per annum	% per annum	% per annum	% per annum	% per annum
Discount rate	4.80	1.85	1.30	2.00	2.90
Aggregate long-term expected rate of return on assets	4.80	1.85	1.30	2.00	2.90
Rate of increase of salaries	n/a	n/a	n/a	n/a	n/a
RPI inflation assumption for pensions in payment	3.00	3.25	2.75	3.00	3.25
CPI inflation assumption for deferred pensions	2.45	2.65	2.15	2.00	2.25
Pension increases	2.95	3.15	2.75	2.95	3.15
Pension commencement lump sum taken at retirement	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value

Mortality tables: 101% of S3PMA tables for men and 92% of S3PFA tables for women using CMI 2021 projections with a 1.25% long-term rate of improvement based on year of birth.

The assets valued below are in the form of monies invested with Legal and General Investment Management, BMO Global Asset Management, M&G Investments and Janus Henderson Investors together with the trustees' bank account. The assets in the scheme and the expected rate of return were:

Assets breakdown	2022	2021
	%	%
Real return and absolute return funds	-	-
Diversified Growth Fund	-	-
UK Government index-linked gilts	-	-
Corporate bonds	-	-
Multi asset credit	39.13	33.00
UK corporate bonds	11.24	12.69
Liability driven investments	20.99	22.21
Equities	12.72	16.31
Cash	15.92	15.79
Total market value of assets	**100**	**100**

The pension scheme has not invested in any of Royal College of Physicians' own financial instruments, nor in properties or other assets used by the Royal College of Physicians. The assets are all quoted in an active market.

Movement in deficit during the year	2022	2021
	£000	£000
Pension scheme liability at the beginning of the year	(386)	(4,239)
Actuarial losses and gains on present value of obligations	7,732	416
Experience gains and losses on defined benefit obligations	(1,199)	1,430
Gains/(losses) on return of scheme assets	(6,901)	1,091
Employer contributions	1,385	965
Net interest on the net defined benefit liability	6	(49)
	637	**(386)**
	2022	**2021**
	£000	**£000**
Present value of scheme liabilities at beginning of the year	22,342	24,526
Interest cost	406	315
Actuarial (loss)/gain on scheme liability assumption changes	(6,533)	(1,846)
Benefits paid	(770)	(653)
Present value of scheme liabilities at the end of the year	**15,445**	**22,342**

Movement in deficit during the year	2022	2021
	£000	**£000**
Fair value of scheme assets at beginning of the year	21,956	20,287
Interest income	412	266
Return on scheme assets	(6,901)	1,091
Employer contributions	1,385	965
Benefits paid	(770)	(653)
Fair value of scheme assets at the end of the year	**16,082**	**21,956**
	2022	**2021**
	£000	**£000**
Fair value of scheme assets	16,082	21,956
Value of liabilities (defined benefit obligation)	(15,445)	(22,342)
Funded status	637	(386)
Adjustment in accordance with the limit in FRS 102 paragraph 28.22	(637)	-
Recognised pension scheme liability	**-**	**(386)**

Analysis of pension scheme assets and liabilities for the current and previous five financial periods	2022	2021	2020	2019	2018	2017
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Present value of scheme liability	(15,445)	(22,342)	(24,526)	(22,482)	(19,966)	(22,604)
Fair value of scheme assets	16,082	21,956	20,287	18,239	16,988	16,690
Surplus/(Deficit)	637	(386)	(4,239)	(4,243)	(2,978)	(5,914)
Adjustment in accordance with the limit in FRS 102 paragraph 28.22	(637)	-	-	-	-	-
Surplus/(Deficit)	**-**	**(386)**	**(4,239)**	**(4,243)**	**(2,978)**	**(5,914)**

At the date of the last triennial statutory actuarial assessment as at 1 January 2021, the market value of the scheme was £22.35 million and the actuarial value of those assets represented 75.5% of the value of the benefits which had accrued at that date, allowing for future pension increases.

24	Lease obligations	2022	2021
		£000	£000
	Operating leases on land and buildings, by expiry date:		
	Under 1 year	25	13
	1 to 5 years	1,254	34
	5 years plus	26,328	27,562
	Total future minimum operating lease commitments	**27,607**	**27,609**
	Operating leases on office equipment and computers, by expiry date:		
	Under 1 year	105	11
	1 to 5 years	230	-
	5 years plus	-	-
	Total future minimum operating lease commitments	**335**	**11**
	Finance leases on IT equipment, by expiry date:		
	Under 1 year	91	91
	1 to 5 years	113	204
	5 years plus	-	-
	Total future finance lease commitments	**204**	**295**
	Finance leases on land and buildings, by expiry date:		
	Under 1 year	100	100
	1 to 5 years	258	375
	5 years plus	-	-
	Total future minimum finance lease commitments	**358**	**475**

In August 2019 the RCP signed an agreement for lease for 69,890 square feet over seven floors of 'The Spine' with Liverpool City Council for 25 years. The rental for the total period is £27.5 million. The lease came into effect at the end of June 2020.

25 Related party transactions

The Royal College of Physicians, a charity registered (charity number 210508) in England and Wales, is the ultimate controlling parent of its subsidiary undertaking. The RCP Regent's Park Limited, which is consolidated on a line-by-line basis in these group accounts. At 31 December 2022 The RCP Regent's Park Limited owed the RCP £1,469k in relation to an inter-company balance. There were no other related party transactions in the period.

26 Capital commitments

The Royal College of Physicians had a capital commitment of £982k as at 31 December 2022 (2021: £974k), related to electrical works on the Regent's Park estate, new website delivery and CRM move to online.

27 Prior year adjustment

Adjustments have been made to prior year figures in relation to deferred income. Previously fees paid in advance for the JRCPTB have been recognised as income on receipt. However, on review of the accounting policy fees are now recognised in line with the delivery of services. This has resulted in the deferral of income as detailed below.

Prior year adjustment	£000
Opening reserves as at 01 January 2021 (as previously stated)	45,046
Deferred income adjustment 2020	(940)
Opening reserves as at 01 January 2021 (restated)	**44,106**
Adjustment to 2021 income	185
Closing reserves as at 31 December 2021 (as previously stated)	52,695
Closing reserves as at 31 December 2021 (restated)	**51,940**

Awards, fellowships and donors

Awards, prizes and lectures

Baly medal
Professor Brian Diffey

Bisset Hawkins medal
Dr Deirdre A Buckley

Croonian lecture
Dr Piu Banerjee

Frederick Murgatroyd memorial prize
Dr Michael Edward Marks

FitzPatrick lecture
Professor David Gawkrodger

Harveian orator
Professor Dame Anne Johnson

Lady Estelle Wolfson lecture in translational medicine
Dr Nimzing Ladep

Linacre lecture
Professor Benedict D Michael

Teale essay prize for trainees
Caitriona Cox

Samuel Gee lecture
Professor Sir Stephen Holgate

RCP-NIHR Clinical Research Network awards
Anna Goodman
Ronak Rajani
Wenhao Li
Lisa Leung

Weber-Parkes prize
Professor Henry Mwandumba

Fellowships and bursaries

RCP Medical student electives bursaries
Angharad James
Molly Hugkulstone
Aoife Murnaghan
Arun Thirunavukarasu

RCP Rosetrees fellowships
Dr Priyanka Chandratre
Dr Amar Shah

Samuel Leonard Simpson fellowship in endocrinology
Dr Sidrah Lodhi

Whitney-Wood scholarships
Dr Luciana Torquati
Dr Ye Oo

Fellowship admissions

New fellows
301 elected under bye-law 8.2 (1) a
3 elected under bye-law 8.2 (1) b
185 elected under bye-law 8.2 (1) c
10 elected under bye-law 8.6 (1)

New honorary fellows
Professor David Abraham
Dr Samuel JK Abraham
Roger Butterworth
Clive Constable
Linda Cuthbertson
Professor Dieter Häussinger
Professor Mary Horgan
Professor Frank Kelly
Dr Joseph Loscalzo
Professor Narinder Mehra
Professor Sharon Peacock
Dr Marc Pfeffer
Professor Wendy Reid
Kathryn Straughton
Professor Jacqueline Taylor
Dr Richard David Joseph Withnall

Major donors for 2022

The Amateurs Trust
Art Fund
AstraZeneca UK
BD
CAE Healthcare
Daiichi Sankyo
Dr Alfred William Frankland
GSK
Jerwood Foundation
Modiano Charitable Trust
Novartis
Novo Nordisk
Pfizer
Dr Sarfraz Qureshi
Rosetrees Trust
Sanofi
Seagen
Tay Charitable Trust
Tru Vue Inc
Professor Harold Thimbleby
The Wolfson Foundation

Our sponsors

The following corporate partners supported our work in 2022:

AstraZeneca
Becton Dickinson
CAE Healthcare
Daiichi Sankyo
GSK
Eli Lilly
EUSA Pharma
Illumina
Janssen
Kyowa Kirin
Novo Nordisk
Pfizer
Rosemont
Seagen
Sanofi
Southampton University



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DAC Beachcroft LLC
Administration Centre
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Portwall Lane
Bristol BS1 9HS

Bankers
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37 Fleet Street
London EC4P 4DQ

Lloyds plc
National Clubs and Charities Centre
Sedgemoor House
Dean Gate Avenue
Blackbrook Business Park
Taunton TA1 2UF

Santander UK plc
Education Specialist Sectors Group
4 St Paul's Square
Liverpool L3 9SJ

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London EC4M 7JW

Investment managers
Cazenove Capital Management
12 Moorgate
London EC2R 6DA

Morgan Stanley Private Wealth Management
25 Cabot Square
Canary Wharf
London E14 4QA

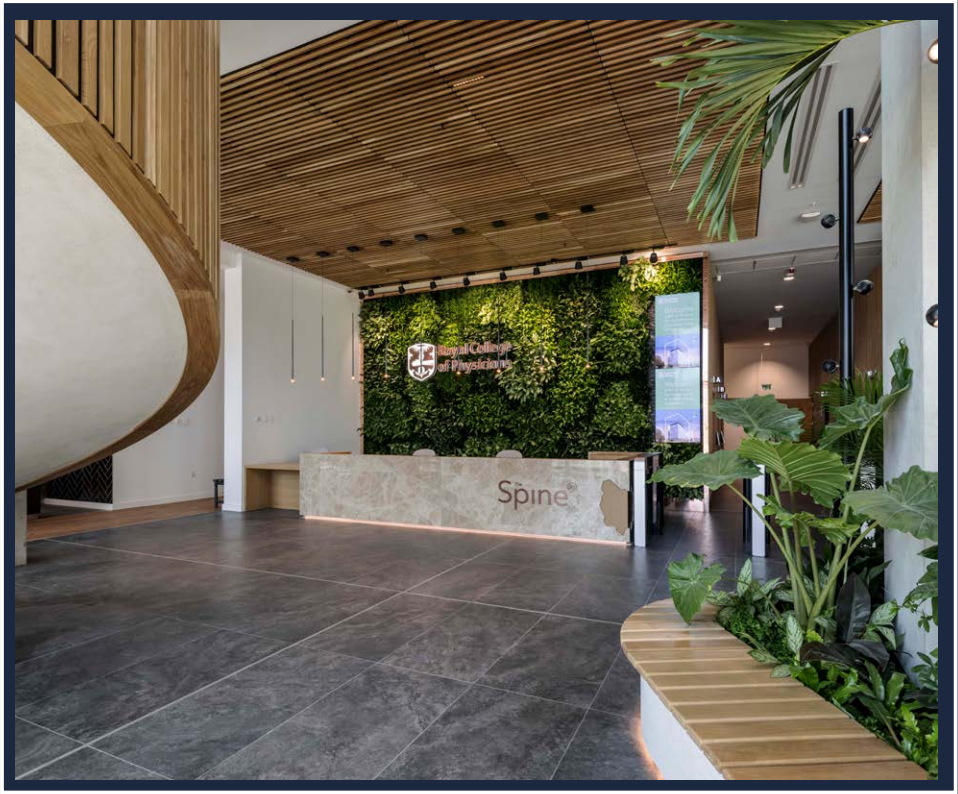
Royal Bank of Canada
1 Place Ville Marie 12th floor
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Montréal
Quebec H3B 4P5
Canada

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

The Spine
2 Paddington Village
Liverpool L7 3FA

www.rcp.ac.uk





Royal College of Physicians

THE ROYAL COLLEGE OF PHYSICIANS OF LONDON

England & Wales - Charity number 210508

Accounts

Educating
Improving
Influencing



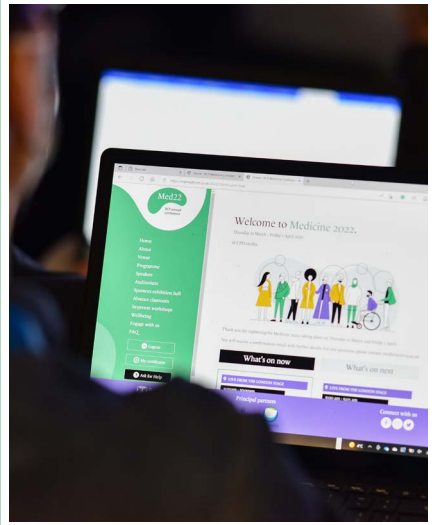
RCP annual report 2021

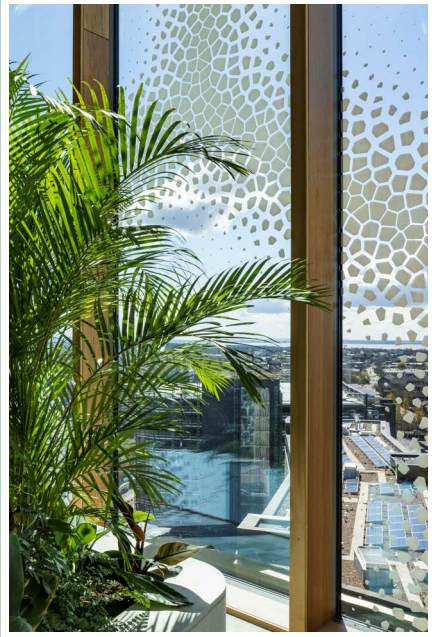


Royal College of Physicians

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Who we are and what we do

The Royal College of Physicians (RCP) is a professional membership body for physicians, with over 40,000 members and fellows around the globe working in hospitals and communities across 30 medical specialties. Physicians diagnose and treat illness, and promote good health. They care for millions of medical patients with a broad range of conditions, from asthma and diabetes to stroke and yellow fever.

Everything that we do at the RCP aims to improve patient care and reduce illness. Our work is patient centred and clinically led. We drive improvement in the diagnosis of disease, the care of individual patients and the health of the whole population, both in the UK and across the globe. We work to ensure that physicians are educated and trained to provide high-quality care. We also develop doctors to become leaders, providing advice and expertise to deliver service improvements across the NHS and more widely.



Public benefit

The Royal College of Physicians (RCP) was established by royal charter in 1518. It is a registered charity, and the trustees are mindful of their duty to ensure that the charity's purpose accords with the objects set out in its governing document (the charter).

Uniquely for the time, through the charter the king established the RCP in perpetuity as a professional body in the name of the public benefit. He empowered it to set standards by regulating practice, to protect the public.

Today the RCP continues to focus its work to support high standards of medical training and patient care through activities within the meaning of charitable purpose as defined by the Charities Act 2011 that are carried out for the general public benefit.

In particular, most of our activities fall within the purposes of the advancement of health or the saving of lives; the advancement of education; and the advancement of the arts, culture, heritage or science.

Our work in these areas is made possible through the involvement of our fellows and members wherever they work, in the UK or overseas, and is summarised annually in this report.

Our vision, mission and values

Our vision, mission and values underpin and guide our work.

Our vision

As the leading body for physicians in the UK and internationally, the RCP envisages a world in which everyone has the best possible health and healthcare.

Our mission

The RCP understands its purpose in realising that vision to be:

- **educating** physicians and supporting them to fulfil their potential
- **improving** health and care and leading the prevention of ill health across communities
- **influencing** the way that healthcare is designed and delivered

Our values

We are committed to **taking care**, **learning** and **being collaborative**. These values drive the way we behave, how we interact with each other, and how we work together to achieve our vision and improve patient care.







Foreword





Sir Andrew Goddard, RCP president
Dr Ian Bullock, chief executive

For many organisations, the enduring impact of the pandemic presented a number of challenges in 2021. For the RCP, the past year has been one of recovery and restructure. Our focus was on re-establishing the delivery of our core charitable purpose having lost a third of our income in 2020. In doing so, we have moved to a financially balanced position and with our influence stronger than ever. This says much about our staff and our membership.

Reflecting on the year, we are particularly proud of two significant milestones – a growing membership which has surpassed our previous strategy target of 40,000 and the opening of The Spine, our new home in Liverpool. These achievements demonstrate both our commitment to continued innovation and our impact as a modern professional organisation. The RCP logo literally shines out over the city of Liverpool and our presence has stimulated inward investment into the Knowledge Quarter and positively impacted on the area's health economy – a powerful reminder of our continuing responsibility and relevance.

The year has not been without challenge and the physician workforce has been under pressure both in the UK and across the globe in a way not seen in our lifetime. The response of physicians has been inspiring and gives us much hope for the future.

Prior to the pandemic our members told us that we should focus our efforts on our three strengths: educating, improving and influencing. This report shows how that has been achieved across all the different parts of the college. Our new strategy for 2022–24 cements these three priorities firmly in our everyday work and will guide our future activity.

We are proud to have been able to lead the RCP over the past year but know that the successes and achievements outlined in this report are down to many. We would like to thank the Board of Trustees under the skilled leadership of David Croisdale-Appleby, the RCP Council, officers and volunteers, our regional and global networks and, of course, our staff for all that they have done to support the RCP. 2022 will see a new president and new challenges and we look forward to building on the successes of the past year.

> **“We are particularly proud of two significant milestones – a growing membership which has surpassed 40,000 and the opening of The Spine, our new home in Liverpool.**

Report of trustees

The trustees of the RCP are pleased to present their annual report for the year ended 31 December 2021. The report presents the RCP's activities, significant achievements and successes in 2021.



Message from the chair of the Board of Trustees

I am inspired by how much the RCP has achieved in 2021 despite the continuing challenges presented by COVID-19. Our physicians in all countries have been under unprecedented pressure and they are owed a very great debt of gratitude for the immense efforts they have made during the long duration of the pandemic. I would also like to express my appreciation to our president Andrew Goddard and the officers of the RCP for the national and international leadership they have shown.

The reduction in income in 2021, while not as severe as in 2020, made this year a further financially challenging one as restrictions associated with the pandemic continued. This made the return to an operating surplus in 2021 an excellent achievement. It is a tribute to the efforts of the leadership of the CEO and staff who worked hard to cut non-essential costs and mitigate the ongoing impacts of the pandemic on our priority areas of educating, improving and influencing – the key themes of this annual report and the RCP's new strategy.

Among the many highlights of a year of achievements mentioned in this report, the opening of RCP at The Spine in Liverpool marked the realisation of the vision to expand the RCP's reach and facilities to members and fellows in the north.

Chairing the Board of Trustees is a great privilege, and I wish to place on record my gratitude to my fellow trustees, whose thoughtful and careful governance of the RCP has been so effective in navigating us through to our current strong and stable position.

Professor David Croisdale-Appleby OBE

The Federation of the Royal Colleges of Physicians of the UK

The Federation of the Royal Colleges of Physicians is a collaboration between the Royal College of Physicians of Edinburgh, the Royal College of Physicians and Surgeons of Glasgow, and the RCP. Together, the three colleges represent more than 60,000 physicians worldwide.

The Federation develops and delivers services to support doctors at every stage of their careers, including:

- providing frameworks for continuing professional development (CPD) and its accreditation
- examinations (Membership of the Royal Colleges of Physicians of the UK – MRCP(UK), specialty certificate examinations and international clinical examinations)
- training curricula and quality criteria for training environments (Joint Royal Colleges of Physicians Training Board – JRCPTB).

Highlights of key Federation activities are included in this report.

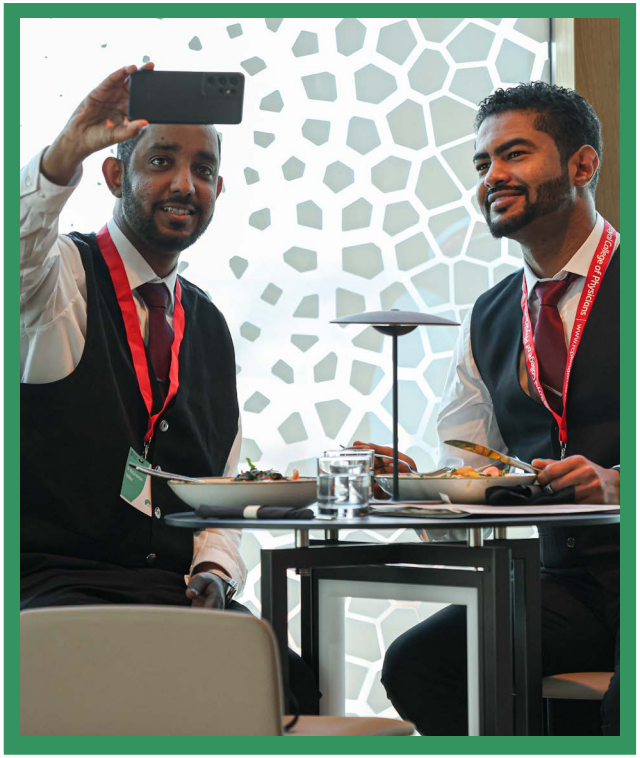
Our new strategy

The RCP is both a professional membership body and a registered charity. We developed our new strategy in 2021 following consultation with our members and stakeholders and it is mindful of our responsibilities in both of these roles. Our 3-year plan for 2022–24 identifies three main priorities:

- **educating** physicians and supporting them to fulfil their potential
- **improving** health and care and leading the prevention of ill health across communities
- **influencing** the way that healthcare is designed and delivered.

These priorities are underpinned by a set of 'enablers': close engagement with the RCP membership, patient and carer involvement, a focus on diversity and inclusion, good governance and working in a sustainable way. This annual report sets out our activities and achievements in 2021 under the three priority areas with a section covering our enablers.









Educating

physicians and supporting them to fulfil their potential

We strive for excellence in the training and continuing professional development of physicians and physician associates throughout their multifaceted careers. We develop them as career-long learners and improvers, leaders, educators and researchers. We formulate and present the knowledge of our members for wider public benefit.



Key educating activities in 2021

Over

800

consultant job descriptions were approved by RCP regional advisers

Our Assessment Unit assessed over

3,500

candidates

Over

400

RCP members completed our new interview skills training course

Nearly

8,500

doctors sat MRCP(UK) exams online

We supported over

1,500

international medical graduates to apply to work and train in the NHS

Over

1,200

delegates attended our award-winning annual conference Medicine 2021

More than

18,000

health professionals attended over 80 events hosted on RCP Player, our medical streaming service

We moved into **The Spine**, our new building in Liverpool featuring state-of-the-art assessment facilities

200,000

Our Medicine podcasts were downloaded more than 200,000 times

Our activities and achievements

Despite the enduring impact of COVID-19 on our activities in 2021, we continued to deliver examinations as well as excellent teaching and training opportunities, conferences and CPD. We worked hard to ensure that clinicians taking crucial exams experienced the least disruption possible, taking innovative steps to move courses and exams online and adding extra capacity.

Assessment and exams

The RCP Assessment Unit runs physician associate national examinations as well as assessments for specialty diplomas and MRCP(UK) PACES exams. Following exam cancellations early in the year due to COVID-19, we restarted exams in March, adding extra slots to help support the backlog of candidates. The unit assessed more than 3,500 candidates throughout the year.

New software allowed us to introduce online exams in June. A total of 300 candidates in 60 countries sat the Diploma in Tropical Medicine and Hygiene exam, the first exam to go online. Following this successful pilot, online exams became the new norm for all our knowledge-based assessments.

Through our work with the Federation of Royal Colleges of Physicians, we moved all MRCP(UK) part 1 and part 2 written exams online in the UK and some international centres. Nearly 8,500 candidates sat them in 2021.

The Federation developed the framework for a new PACES exam model, adapted for the pandemic situation and delivered by the three royal colleges of physicians to over 2,500 UK candidates.

There was no change in the academic standard, validity or reliability of the exam. We maintained international delivery of written exams and restarted PACES exams in the majority of international centres in late 2021.

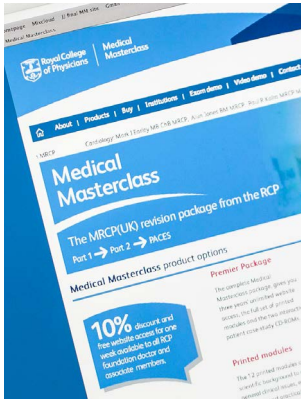
Supporting physicians throughout their careers

Our year began with a fully virtual annual conference in January. With over 1,200 delegates, Medicine 2021 offered a wealth of fantastic learning opportunities with key speakers including Professor Chris Whitty and Sir Michael Marmot.

Our medical streaming service RCP Player hosted over 80 events offering a varied and stimulating programme, including:

- the first virtual ‘Call the medical registrar’ conference aimed at preparing trainees for transition into the role
- a specialty careers showcase offering useful insights to help those choosing their future career
- specialty and acute medicine webinars developed with our regional advisers
- forums to support new consultants.

We supported doctors with their continuing professional development (CPD), delivering workshops in virtual classrooms as well as COVID-safe face-to-face teaching in both London and Liverpool. Over 4,000 physicians attended our workshops, postgraduate courses and unique leadership initiatives such as the Emerging Women Leaders and Chief Registrar programmes. Many enjoyed the pioneering new technology at our Wolfson Virtual Theatre in The Spine, designed to support multiple learners.









[RCP OnlineEd](), our platform for online learning, was accessed over 6,300 times. And our [RCP Medicine podcasts]() went from strength to strength with over 200,000 downloads in 2021 – the series on health inequalities proving particularly popular.

We also developed an exciting range of new CPD programmes to support our members, including: a year-long [Six-step course for the new consultant](), a virtual PACES revision course, a strategic change module for senior clinical leaders, and e-learning on obesity and smoking cessation.

Patient safety knowledge and skills were supported through a webinar on patient safety fundamentals and a themed edition of our *Future Healthcare Journal*.

Federation's CPD arm approved a wider variety of digitally delivered CPD, including over 4,000 applications for e-learning, livestreamed events and webinars. This allowed our members and fellows to record online learning for their CPD following the decrease in live events. The [JRCPTB ePortfolio]() was also developed further to improve the ability of trainees to record their training and to aid review of career progression.

Our first virtual Faculty of Physician Associates (FPA) conference took place in November with 865 registered delegates. We created exclusive member-only resources to support PA career journeys and developed a new online revision aid – the PA question bank is due to launch in 2022 and will include hundreds of exam practice questions.

Curriculum development

More people than ever have multiple health conditions due to the increasingly older population in the UK. In order to focus on the broader training and generalist skills required to care for this group of patients, we worked with the JRCPTB throughout a multi-year project to integrate internal medicine capabilities into the physician specialty curricula and create a new standalone internal medicine curriculum (stage 2). The new curricula have been approved by the GMC and will be implemented in 2022. We are delighted that this substantial project is completing on time and secure transition arrangements are in place.

We supported development of the national curriculum and national licensing examinations for PAs after the profession becomes statutorily regulated.

We were commissioned by Health Education England to develop national curricula for advanced clinical practitioners, initially in three specialties with work continuing in 2022.

On behalf of the Academy of Medical Royal Colleges (AoMRC) and working in partnership with the National Institute for Health Research (NIHR) we are developing a Clinician Researcher Credentials Framework. We launched pilot versions of the core research practice element in 2021.

Our international work

Due to COVID-19, most of our international workshops and development activities moved online in 2021. We delivered 19 educational events for RCP members and fellows outside of the UK, attracting over 4,800 participants.

We ran several partnership webinars to provide dedicated COVID-related medical education to colleagues across South Asia, expanded our faculty development work with the Swiss Medical Institute and developed leadership training for women in developing countries with a pilot programme planned for 2022.

Our new Global strategy outlines support for our international members and fellows in 119 countries and maps out plans to grow and diversify our membership through to 2024.

We supported over 1,500 international medical graduates in their application to experience UK training. The Medical Training Initiative facilitates visa and GMC registration while providing excellent candidates to the NHS workforce.

A new RCP-Iraq membership network led by RCP international adviser Dr Hilal Al-Saffar offers a tailored medical education course and research course to address local needs. The network has driven an eightfold increase in RCP membership in Iraq.

Supporting recruitment of doctors

More than 800 consultant job descriptions were approved by RCP regional advisers with over 50% benefiting from recommendations made in an RCP review. RCP representatives helped to appoint to 475 consultant, honorary consultant and staff, associate specialist and specialty (SAS) doctor posts.

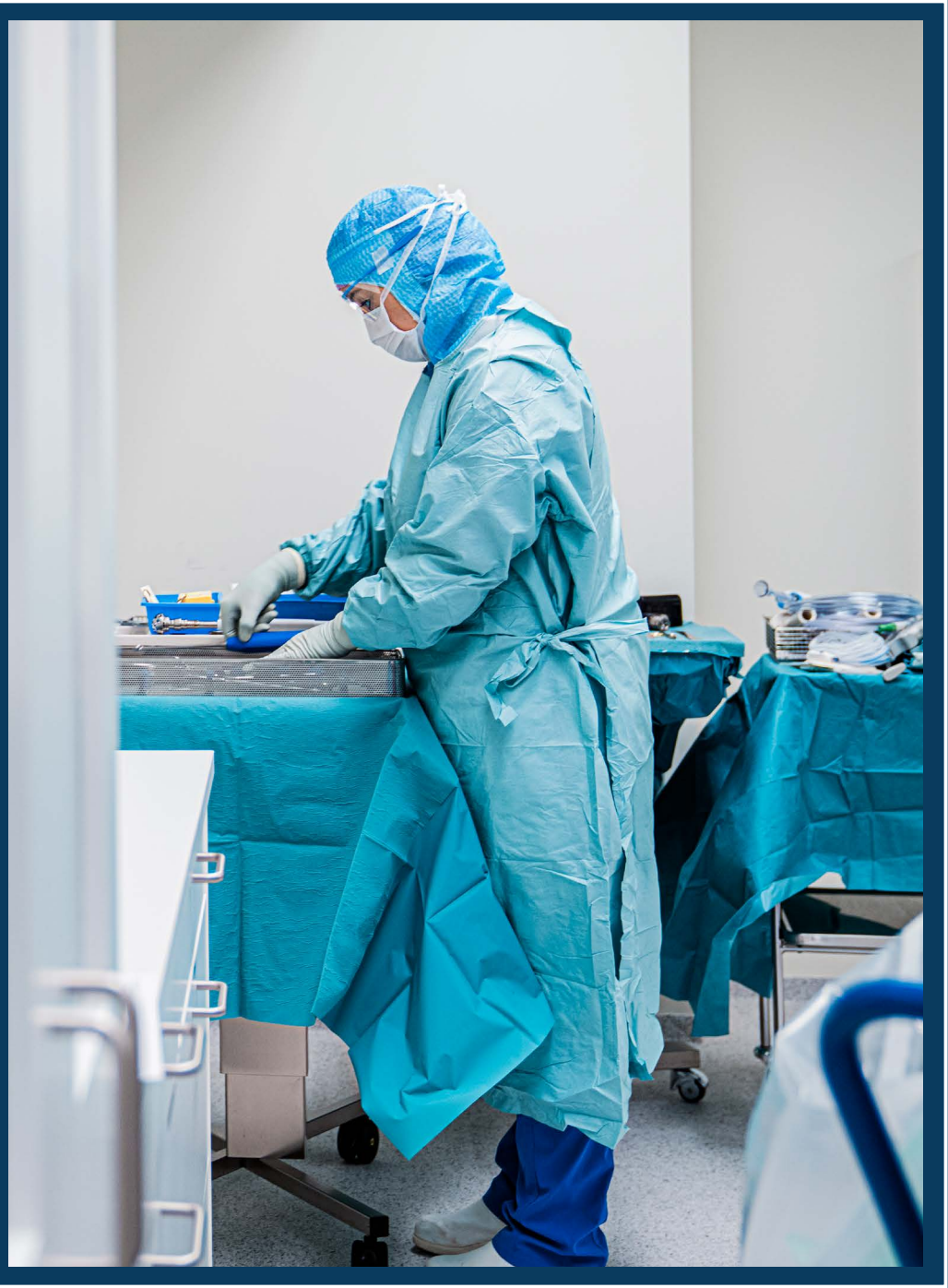
A total of 417 RCP members completed our newly launched interview skills training course, with 77% of an eligible 248 members registered to act as RCP representatives on consultant interview panels.

We developed guidance and support to help with the recruitment of SAS doctors into the new specialist doctor grade, training 20 SAS assessors to represent the RCP on interview panels.

Improving

health and care and leading the prevention of ill health across communities

We improve the quality, outcomes, safety and experience of patient care by developing and setting standards. We support the clinical community to embed those standards by enabling and sharing local, regional, national and international quality and service improvement initiatives. We continually seek to identify and respond to the improvement challenges that our members face in practice.



Key improving activities in 2021

We assessed

72

clinical services for accreditation in one of our five programmes



We completed

12

invited reviews to support healthcare organisations





Almost **250** chief registrars have benefited from our flagship leadership programme since its launch in 2016

Over

5 million

procedures were captured on the National Endoscopy Database





We published key guidance on good practice for

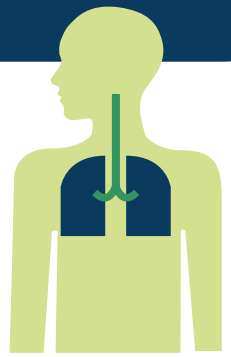
modern ward rounds

We produced

4

new clinical guidelines on behalf of NICE





Almost

100

clinicians completed our training in quality improvement for respiratory care

We published

9

national audit reports covering COPD, asthma, lung cancer care, inpatient falls, hip fracture care and fracture liaison services



Our activities and achievements

We worked directly with physicians and their teams to support quality improvement initiatives and design person-centred services. Although things had to be adapted for the pandemic, our audit and accreditation programmes successfully supported many clinical services to aspire to higher standards. We developed new resources and involved patients and carers to help shape best practice.

Audit and service review

The RCP continued to be commissioned by HQIP to deliver three national clinical audit programmes:

- National Asthma and COPD Audit Programme (NACAP)
- Falls and Fragility Fractures Audit Programme (FFFAP)
- National Lung Cancer Audit Programme (NLCA).

In 2021 we published nine reports on COPD, asthma, lung cancer care, inpatient falls, hip fracture care and fracture liaison services. We published a FFFAP patient involvement guide for NHS organisations to share good practice and tips.

Our invited reviews support healthcare organisations requiring independent and external advice. We completed 12 invited reviews during the year, adapting them to run virtually. We contributed to the Academy of Medical Royal Colleges (AoMRC) framework for invited reviews along with other royal colleges and professional bodies.

Accreditation

We continued to assess the quality of clinical services through our accreditation programmes for endoscopy, allergy, pulmonary rehabilitation, primary immunodeficiency and liver services. These programmes went from strength to strength with 34 new services registering in 2021. Feedback highlighted that RCP accreditation is a valuable way to support the restoration of services following the impact of the pandemic.

We delivered 72 accreditation assessments either remotely or with remote and on-site elements. Early feedback from clinical and lay assessors indicates that the process has remained rigorous. We continue to seek and act on feedback to ensure we deliver assessments robustly and to high standards.

The JAG Endoscopy team launched updated standards in October, which streamlined the process for services benchmarking themselves against the standards. A major new version of JETS, the JAG Endoscopy Training System, was developed and is due to launch in 2022.

The JAG National Endoscopy Database (NED) is the only database of its kind that collects real-time clinical data from endoscopy reporting systems. It has proven to be an invaluable source of intelligence about the impact of COVID-19 on services in terms of recovery. NED began collecting data in 2016, and during 2021 over 5 million procedures were captured. In 2022 we will explore opportunities to enable this unique platform to support broader visions around transformation of endoscopy services and training in the UK.



Training and development

Our flagship Chief Registrar Programme supports doctors in training to lead service improvements in the NHS. It continued to grow in 2021 with over 90 participants from 57 trusts and health boards joining. Almost 250 medical trainees have completed this highly regarded development programme to date.

Over 500 trainees participated in our first virtual regional poster competition to showcase outstanding projects and initiatives.

We worked with the NHS Getting it Right First Time (GIRFT) programme, patient-facing teams and the wider NHS to deliver a series of four webinars showcasing best practice and expected standards of care in acute medical pathways. We also ran a webinar with NHSX on digital innovations in cardiology.

The NACAP developed local capacity to deliver improvement with a funding opportunity for respiratory care teams in England and Wales. Nearly 100 individuals from 37 participating teams completed online training in quality improvement skills and 14 people received training to provide coaching support to local teams implementing improvement projects. By establishing coaches as a source of support, we hope that local teams will maintain the momentum needed to achieve sustainable improvement.

The FFFAP designed and launched an improvement collaborative for clinical teams participating in its three audits (National Audit of Inpatient Falls, National Hip Fracture Database and Fracture Liaison Service Database).

Further afield, the Federation awarded accreditation to Iceland's stage 1 internal medicine training (IMT) programme (equivalent to UK training). Accreditation was also awarded to the IMT stage 1 programmes in Dubai and Thiruvananthapuram (Trivandrum) in India. We also provided online support to ARCP panels at other sites in India that deliver UK equivalent IMT, pending opportunities for face-to-face visits to accredit their programmes.

The first cohort of six trainees who completed UK equivalent IMT in our partnership programmes in India were successful in their bid to start higher specialty training in the UK.

New guidelines and resources

We published a report on good practice for modern ward rounds and supported the implementation of its recommendations via an improvement collaborative with the NHS Emergency Care Improvement Support Team and Royal College of Nursing. Participating teams reported delivering improvements in multiprofessional patient-centred care on wards. Patient participation was a key theme with our Patient and Carer Network (PCN) contributing to a series of national learning events to ensure the patient/carer's perspective helped shape this improvement work.

As part of a focus on medicines safety, we launched a new toolkit to support medication safety at hospital discharge. It offers guidance for teams to improve their local processes. In addition, we worked alongside the PCN to produce a checklist to support patients to use medicines safely when leaving hospital. It aims to help reduce medication errors in this important area of safety.

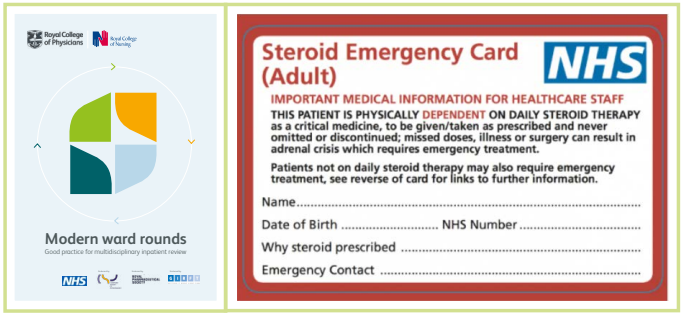
The NHS Steroid Emergency Card was implemented for patients across the four UK nations. This initiative was led by the RCP with the Society for Endocrinology.

Our National Guideline Centre developed several significant guidelines that were published by NICE this year. These included atrial fibrillation, sleep apnoea, heart valve disease, and chronic pain and ME/CFS.

Our study on the quality of care given to hospital patients with COVID-19 in the UK was published in early August. Using retrospective case record review, it concluded that overall care was judged to have been adequate or better in 96.5 % of the patient cases. The report made recommendations for the NHS and healthcare teams.

Progress continued on a working party report on pharmacogenomics, and guidelines on the diagnosis of fibromyalgia syndrome – both will be published in 2022.

With support from NHSX, work began on redeveloping the RCP's Medical Care website into a modern, engaging portal showcasing innovative practice to support the delivery of long-lasting improvement in medical care. The new 'Medical care – driving change' portal will go live in 2022.



Influencing

the way that healthcare is designed and delivered

We provide leadership to shape government, health and care policy and practice. We constantly improve our understanding of the drivers of good health, the physician community and the NHS. We are the voice of medicine and set standards for medical care, working alongside the wider medical community, patients and our partners to develop, promote and publish solutions.



Key influencing activities in 2021

The Inequalities in Health Alliance grew to over

200

organisations campaigning for a cross-government approach to improve health

150,000

Nearly

150,000

people now follow us on social media



We spread the word with over

4 million

visits to our website

We published over

30

reports, toolkits and guidelines to support clinicians to improve practice

Described as a 'major morale booster', our

fortnightly president's bulletin

provided key information and support to our members



Our new

smoking and health report

set out recommendations for the forthcoming Tobacco Control Plan



ClinMed promoted good practice with almost

400,000

article downloads per month

The RCP made the headlines with more than **11,000** appearances in the media

11,000



Almost

9,000

responses to our member surveys on COVID-19 shaped our campaigning with government

Our activities and achievements

Once again, COVID-19 highlighted the crucial importance of strategic communications and engagement for our influencing work. We communicated regularly with our members to keep them informed of the latest guidance and developments. Regular member surveys allowed us to advocate for physicians as they navigated this extraordinary period. With increased activity and output across all areas, we made significant progress against our key influencing priorities in health inequalities, workforce, integration and research.

Our policy priorities

Workforce and integration

We focused much energy on influencing the new Health and Care Bill. We mobilised the support of over 100 health and care organisations for an amendment advocating for regular, independently verified workforce projections. The amendment was supported by cross-party MPs and peers as well as the Health and Social Care Select Committee. The House of Lords voted to pass the amendment twice with significant margins, but unfortunately the House of Commons – which has the final say – voted to ultimately reject it. Although it did not make it into the final legislation, this campaign marked a significant moment for our work to support long-term workforce planning for the NHS and social care.

Our Double or quits report led to increasing calls for expanding the number of medical school places, while the annual physician census furnished parliamentarians and others with insightful data on the state of the medical workforce.

Health inequalities

Convened by the RCP in 2019, the Inequalities in Health Alliance gathered momentum in 2021 with 200 member organisations now signed up to campaign for a cross-government strategy. A letter to the prime minister was signed by over 90, a high-profile webinar was held in June, and a day of action held in September involving actor Simon Callow.

We worked with other key royal colleges and think tanks to secure amendments to the Health and Care Bill on health inequalities. We also worked with NHS England's new health inequalities team and supported work on obesity, the climate emergency and alcohol harm.





Research

Following the launch of our online research and innovation hub in 2020, we continued to work with partners to make more research in the NHS a reality. After welcoming the government's vision for clinical research in March, in July we held the first 'Research for all' summit, bringing together NIHR, DHSC, GMC, NHS England and UKRD.

Our influence helped to push the clinical research agenda in a number of ways in 2021:

- the UK government published Saving and improving lives: the future of UK clinical research delivery with priorities encompassing calls made by the RCP to embed research in the NHS
- the DHSC confirmed funding for the clinician researcher credential, managed by NIHR and RCP on behalf of AoMRC
- the CQC strategy recognised the importance of research activity, following representations by RCP and other organisations
- the Health and Care Act 2022 includes new duties for NHS bodies to facilitate clinical research.

We continued to influence wider healthcare safety and improvement though contributing to external consultations such as with All Party Parliamentary Groups and by being key members of NHS boards for acute deterioration, medicines safety, and the National Clinical Audit and Patient Outcomes Programme.

Media and engagement

The RCP's profile continued to grow with 11,000+ appearances in the media in 2021. Data from our series of COVID-19 surveys, which received over 8,800 responses from members, led to a proliferation of stories and surfacing of issues across digital, print and broadcast media.

Digital engagement increased with website visits up by 10% to 4,233,020, and we grew our following on social media by 11% to 144,849 across Twitter, Facebook, LinkedIn and Instagram.

Employee comms and engagement were hugely important during this unsettling period for our staff. Our HR and internal comms teams led key activities including Core Brief meetings of senior managers, all staff meetings and our weekly email bulletin *Parklife Weekly*.

> **"Data from our series of COVID-19 surveys ... led to a proliferation of stories across digital, print and broadcast media.**

Publishing

We moved our journals *Clinical Medicine* and *Future Healthcare Journal* fully online – a major project resulting in environmental benefits as well as financial savings. Submissions remained high and engagement continued to increase with average monthly downloads from both journals reaching almost 470,000 (compared with 312,000 in 2020). Our membership magazine *Commentary* featured interviews with leading figures, including Dame Sally Davies, Professor Mala Rao and Professor Chris Whitty, and a focus on SAS doctors and PAs.

To support our members and the wider health community in delivering the best care and practice, we published over 30 reports, toolkits and guidelines. Key publications included guidance on eating and drinking difficulties, effective modern ward rounds and the results of the 2020 consultant census. Almost 60 years after the RCP's first report on tobacco, a new report on smoking and health reviewed the UK's progress in reducing smoking prevalence and set out recommendations for the forthcoming Tobacco Control Plan.

Our work with NHS GIRFT programme leaders enabled the sharing of lessons learnt from the GIRFT reports as well as building a platform for implementation with physician leaders.

Promoting medicine and the RCP

We hosted a number of high-profile events in The Spine which helped to cement our new role as a key player in Liverpool. This included the prestigious Harveian Oration, which was given by Professor Sir Jonathan Van-Tam and focused on respiratory virus vaccines, therapeutics and public health policy.

Our museums team developed a highly effective digital programme on the history of medicine and promoting public awareness of the RCP. We held 45 virtual events, tours and talks, including four events run in collaboration with external partners and 17 tours. These were received positively, with our **RCP Unseen** online exhibition receiving a 4/5-star review in *The Times*.







Our enablers

Our enablers form threads that run through and support each of our three priorities.

1. Membership engagement

The opening of The Spine took place in 2021, marking the culmination of our 5-year vision to transform our reach and facilities for members in the north.

Our conferences and events provided a key platform for engaging with our members and fellows. With over 1,200 delegates, Medicine 2021 was our largest and most successful annual conference to date. We were delighted to win best large membership event in the annual Memcom Awards for the second time.

RCP Player continued to offer new opportunities for membership engagement with over 80 events hosted across the year. We saw 11,000 members and over 7,000 non-members interact with the RCP via a wide-ranging programme of events – a huge increase compared with around 3,000 in recent pre-pandemic years.

We increased regional engagement with our college tutor (CT) and associate college tutor (ACT) community. A total of 346 delegates registered to attend our virtual CT and ACT conference and we were delighted that 100% said they would recommend it to a colleague.

We held our first SAS physicians week in July, highlighting SAS doctors working in education, research and leadership roles and demonstrating SAS careers as a viable alternative to the consultant role.

We carried out an annual survey on the experiences of and outcomes for doctors who completed their certificate of completion of training during 2019 and 2020.

Our popular Excellence in Patient Care Awards had over 120 entries in 2021 highlighting innovative and outstanding projects across the NHS.

2. Working with patients

Our Patient and Carer Network members contributed invaluable expertise to a substantial number and variety of RCP projects and guidance throughout 2021. These included the modern ward rounds report, medicines safety materials, FFFAP Patient and Carer Panel, clinical research e-learning modules, the six-step course for consultants, FPA Board, Chief Registrar Programme and *Future Healthcare Journal*.





3. Diversity and inclusion

We promoted diversity and a more inclusive face of the RCP. This encompassed an RCP-wide diversity and inclusion work programme, and publication of a 1-year on progress report of Ben Summerskill's independent review into this area. Our new diversity in communications policy is leading to a more inclusive editorial approach, improved gender and ethnicity balance in our event speaker line-ups and plaudits from NHS England for our influence on the first Medical Workforce Race Equality Standard report.

We appointed four associate global directors and 14 additional international advisers (with a threefold increase in the number of women). They provided advice and insight into health systems and local epidemiology, assisting the RCP in influencing healthcare around the world.

Through our work with Federation, we investigated training data from an equality and diversity perspective. We made improvements to advance the quality of data collected in the ePortfolio and the provision of targeted information. This will improve trainees' access to exams and applications for higher specialty training.

4. Governance and stakeholder engagement

Our annual general meeting and College Day were held as hybrid meetings to allow maximum participation by the membership during the pandemic. This format will be retained to increase engagement in the future.

RCP Council approved a new conduct scheme for our membership aligned to the RCP Code of Conduct, and we undertook a review of fellowship election processes to design a new fairer, more transparent system for launch in 2022.

We successfully completed the NHS toolkit process to facilitate data sharing with NHS partners into 2022.

We implemented a new cybersecurity training platform for staff and renewed our CyberEssentials Plus accreditation.

5. Sustainability

Following completion of the building and fit-out, RCP staff based at the William Henry Duncan building in Liverpool moved into The Spine in May 2021.

We worked to ensure The Spine is in a position to achieve BREEAM Excellence certification and the WELL Platinum Standard – an audited standard of wellness in buildings – making it one of the healthiest work and events spaces in the UK. We supported installation of one of the largest AV over internet protocol systems in Europe.

Our external events generated £1.979m in unrestricted funds in 2021 to support RCP activities.

We launched two new commercial events brands in London and Liverpool, RCP London Events and RCP Spaces at The Spine, future-proofing our business for a post-pandemic world. We were delighted to win bronze awards for best COVID-19 response in hospitality and best conference venue facilities at the London Venue and Catering Awards.

We worked to increase income potential by developing a robust tenant market for space in our London and Liverpool buildings. A number of new tenants have taken up occupancy.

Looking ahead

In 2022 we plan to carry out the following activities, grouped under our three priority areas and enablers:

Educating

- work with Health Education England to support the transition of flexible portfolio training into business as usual
- review the models of credentialing we have piloted
- continue to work with the GMC and the physician associate profession on regulation, finalising the curriculum and licensing examination requirements
- review online delivery of written examinations in the UK and explore the expansion of online written examinations internationally
- develop a revised model for PACES 2020 and establish new partners to expand international delivery
- introduce a second diet for the specialty certificate exams (SCEs) and harmonised European specialty examinations where requested
- map the SCEs to the new group 1 specialty curricula and support the transition of trainees
- develop new documentation and training packages for Certificate of Eligibility for Specialist Registration (CESR) assessors
- survey CPD diary users to inform improvements and explore CPD approval for selected overseas major academic meetings
- work with international partners to launch the internal medicine stage 1 training programme, support the transition to the new IM stage 2 curriculum and survey trainees
- support, monitor and review the implementation of IM stage 2 and group 1 curricula, and support ST4 recruitment

Improving

- deliver a quality assurance programme for consultant and SAS doctor job descriptions and provide trained RCP representatives for interview panels
- deliver an invited review service for healthcare organisations
- develop and expand the Chief Registrar Programme
- build networks of alumni and improvement experts to inform and support our work
- deliver national clinical audit programmes in COPD, adult and children and young people's asthma care, pulmonary rehabilitation and falls and fragility fracture care
- run a virtual collaborative for teams participating in the Falls and Fragility Fractures Audit Programme
- continue the roll-out of improvement training resources for respiratory teams in England and Wales
- increase the number of services registering with and gaining accreditation across our programmes

- launch a pilot programme for inpatient diabetes care accreditation
- launch the redeveloped RCP Medical care – driving change website to showcase innovative improvement practice

Influencing

- continue to be a key voice for medicine through a strategic programme of communications and engagement activity, including:
  - developing our media profile, online brand and social media
  - replacing our main website and developing RCP Player, our medical streaming service
  - a focus on our journals and research content
  - a diverse and stimulating conference programme
- publish the 2021 post-CCT survey and census results and continue to call for an expansion of the medical and wider NHS workforce
- lead the Inequalities in Health Alliance and the campaign for a cross-government strategy, aiming to increase membership of the alliance
- support a more research-active NHS
- work with government to influence the public health agenda with a particular focus on air pollution, alcohol, obesity, smoking and the climate emergency
- help shape the development and delivery of the digital health agenda
- conserve, interpret and contextualise our historical resources to promote the history of medicine and the RCP through a programme of exhibitions and events



Our enablers

1. Membership engagement

- develop our membership through the delivery of the SAS strategy 2022–24, the RCP Launchpad for new consultants and a more inclusive fellowship election process
- develop our global ambitions through international adviser networks; the Global Women Leaders Programme; and partnership work with the East, Central and Southern Africa College of Physicians (ECSACOP) and other physician colleges
- develop the membership offer through consultation on membership value, workforce and policy priorities
- further develop and deliver UK regional meetings, new consultant, SAS doctor and physician associate forums, and face-to-face networking opportunities for members and fellows
- benchmark, measure and monitor membership growth across membership groups and career stages

2. Working with patients

- work with our Patient and Carer Network to enhance the impact of the patient voice in the RCP

3. Diversity and inclusion

- continue with our action plan to implement the recommendations in the Summerskill diversity and inclusion report so that all our fellows, members, staff and volunteers are enabled to contribute fully to our work
- develop a common approach to monitoring equality and diversity data across the Federation

4. Governance and stakeholder engagement

- provide robust governance frameworks for RCP activities, including committee representation, RCP Council, invited reviews and conduct procedures
- support the RCP workforce by developing a new internal communication strategy and updating our intranet

5. Sustainability

- design and implement core infrastructure at the RCP's London office to host local services
- upgrade the Wi-Fi in London to ensure safe, high-speed connectivity
- launch a reinvigorated meetings and events service for external guests in London and Liverpool
- position Spaces at The Spine as a premium event and conference venue in Liverpool
- develop a longer-term real estate strategy for our building in London
- apply for WELL Platinum Standard and BREEAM Excellence certification for The Spine
- work towards ISO 20400 accreditation for sustainable procurements

Our structure, governance and management

The RCP is a registered charity (no. 210508), incorporated by royal charter dated 23 September 1518, affirmed by an act of parliament in 1523. The charter of 1518 was amended by a supplemental royal charter dated 11 March 1999. The governing instruments of the RCP are the royal charters, and the bye-laws as amended from time to time. The RCP is also registered at Companies House as a company incorporated by royal charter (no. RC000899).

Board of Trustees

The Board of Trustees is the RCP's governing body and meets five times a year – four main quarterly meetings plus a November budget review meeting. It is responsible for:

- ensuring the RCP operates within its charitable objectives, and its standing orders in terms of matters reserved for the Board and those delegated to the CEO and college officers
- providing strategic direction
- agreeing the RCP annual operations plan and monitoring the progress of performance against that plan
- ensuring the effective management and custody of all RCP assets.

The RCP is committed to ensuring best practice governance and the Board of Trustees embeds the Charity Governance Code to ensure the organisation's effectiveness:

- **Organisational purpose** – the Board of Trustees is clear about the RCP's purpose, vision and mission as described in this report, and the public benefit this serves in supporting the evolution of the healthcare agenda. The new RCP strategy, launched at the beginning of 2022, will guide our planned activities from 2022–24.
- **Leadership** – in addition to setting strategy, the Board of Trustees seeks to provide leadership for the RCP and ensure delivery of the charity's aims and values by the involvement of trustees (officers and lay trustees) alongside the executive team in key committees.
- **Integrity** – trustees are expected to follow *The 7 principles of public life* drawn up by the Committee on Standards in Public Life. The RCP has embedded its Code of Conduct and organisational values within all areas of its business. A raising concerns policy is in place to support and encourage a responsive culture where people can speak up when things go wrong and the organisation can continue to learn and improve. An anti-fraud policy is also in place, supported by existing RCP policies including hospitality and gifts (anti-bribery). A statement relating to the Modern Slavery Act is on the RCP website.

- **Decision-making, risk and control** – in order to ensure strong oversight of the organisation by the Board of Trustees, the RCP commissioned two internal audits in 2021. The RCP continues to embed improved risk identification and reporting.
- **Board effectiveness** – the members of the Board reflect the complexity of the organisation. As part of the ongoing modernisation of governance and effectiveness of trustees a lay chair was appointed in June 2019.
- **Diversity** – the Board currently has a diverse membership, and this will be kept under review. In 2020 the RCP published an independent review of equality, diversity and inclusivity across all areas of activity with recommendations to the trustees. This was followed up in 2021 with a one-year report on our progress.
- **Openness and accountability** – the RCP has many touchpoints with a wide variety of stakeholders. As part of the bye-law review consideration was given to aligning a Council meeting with the annual general meeting to improve attendance and enable a question-and-answer session with trustees as part of the meeting.

The Board of Trustees has the authority to delegate any of its powers to the RCP's boards and committees. Ultimately, all decisions apart from changes to the bye-laws and regulations are either taken by or on behalf of the Board of Trustees, and reported at the annual general meeting.

The Board of Trustees comprises:

- senior officers of the RCP (*ex officio* – six)
- members nominated from Council (four)
- lay members appointed by the Board of Trustees (five).

Trustees are inducted in the operations of the RCP as well as their statutory obligations as a charity trustee when they are appointed. The training requirement for trustees is kept under regular review. An online governance hub makes material more accessible to trustees and an online declaration of personal interests and good standing of trustees supports good governance processes.

RCP Council

Council meets six times a year. Its function is to develop RCP policy in relation to professional and clinical matters, and to give authority to:

- RCP statements and publications
- conduct and results of the MRCP(UK) examination
- elections to the fellowship and membership as well as of RCP officers.

There is one board with specific responsibility to the Council:

- Medical Specialties Board.

RCP officers

The senior officers of the RCP (president, vice presidents, treasurer and registrar) are all trustees of the charity. Their involvement in all of the main boards and committees of the RCP ensures that due consideration is given to the RCP's charter and bye-laws on every occasion.

Annual general meeting

The annual presidential election is held on the first Monday after Palm Sunday by act of parliament. The AGM was decoupled from the presidential election in 2020 and now takes place in September.

Fellows

Fellowship is the highest level of membership of the RCP and comes with many benefits and responsibilities. Fellows have distinguished themselves in the practice of medicine, medical science or medical literature. At the time of election, the fellow is normally a member of the RCP of at least 4 years standing, in a substantive consultant post for a minimum of 3 years, and making a significant contribution in one or more of these areas of practice. Fellows are nominated for election by Council and have the right to stand for office, to vote for officers and to attend and vote at the AGM.

Boards

There are four boards with specific responsibility to the Board of Trustees. They are:

- Council
- Finance and Resources Board
- Audit and Risk Committee
- Remuneration Committee.

Four further boards report on the operational work of the RCP under the strategy themes and report through the operational plan to the Board of Trustees:

- Care Quality and Improvement Board
- Education Board
- Membership Support and Global Engagement Board
- Communications, Policy and Research Board.

Finance and Resources Board

In 2021 the Finance and Resources Board met four times. It has responsibility for:

- agreeing and monitoring the application and use of resources
- monitoring the business planning process and delegating decisions on new activities to senior management within agreed financial limits.

The Board is chaired by the treasurer, and its membership includes the president and registrar (both ex officio), two elected members of Council, two other fellows and up to five members from outside the RCP.

There are two committees with specific responsibility to the Finance and Resources Board. They are:

- Funding Awards Committee (formerly Trust Funds Management Committee)
- Investment Advisory Panel.

Audit and Risk Committee

This committee is responsible for internal controls, risk management and audit, leading to assurances on the veracity of the financial and management statements. During the year the committee commissioned two internal audits by Haysmacintyre, as part of a continuing series which seeks to examine and improve various financial and operational practices of the RCP.

Remuneration Committee

This committee provides independent review and recommendations to the Board on the RCP's remuneration policy, pay awards, senior staff performance reviews, and pay and related matters.

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with International Financial Reporting Standards (FRS102) and applicable law.

Under charity 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 the charity and the group and of the group's net incoming or outgoing resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the presentation principles in the Charities' Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity and the group will continue to operate.

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

The trustees of the charity are aware of their duty under section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

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

Management

Responsibility for the day-to-day operations of the RCP is delegated to the chief executive, who is accountable to the Board of Trustees. The management and staff of the RCP are structured to carry forward the work and achieve the objectives of the RCP, and to provide support services. Each department of the RCP is also overseen at a governance level by a designated officer.

Key management personnel are considered to be those personnel who have the authority and responsibility for planning, directing and controlling the activities of the RCP. Key management personnel are remunerated within the RCP's general staff policy for pay and reward that is competitive within the charity sector, proportionate to the complexity of each role, and responsible in line with our charitable objectives.

A large number of volunteers are involved with the RCP's work, in the UK and abroad. The vast majority are doctors who are RCP members who support RCP activities, such as by being examiners, regional advisers, or representatives on consultant appointment committees. There are many more examples, and the RCP also has a Patient and Carer Network which allows members of the public to become involved. Medical staff give their own time, but also rely on NHS guidance about the ability to use NHS time for the greater benefit of the NHS.

Modern slavery statement

Pursuant to section 54(1) of the Modern Slavery Act 2015, the RCP has published a slavery and human trafficking statement on its website.

Risk management

The trustees have overall responsibility for risk management in the RCP. Agreed processes are in place by which the trustees review, identify and assess major risks and agree with management the controls that already are, or will be, put in place to manage those risks. These details form part of the risk register, which trustees regularly review in full. The controls put in place provide a reasonable but not absolute assurance that risks have been adequately mitigated.

Risk issues in the day-to-day operation of the RCP are delegated to management to monitor and implement appropriate control measures. Any new areas of risk identified are reported to the Audit and Risk Committee, including how they have been managed. The Audit and Risk Committee reports any areas of concern to the trustees, with recommendations for corrective action.

The principal categories of risk that the RCP monitored and sought to mitigate in 2021 and into 2022 are:

Area of risk	Risk	Mitigating factors
COVID-19	Disruption to revenue streams due to cancellation of exams, conferences and events as a result of ongoing pandemic impact Potential impact on member engagement, operational delivery and staff welfare due to new flexible model of working	> Strategic planning and additional resourcing to work through examination candidate backlogs > Strategic planning to safety-net event speaker and staff absence due to isolation or illness > Use of government furlough scheme until its end in October 2021 > Continuation of cost improvements, including job vacancies not being replaced, reductions in workforce and savings in non-payroll costs > Establishment of working groups looking at staff and estates related issues > Weekly communications huddle to address immediate policy and communications requirements > Implementation of policy positions from government relating to Covid-19 protocols across the estates to mitigate and minimise risks for the organisation > Investment in digital solutions across the estate to facilitate self-service virtual and hybrid meetings > Establishing and utilisation of new digital channels > Monitoring through staff, membership, and customer surveys

Area of risk	Risk	Mitigating factors
Governance	The governance structure for Federation activity is suboptimal, which could impact the current effective relational ways of working, impacting on sustainability of this key area of income	> Current memorandum of agreement (MoA) was agreed and signed in December 2018 > Independent audit of the Federation undertaken in 2021 > Detailed operational plans in place > Separation of financial reporting and audit of all financial aspects undertaken > Implementation of Federation governance of federation board and federation management committee to support delivery of operational planning and lines of reporting back to the three college governance structures > Ongoing review of all financial functions related to finance and tax reporting
Estate management	Ageing (Grade I) estates infrastructure in London, and the new estate in Liverpool Size and fitness for purpose of estate for core charitable purpose and strategy	> A capable property and facilities team, supported by advisers CBRE > Ongoing lease negotiations with the Crown estate > Dedicated team leading on leasing opportunities for both estates to income generate from surplus capacity > Deployment of digital solutions across the estates to support meetings and events > Governance and financial oversight plans in place
Operational plans – RCP at The Spine	Ability to realise the benefits of RCP at The Spine as set out in the business case now the estate is open	> Senior officers and executive directors leading on opportunities for engagement in Liverpool and the surrounding area > Partnerships with Liverpool health partners, universities and other organisations to establish and grow RCP presence > RCP policy commitment to worth through the alliance on improving the quality of health and access to health in Liverpool and the surrounding area > Focus on financial management/planning, supported funding proposals > Regular communication to staff and membership

Area of risk	Risk	Mitigating factors
Financial risks	Obligations arising from the closed defined benefit pension scheme, arising from changing market conditions and reassessment of benefits Ability to generate income/fundraise and grow/diversify the revenue base and our ability to control costs and manage inflationary pressures causing cash management strain Loss making trading activities	> Updated triennial valuation dated 1 January 2021 to provide certainty over recovery plan contributions and duration. > Assumptions built into 2022 budget > A strong Defined Benefit Trustee Board > Increased focus on cash management, forecasting and longer-term planning. > Established team assisting the RCP to raise funds for strategic purposes > Proven success in delivering activities in a virtual and hybrid way > Move to virtual events with lower costs in both the charity and trading company to mitigate loss of income as a result of COVID-19
Environmental or external factors	Government policy on the NHS and impact on medical professionalism and standards, while remaining aligned to the views of our members Delivering on our ambitions for carbon neutrality and our impact on the environment	> Continued influence on the engagement plans with our members and government on NHS policy > Continued reinvestment to modernising fuel efficiency across the estates > Reviewing and reducing our carbon footprint to travel > Leading on technologies in the UK within our Liverpool estates having achieved BREEAM Excellent Standard and the WELL Platinum Award > Governance reviews underway of policies ensure they are supportive of reducing our carbon footprint
Digital capabilities	Failure to invest and realise benefits from development of digital infrastructure to enhance members and stakeholder experiences	> Strategic investment in new website and digital technologies > Establishment of digital engagement group > Working in collaboration with digital lead and fellows to work across the organisation in shaping the digital strategy
Cyber security	Risks arising from cyber threats as a result of credential compromise, data leaks or network compromise	> Mandatory training for all staff in GDPR and cyber security > Corporate exercises to test the resilience of cyber security across the organisation through vulnerability scans, penetration testing and other reviews > Further training provided where further learning is identified

Officers and key staff of the RCP

The officers, trustees and councillors listed below served during 2021. Current lists can be found via www.rcp.ac.uk/about-us/who-we-are/our-governance

Visitor

Her Majesty The Queen

Officers of the RCP

College officers represent the interests of our fellows and members. They provide strategic leadership and lead the way on policy development, playing an important role in representing physicians' interests in the development of the profession and standards of healthcare.

Senior officers

President
Sir Andrew Goddard

Registrar
Dr Cathryn Edwards OBE (appointed May 2021)
Dr Peter Belfield (interim registrar until June 2021, following the death of Professor Donal O'Donoghue in January 2021)

Treasurer
Professor Chuka Nwokolo CBE

Clinical vice president
Dr Sarah Clarke

Academic vice president
Professor Ramesh Arasaradnam OBE (appointed August 2021)
Professor Cheng-Hock Toh CBE (demitted July 2021)

Vice president for education and training (senior censor)
Professor Áine Burns

College officers

Vice president for Wales
Dr Olwen Williams OBE

Vice president – Global
Dr Mumtaz Patel

Deputy treasurer
Professor Simon Bowman

Linacre fellow
Dr Joanna Szram

Harveian librarian
Dr Louella Vaughan

Patient involvement officer
Dr Amy Proffitt (appointed August 2021)
Dr Helen Gentles (demitted July 2021)

Censors

Dr Tun Aung (appointed August 2021)
Dr Jyoti Baharani
Dr Celia Bielawski (demitted July 2021)
Professor Rudolf Bilous
Dr Manish Gautam
Dr Harriet Gordon (appointed August 2021)
Dr Rasha Mukhtar
Dr Catherine Sargent

Medical directors

Medical director of CME and CPD
Professor Áine Burns

Medical director of publishing
Professor Anton Emmanuel

Director, Medical Workforce Unit
Dr Sarah Logan (appointed December 2021)
Dr Nigel Trudgill (demitted November 2021)

Director, invited service reviews
Dr Adam De Belder (appointed September 2021)
Dr Peter Belfield (demitted August 2021)

Clinical leads

Clinical director for quality improvement and patient safety
Dr John Dean

Clinical director for audit and accreditation
Dr Jane Youde (demitted November 2021 – role not directly replaced)

Clinical director for digital health
Dr Wajid Hussain

Editor-in-chief, Clinical Medicine and Commentary
Professor Anton Emmanuel

Editor – Future Healthcare Journal
Dr Kevin Fox

Specialty and associate specialist (SAS) lead
Dr Waleed Arshad

Examiners

RCP chief examiner
Dr Emma Vaux OBE

Supported by by four senior examiners:

Senior examiner: RCP PACES
Dr Abdul-Majeed Salmasi

Senior examiner: Physician Associate National Examinations
Jade Moore

Senior examiner: Diploma in Tropical Medicine and Hygiene
Dr Uli Schwab

Senior examiner: Diploma in Geriatric Medicine
Professor Michael Vassallo

Other senior roles

Deputy registrars
Dr Alastair Gilmore
Dr Sonia Panchal

Deputy directors, Medical Workforce Unit
Dr Sarah Logan and Dr Rifca le Dieu (job-share, demitted November 2021)

Deputy medical director, invited service reviews
Dr Jonathan Bennett
Dr Adam De Belder (demitted August 2021)

Clinical lead for engagement – The Spine
Dr Louise Bate (demitted August 2021 – role not replaced)

Garden fellow
Dr Henry Oakeley

Representative on the Advisory Committee of the Chelsea Physic Garden
Professor Michael de Swiet

Officers of the Federation

Executive medical director
Dr Gerrard Phillips

Medical director, training and development
Dr Mike Jones

Medical director, assessment
Dr Kenneth Dagg

International medical director, training and development
Professor David Black

International medical director, assessment
Dr Donald Farquhar

Medical director, CPD
Dr Adrian Jennings

Associate medical director, written exams
Professor Albert Ferro

Associate medical director, clinical exams
Dr Stuart Hood

Deputy medical director, JRCPTB
Dr Alastair Miller

Board of Trustees

The RCP's governing body is responsible for ensuring the RCP operates within its charitable objectives, agreeing and monitoring the RCP operational plans and ensuring the effective management and custody of all RCP assets.

Ex-officio members (senior officers)

Sir Andrew Goddard
Dr Cathryn Edwards OBE (appointed May 2021)
Dr Peter Belfield (interim registrar until June 2021, following the death of Professor Donal O'Donoghue in January 2021)
Professor Simon Bowman (appointed April 2022)
Professor Chuka Nwokolo CBE (demitted March 2022)
Dr Sarah Clarke
Professor Ramesh Arasaradnam OBE (appointed August 2021)
Professor Cheng-Hock Toh CBE (demitted July 2021)
Professor Áine Burns

Members nominated from Council

Dr John Dean (demitted December 2021)
Professor Namita Kumar
Dr Iain Lawrie
Dr Joanna Szram (appointed April 2021)

Lay members

Professor Charles Baden-Fuller
Sarah Barzycki
Andrew Chandler
Professor David Croisdale-Appleby OBE
Graham Meek

Members of Council

Council develops RCP policy in relation to professional and clinical matters. Members hold voting rights. Other college officers and roles are *in attendance* at Council but do not hold voting rights.

President
Sir Andrew Goddard

Senior censor and education and training vice president
Professor Áine Burns

Clinical vice president
Dr Sarah Clarke

Academic vice president
Professor Ramesh Arasaradnam OBE (appointed August 2021
Professor Cheng-Hock Toh CBE (demitted July 2021)

Treasurer
Professor Chuka Nwokolo CBE

Registrar
Dr Cathryn Edwards OBE (appointed May 2021)
Dr Peter Belfield (interim registrar until June 2021, following the death of Professor Donal O'Donoghue in January 2021)

Vice president for Wales
Dr Olwen Williams OBE

Vice president – Global
Dr Mumtaz Patel

Representative of the Faculty of Occupational Medicine
Professor Steven Nimmo (appointed June 2021)
Dr Anne de Bono (demitted May 2021)

Representative of the Faculty of Pharmaceutical Medicine
Dr Flic Gabbay (appointed November 2021)
Professor Tim Higenbottam (demitted November 2021)

Representative of the Faculty of Physician Associates
Kate Straughton

Representative of the Faculty of Public Health
Professor Maggie Rae

Representative of the Faculty of Forensic and Legal Medicine
Professor Paul Marks (appointed May 2021)
Dr Margaret Stark (demitted May 2021)

Representative of the Faculty of Intensive Care Medicine
Dr Alison Pittard

Representative of the Royal College of Emergency Medicine
Dr Katherine Henderson MBE

Representatives of the regional advisers
Dr Anita Banerjee (appointed June 2021)
Dr Philip Johnston (appointed January 2021)
Dr Mick Kumwenda
Dr Christopher Roseveare (appointed June 2021)
Dr Kanwaljit Sandhu (demitted March 2021)

Elected councillors
Dr Tun Aung
Dr Angshu Bhowmik
Dr Kaushik Chaudhuri (demitted July 2021)
Dr Parijat De (demitted July 2021)
Professor Rob George
Dr Helena Gleeson
Dr Ruth Law
Dr Catherine Mummery (appointed August 2021)
Dr Ananthakrishnan Raghuram MBE (appointed August 2021)
Professor Tom Solomon CBE
Dr Joanna Szram (demitted July 2021)
Dr Mark Temple
Dr Jenny Vaughan
Dr Louella Vaughan (appointed August 2021)
Dr Robert Wright

Representatives of the censors
Professor Rudolf Bilous
Dr Rasha Mukhtar (appointed August 2021)
Dr Celia Bielawski (demitted July 2021)

continued overleaf

Chair of the Patient and Carer Network
Eddie Kinsella

Representatives of the New Consultants Committee
Dr Katie Honney
Dr Kailash Krishnan (appointed December 2021)
Dr Ajay Verma (demitted December 2021)

Representatives of the Trainees Committee
Dr Michael Fitzpatrick
Dr Rachel Jones
Dr Rebecca Thom (appointed April 2021)
Dr Matthew Roycroft (demitted April 2021)

Representative of the Staff and Associate Specialists Steering Group
Dr Waleed Arshad

Representatives of the specialist societies
Professor Jonathan Bennett (demitted November 2021)
Dr Tanya Bleiker
Dr Tim Cooksley (appointed October 2021)
Dr Susan Crossland (demitted October 2021)
Professor David Burn (demitted May 2021)
Dr Jennifer Burns
Professor John Greenwood (appointed June 2021)
Dr Robert Gregory
Dr Iain Lawrie (demitted March 2021)
Dr Alastair McKinlay
Dr Sanjeev Patel
Dr Amy Proffitt (appointed May 2021)
Professor Simon Ray (demitted June 2021)
Professor Paul Walker (appointed November 2021)
Professor Thomas Warner (appointed May 2021)

Trustee councillors (in attendance)
Dr John Dean
Professor Namita Kumar
Dr Iain Lawrie
Dr Joanna Szram (appointed April 2021)

Finance boards and committees

Finance and Resources Board

Professor Simon Bowman, treasurer (from April 2022)
Professor Charles Baden-Fuller
Dr Kaushik Chaudhuri
Steve Clarke
Professor David Croisdale-Appleby OBE
Dr Cathryn Edwards OBE, registrar (from May 2021)
Professor Donal O'Donoghue OBE, registrar (until January 2021)
Professor Rob George
Sir Andrew Goddard, president
Dr Wajid Hussain
Professor Chuka Nwokolo CBE, treasurer (until March 2022)
Roger Speddy
Dr Mark Temple

Audit and Risk Committee

Dr Angshu Bhowmik
Andrew Chandler
Tim Golbourn
Graham Meek
Ray Sadler
Roger Speddy

Investment Advisory Panel

Peter Allen
Martin Been
Professor Simon Bowman
Consuelo Brooke
James Hordern
Adam Matthews
Professor Chuka Nwokolo CBE, treasurer (until April 2022)
Professor Ganesh Subramanian

Remuneration Committee

Professor Simon Bowman
Andrew Chandler
Graham Meek
Professor Chuka Nwokolo CBE (until April 2022)
Nigel Turner
Professor Anthony B Ward

Leadership team

The leadership team is responsible for the delivery of strategic and operational objectives.

Chief executive
Dr Ian Bullock

Executive director, Membership Support and Global Engagement
Matthew Foster

Executive director, Care Quality Improvement
Sue Latchem

Executive director, Education
Professor Della Freeth

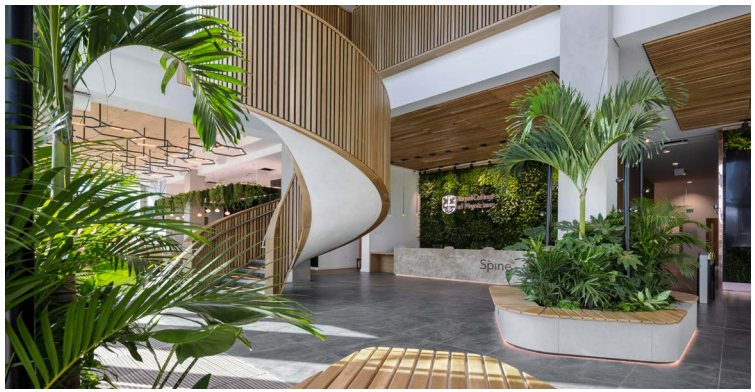
Executive director, Corporate Services
Justin Smith (to January 2022)

Executive director, Communications, Policy and Research
Claire Burroughs

Commissioning director for RCP at The Spine
Clive Constable (to November 2021)

Chief operating officer – Federation
Yasmin Becker



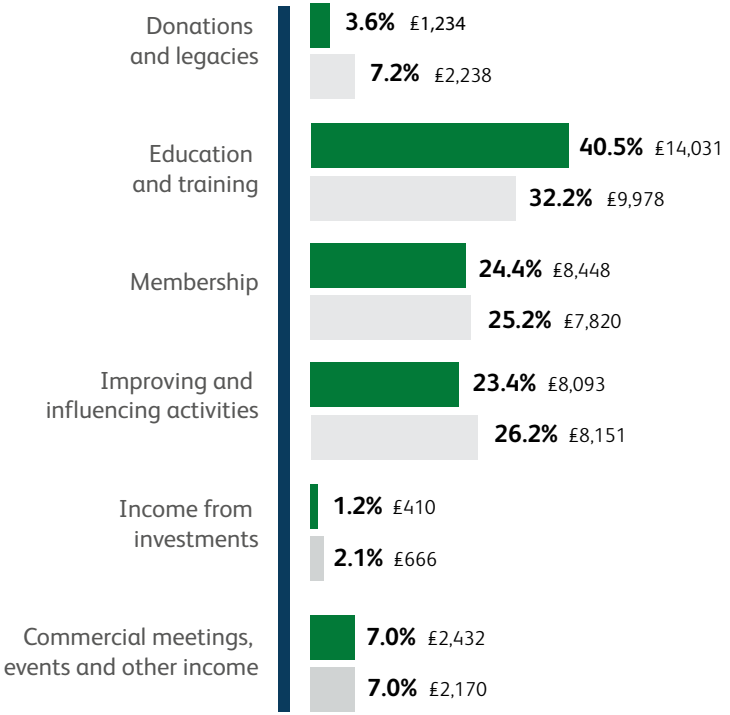


Summary of our income and expenditure

Income

Total in 2021: £34.6 million
Total in 2020: £31.0 million

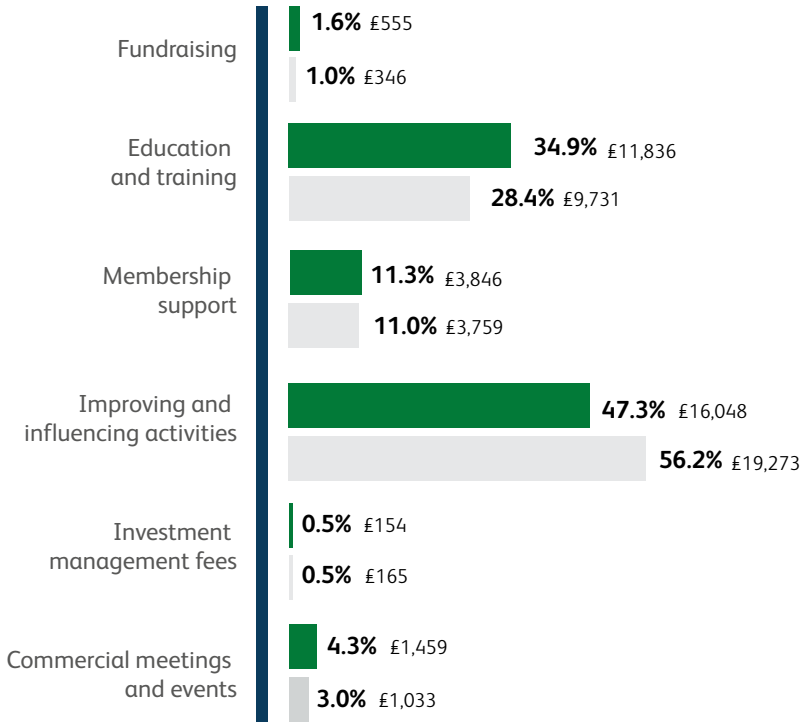
Breakdown of income in £000s



Expenditure

Total in 2021: £33.9 million
Total in 2020: £34.3 million

Breakdown of expenditure in £000s



2021
2020

Notes

Education and training includes examinations, workshops and courses
Improving and influencing activities include conferences, audit and accreditation, heritage and library services, communications, policy and research

Our financial policies

This section should be read in conjunction with the financial statements on pages 52 to 79. An overview of the financial results is given in the financial review report on page 47.

Fundraising

The RCP is grateful for the exceptional level of support that we have received during the course of 2021 from generous donors, including members and fellows, charitable trusts and foundations, and corporate partners.

Philanthropic support and corporate sponsorship are fundamental to the work of the RCP and help us to fulfil our charitable vision of ensuring the best possible health and healthcare for everyone. The funds that we raise go directly to supporting research; education and training; clinical improvement; patient safety; and the maintenance and development of our buildings and historic collections. This report allows us to show how our charitable funds are distributed and spent. It demonstrates the benefits and impact of fundraising on supporting physicians and on improving standards of patient care.

Principal fundraising activities and performance

During 2021, we secured a total of £1.2 million in new donations with a further £0.4m pledged to fund key areas of our work (including gifts to restricted and unrestricted funds). Projects that were supported during the year included:

- **RCP at The Spine** – a state-of-the-art facility in Liverpool for the education and examination of physicians that opened in May 2021 and is now pioneering advances in medical education
- **Physicians for Africa** – a partnership with the East, Central and Southern Africa College of Physicians to provide financial and in-kind support for a region desperately short of well-trained doctors
- **Population health initiatives** – aimed at reducing inequalities in health and wellbeing and including the RCP's first clinical fellow in health inequalities
- **RCP Player** – a medical streaming service developed in response to the pandemic which offers CPD-accredited learning resources and events, both live and on demand
- **The Physicians' Fund** – the award of grants to trainees and new consultants pursuing innovation in medicine and helping to create a research-active health service
- **Heritage** – maintaining our Grade I listed buildings in London, including caring for our historic collections and providing welcoming spaces for meeting and collaboration.

We erected a new donor wall in RCP at The Spine, which has been named in memory of our late registrar Professor Donal O'Donoghue. The wall is projected to raise £300k in support of our charitable mission and those who donate £800 or more are recognised on one of 300 unique voronoi polygons.

We launched a new legacy society named in honour of Ina Cooke, who worked for the RCP for over 35 years and was one of our most generous legators. During the year we secured a total of £3 million in new legacy pledges.

Fundraising programme

The RCP's fundraising programme is carried out by a small team including specialists in trust/foundation, corporate, and major donor fundraising. The director of development reports to the CEO and works closely with the Board of Trustees.

Fundraising controls and regulation

We recognise that our fundraising success is dependent on maintaining the trust of our donors and the public. We have a number of controls in place to ensure that our fundraising remains ethical, transparent, respects vulnerable people and is compliant with current regulation. Our campaigns are run by an in-house team and we do not engage the services of commercial partners to raise funds on our behalf.

Our Board of Trustees plays an active role in our fundraising activities, reviews fundraising plans, and ensures that fundraising activity operates in line with regulatory requirements and relevant best practice.

We have an ethical fundraising policy and carry out due diligence to ensure that we do not receive any donations that conflict with our values. All of our fundraisers receive compulsory training in this area and are members of the Chartered Institute of Fundraising, the professional membership body for UK fundraising.

The RCP is registered with the Fundraising Regulator (ref 128235) and has adopted the Code of Fundraising Practice. No complaints were received in relation to our fundraising activities during 2021 (2020: nil).

Investments

Powers and governance

The RCP's bye-laws give the trustees powers to appoint fund managers to manage its investments.

The Investment Advisory Panel (IAP) is responsible for monitoring the performance of the investment portfolios and of the fund managers. The IAP meets with the fund managers quarterly to review their reports and progress. The IAP is chaired by the treasurer, and its membership includes fellows, independent external advisers, the executive director of Corporate Services and the director of Finance. The panel reports to the Finance and Resources Board.

Management

The majority of investments are managed by Cazenove Capital (part of Schroders plc) who have discretionary powers of investment within agreed restrictions as agreed in the Statement of Investment Principles.

The managers' mandate is to invest, on a total returns basis, in a globally diversified portfolio of cash, equity, fixed income, convertible bonds, hedge fund securities, property funds and commodities' funds. A relatively small investment remains with the former (pre-2011) investment managers Morgan Stanley, in the form of hedge funds that are slowly being run down, liquidated and transferred to Cazenove. One other trust fund (The Cotton Trust) remains invested (as per its terms) with RBC / Royal Trust Corporation of Canada.

During 2021, the management of the investment portfolio has been reviewed by the finance and resources board, and the trustees, and our approach has been clarified with the investment managers.

The RCP's objective is to invest its investment assets to manage returns, with a low to moderate level of risk, with targeted returns of CPI + 3% through a diversified asset portfolio. Within this framework a number of objectives have been agreed to help guide the Finance and Resources Board in their strategic management of the RCP's investments.

Ethical and Climate Change Investment Policy

The RCP has operated an Ethical Investment Policy in line with guidance issued by the Church of England Investment Fund. We continue to hold minimal tolerances on the proportion of indirect funds held linked to production or supply of tobacco, armaments, pornography, gambling and sale or production of alcohol.

Climate change will significantly impact public health both in the UK and around the world. All that can be done should be done to limit global temperature rises in line with the goals of the Paris Agreement on climate change. If we are to avoid the extreme impacts of climate change on both people and the environment this means a world where we limit temperature rises to 1.5 degrees above pre-industrial levels.

As a medical college the Royal College of Physicians (RCP) has a particular role to play in highlighting the health impact of climate change.

By December 2021 our fund managers reported that indirect investment in fossil fuels had reduced to zero.

Total returns policy

The RCP received a total return order from the Charity Commission, dated 6 February 2012, which enables the trustees to decide which part of the unapplied total return from the investment of the charity's permanent endowments should be held on trust for application for the purposes of the charity.

The policy applied in determining the initial amounts of the trusts for investments and any unapplied total return was identifying an appropriate and suitable date at which the investments (which were all invested with and managed by external fund managers) were at their lowest. This date was determined (through reference to the general stock market conditions over the period) as 30 September 1988.

The value of the investments at this date was 'frozen' and classified as frozen permanent capital and the remainder of the investments was classified as unapplied total return.

The amount of the unapplied total return allocated to income was the actual costs of grants, fellowships and other costs such as medals, prizes and honoraria that were awarded in the financial year, as stipulated by and within the remit of the various funds.

Policy on reserves

To deliver its business plan, the RCP has agreed a budgeting and reserves policy that enables it to make appropriate strategic allocations of funds, while also securing a sound financial base for future requirements. Services are provided with a clear understanding of whether they should be subsidised, cost neutral or delivered at a surplus. Through this policy, the RCP seeks to develop new sources of income to mitigate the risk of over-reliance on major income streams. Investment decisions on the resources necessary, both to deliver new activities and to sustain continuing commitments, are based on the RCP's overall strategic needs.

The trustees make allocations between the main activities, based on the current environment and the changing requirements of the RCP's key activities. The Finance and Resources Board recommends an overall financial framework for the preparation of annual budgets to the trustees, taking into account the need to maintain an appropriate level of reserves.

Reserves provide an important base from which the RCP can deliver against its charitable objectives, recognising that some areas of income and expenditure can be variable and uncertain. The budgets and future plans are put in place to overcome any uncertainty over income or unexpected calls on the charity's funds.

At 31 December 2021 total reserves of RCP were £52.7 million. The RCP holds a number of permanently endowed and restricted funds which result from bequests or donations for particular purposes, details of which are set out in notes 22 and 23 to the financial statements. At 31 December 2021 total restricted funds were £3.5 million and endowment funds were £12.9 million.

The RCP also holds reserves in the form of designated funds that are earmarked for particular purposes by the trustees. At 31 December 2021 the balance on the designated funds was £19.9 million. The main designated fund is the intangible and fixed assets fund, represented by tangible and intangible fixed assets less associated loan finance outstanding in respect of The Spine fit-out. The fund is not readily converted into cash.

The general reserves of the RCP, excluding designated funds, are represented by a mixture of external investments and net assets that include cash reserves. The minimum target free reserves level is in the range of 3–6 months of unrestricted expenditure and is set based on: the risk to income and expenditure fluctuations, unexpected needs for funds, and the need to provide working capital for the operation.

The general reserves of the RCP as at 31 December 2021 were £16.7 million, consistent with the prior year. At 31 December 2021 the defined benefit pension scheme deficit was (£0.4 million) (2020: (£4.2 million)). Free reserves net of pension scheme deficit represent 7 months of the unrestricted operational expenditure, which is beyond the target free reserves level of between 3 and 6 months (£7.2m–£14.4m). While the financial impact of COVID-19 and inflationary conditions continue to put pressure on the level of free reserves going forward, the target level is still appropriate.

Trading subsidiary

The principal activity of the company is to organise, provide facilities for and hold conferences, seminars, and courses of instruction, demonstrations, lectures, exhibitions, private dinners and functions. The accumulated net deficit for the RCP's wholly-owned trading subsidiary, The RCP Regent's Park Limited, for the year ended 31 December 2021 was £117k. The company is looking to recover its trading position through the provision of more virtual and hybrid events, as well as harnessing opportunities from new facilities at

The Spine building. The trading results and balance sheet of the subsidiary extracted from its audited accounts are set out in note 25 to the financial statements.

Going concern

The financial statements are prepared on a going concern basis. The Board of Trustees has considered the adoption of a going concern basis in the preparation of these financial statements. A projection of the RCP's financial position to December 2023 has been undertaken, including:

- a review of budgets and forecasts;
- consideration of the key risks and uncertainties in the context of the RCP's operations; and
- the mitigating actions the RCP can deploy for liquidity, together with the impact on reserves.

The COVID-19 pandemic had a significant impact on RCP operations in 2020 and this continued into 2021. The pandemic restrictions introduced in March 2020 resulted in two of the four main income streams for the RCP being impacted: examinations, and conference and event activity. These restrictions have eased in quarter 1 of 2022 and income levels are forecast to recover to over 90% of pre-pandemic levels. The most significant financial impact was in relation to the cancellation of face-to-face events and conferences, impacting RCP activity directly as well in the wholly owned trading subsidiary Regent's Park Ltd.

For the period to December 2023 the Board of Trustees has considered the strength of operational recovery, set against inflationary pressures, risks and assumptions, together with actions including income generation and cost saving measures. Working capital requirements are met through income received from business activities and the RCP has the ability to drawdown against funds held within the investment portfolio if required. At December 2021 the RCP had adequate levels of cash and reserves and that is expected to remain the case through 2022 and into 2023.

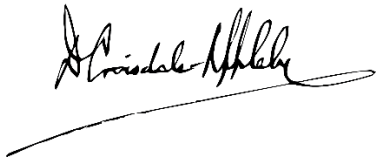
Having regard to the above, the Board of Trustees believes it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

External auditor

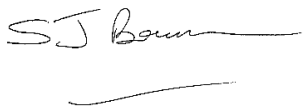
Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

Approved by the Board

The annual report has been approved by the Board of Trustees on 21 June 2022 and signed on its behalf by:



Professor David Croisdale-Appleby
Chair of Board of Trustees



Professor Simon Bowman
Treasurer

Financial review

During 2021 we developed our new strategy for the period 2022–24 centred around the three priority areas of educating, improving and influencing. These have always been at the heart of RCP activity and the new strategy, through engagement with our members and stakeholders, provided us with an opportunity to be clearer about these in our priorities, plans and activities. While the financial statements, as presented on pages 52 to 78, continue to report under the activities for the year ending December 2021 aligned to the previous 2015–20 strategy, all of these activities support and align to the new strategic priorities. The year 2021 marked a transition from the previous strategy to the new one, enabling us to take account of the impact of the pandemic and the opening of The Spine. The annual report for 2022 will for the first time report our activities in the financial statements under the headings of educating, improving and influencing and as part of that we will restate the 2021 figures to provide the prior year comparison.

In 2021 the RCP continued to face challenges driven by the restrictions arising from the COVID-19 pandemic. Some of the measures we put in place during 2020 have continued into 2021. As a result of these measures we have seen some recovery in our income position alongside cost reduction and control across all activities. In 2021 unrestricted income increased by 22%, with expenditure increasing slightly by 1%, resulting in a total operating surplus of £750k (2020: deficit of £3,284k).

The RCP's risk-based investment mix and a subsequent rallying of markets in 2021 resulted in an overall gain on investments of £3,962k. This, coupled with a substantial actuarial gain on the (closed) defined benefit pension fund of £2,937k (2020: deficit of £602k), resulted in an overall net gain funds movement of £7,649k (2020: deficit of £2,426k).

Income and expenditure

The RCP's consolidated total income in 2021 was £34.6 million (2020: £31.0 million), representing a partial recovery from the impact of COVID-19, although income was still down on pre-pandemic levels due to lockdowns in 2021 affecting RCP activities. The RCP benefited from the government's Coronavirus Job Retention Scheme, with just over £768k claimed during the period, representing 2% of total income. The scheme ceased in September 2021.

	2021 (£000)				2020 (£000)
	Unrestricted	Restricted	Endowment	Total	Total
Total income	28,985	5,506	157	**34,648**	31,023
Total expenditure	28,704	5,100	94	**33,898**	34,307
Net operating result	281	406	63	**750**	(3,284)
Net (losses)/gains on investment assets	2,405	66	1,491	**3,962**	1,460
Other net gains/(losses)	2,937	0	0	**2,937**	(602)
Transfers	736	(705)	(31)	**0**	0
Net movement in funds for the year	6,359	(233)	1,523	**7,649**	(2,426)

While unrestricted income increased in 2021, restricted income recorded a 29% reduction due in large part to the timing of entitlement to donations received specifically for RCP at The Spine now due to be received in 2022.

While activity increased across the RCP, expenditure decreased by 1% to £33.9 million. This was partly due to continued cost control coupled with an approach to funding the lease obligations for the London estate from reserves. The executive team worked hard to mitigate the financial position, including deferring investments in the London estate and IT systems development, and cutting non-essential costs while preserving our core capabilities, key NHS services and support for members tackling the pandemic.

Construction and fit-out of The Spine was completed in May 2021. As part of Liverpool's Knowledge Quarter, The Spine will be a centre of excellence and innovation to engage members, fellows and partner organisations in the north and enhance RCP activities. It is applying for certification to the Platinum WELL Standard, which will make it one of the healthiest buildings in

the UK. The Spine was phased into operation during 2021, including use of our purpose-built assessment facilities with physician associate exams held from May 2021.

Investments

As at 31 December 2021 our investments, including cash deposits, stood at £36.5 million. World markets rallied in 2021, with conditions remaining supportive for risk assets despite periods of volatility.

The objectives of our investment strategy are to achieve long-term growth at 3% ahead of CPI inflation, at an acceptable level of risk, applying a total return strategy. Our investments are now mainly held by fund managers Cazenove, with small holdings still with Morgan Stanley and Canada Trust Corp. The investment skills of Cazenove, together with our knowledgeable Investment Advisory Panel enable us, on average, to achieve target performance with downside protection. We are continuing to evolve our ethical investment stance, which is aligned to the RCP's charitable objectives to improve health and prevent health harms. The process of removing any residual fossil fuel assets in the RCP's portfolio is complete.

Pensions

As at the end of 2021, the deficit of the defined benefit pension scheme, which has been closed to new members since 2002 and to further accrual from 2008, decreased significantly from a deficit of £4.239 million to a deficit of £0.386 million on an FRS 102 basis. This significant reduction in liability has been caused by a combination of market movements, which has led to a lower value being placed on the liabilities, as well as experience items such as lower actual inflation and membership movements, which have resulted from updating the underlying data to that used for the actuarial valuation at 1 January 2021. Assets have also performed better over the period contributing further to the reduction.

The triennial actuarial valuation of the defined benefit pension scheme, dated 1 January 2021, was concluded at the end of March 2022. This showed an increase in the deficit, driven by a combination of assumption changes as well as recognition of changes to the benefit structure that value the liabilities at a greater level.

The RCP continues to run a Group Personal Pension Plan (GPPP) scheme for new staff joiners and maintains the RCP single employer trust-based defined contribution pension scheme which was closed to new entrants from the start of 2018 but continues to run for existing staff members.

Balance sheet and reserves

At the end of the year the RCP held net assets of £52.7 million of which £36.5 million is the market value of our investment portfolio and £12.5 million is in cash. Endowment and restricted funds comprise £16.4 million, therefore unrestricted funds comprise £36.3 million, of which free reserves (net of the designated funds but gross of the long-term defined benefit pension deficit) have remained consistent with 2020 at £16.7 million. Heritage assets (rare books, manuscripts, paintings, silverware), originally gifts to the college over the past 5 centuries, are not valued at all in the financial balance sheet, but have an insurance value of ~£41 million.

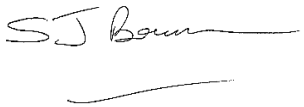
Future financial plans

The trustees and I remain vigilant in seeking to protect the RCP and support its members and to use the resources available to fulfil the RCP's objectives and promote its work as efficiently as possible. Our reserves policy is to maintain the level of general reserves at between 3 and 6 months of unrestricted operational expenditure.

While the RCP's balance sheet position remains strong, the COVID-19 pandemic and subsequent inflationary pressures continue to have an adverse impact on core activities in 2022. The focus will be on keeping expenditure down while continuing to carry out key activities.

With thanks

I took over from Professor Chuka Nwokolo as RCP treasurer in April 2022, having previously been deputy treasurer. I would like to thank Chuka for his dedicated work over many years and for his steady hand guiding the RCP's finances during some incredibly turbulent times.



Professor Simon Bowman, treasurer

Independent auditor's report to the trustees of the RCP

Opinion

We have audited the financial statements of the Royal College of Physicians for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the parent and consolidated balance sheets, the consolidated cash flow statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, 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 Charities Act 2011.

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' below. We are independent of the group 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 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.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 31, the trustees 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 group's and the parent charity'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 charity 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 section 151 of the Charities Act 2011 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. 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 charitable group 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 together with compliance with the Charities SORP (FRS 102). 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 fundamental 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 charity for fraud. The laws and regulations we considered in this context were General Data Protection Regulation (GDPR), employment legislations and taxation legislations.

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 of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, review of internal audit reports conducted in the period 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 the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory auditor
London

12 July 2022

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Financial statements

Consolidated statement of financial activities for the year ended 31 December 2021

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 31 Dec 21	Total funds 31 Dec 20
		£000	£000	£000	£000	£000
Income from:						
Fundraising	2	481	753	-	1,234	2,238
Charitable activities						
Care Quality Improvement	3	2,863	4,233	-	7,096	7,377
Education and Federation	4	13,609	417	-	14,026	9,978
Membership Support and Global Engagement	5	8,448	-	-	8,448	7,820
Communications, Policy and Research	6	34	88	-	122	130
Heritage and investing in our future	7	81	-	-	81	71
Meetings and events (medical)		791	-	-	791	573
Activities to generate funds						
Investment income	8	253	8	157	418	666
Meetings and events (non-medical) – trading	25	1,448	-	-	1,448	928
COVID-19 Job Retention Scheme		761	7	-	768	1,094
Other income		216	-	-	216	148
Total income		**28,985**	**5,506**	**157**	**34,648**	**31,023**
Expenditure on:						
Raising funds						
Fundraising costs		411	94	-	505	346
Investment management fees		95	2	57	154	165
Meetings and events (non-medical)	25	1,459	-	-	1,459	1,033
		1,965	**96**	**57**	**2,118**	**1,544**
Charitable activities						
Care Quality Improvement	9	4,124	4,486	-	8,610	8,867
Education and Federation	10	11,456	380	-	11,836	9,731
Membership Support and Global Engagement	11	3,806	40	-	3,846	3,759

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 31 Dec 21	Total funds 31 Dec 20
Communications, Policy and Research	12	2,820	96	-	2,916	3,286
Heritage and investing in our future	13	1,053	-	-	1,053	2,701
Meetings and events (medical)		3,480	-	-	3,480	4,350
Trusts and fellowships		-	2	37	39	69
Total expenditure	14/15	**28,704**	**5,100**	**94**	**33,898**	**34,307**
Net operating (loss)/gain		**281**	**406**	**63**	**750**	**(3,284)**
Net gains on investment assets	17	2,405	66	1,491	**3,962**	**1,460**
Net income/(expenditure)		**2,686**	**472**	**1,554**	**4,712**	**(1,824)**
Transfers between funds	21/22	736	(705)	(31)	-	-
Actuarial gains/(losses) on defined benefit pension scheme	26	2,937	-	-	2,937	(602)
Net movement in funds for the year		**6,359**	**(233)**	**1,523**	**7,649**	**(2,426)**
Funds brought forward at 1 Jan 2021	21/22/23	**29,916**	**3,710**	**11,420**	**45,046**	47,472
Funds carried forward at 31 December 2021		**36,275**	**3,477**	**12,943**	**52,695**	**45,046**

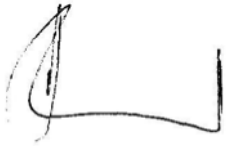
Consolidated and RCP balance sheets as at 31 December 2021

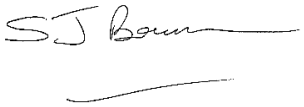
		Notes	2021 Group	2021 RCP	2020 Group	2020 RCP
			£000	£000	£000	£000
Fixed assets						
	Intangible assets	**16a**	1,170	1,170	1,417	1,417
	Tangible fixed assets	**16b**	26,004	26,004	23,324	23,324
	Investments	**17**	36,470	36,470	32,932	32,932
			63,644	**63,644**	**57,673**	**57,673**
Current assets						
	Stocks		108	108	114	114
	Debtors	**18**	3,815	4,014	6,102	6,287
	Investment accounts		7	1	309	303
	Cash		12,534	12,277	10,981	10,845
			16,464	**16,400**	**17,506**	**17,549**
Creditors						
Amounts falling due within 1 year						
	Creditors and accrued expenses	**19**	(16,299)	(16,118)	(17,808)	(17,745)
	Examination and other income received in advance	**19**	(7,416)	(7,416)	(7,226)	(7,226)
	Provisions	**19b**	(43)	(43)	(127)	(127)
			(23,758)	**(23,577)**	**(17,661)**	**(17,598)**
Amounts falling due after 1 year		**19**	**(3,269)**	**(3,269)**	**(733)**	**(733)**
Net liabilities			**(10,563)**	**(10,446)**	**(8,388)**	**(8,282)**
Net assets excluding pension liability			**53,081**	**53,198**	**49,285**	**49,391**
Defined benefit pension scheme liability		**26**	(386)	(386)	(4,239)	(4,239)
Net assets including pension liability		**24**	**52,695**	**52,812**	**45,046**	**45,152**
Represented by						
Unrestricted funds:						
Designated funds		**21**				
	Fixed and Intangible Assets Fund		19,673	19,673	17,241	17,241
	Legacies Development Fund		147	147	147	147

	Notes	2021 Group	2021 RCP	2020 Group	2020 RCP
Care Quality Improvement		105	105	105	105
		19,925	**19,925**	**17,493**	**17,493**
General charitable fund		16,736	16,853	16,662	16,768
Less: Pension scheme liabilities	**26**	(386)	(386)	(4,239)	(4,239)
		16,350	**16,467**	**12,423**	**12,529**
Total unrestricted		36,275	36,392	29,916	30,022
Restricted	**22**	3,477	3,477	3,710	3,710
Endowment	**23**	12,943	12,943	11,420	11,420
		52,695	**52,812**	**45,046**	**45,152**

The results of the parent charity for the year ended 31 December 2021 was a £7,649k surplus (2020: deficit £2,426k).

Approved for and on behalf of the RCP (Charity Registration No. 210508) on 21 June 2022 and authorised for issue.





President: Sir Andrew Goddard

Treasurer: Professor Simon Bowman

Consolidated statement of cash flow for the year ended 31 December 2021

		2021 £000	2020 £000
Cash flow from operating activities			
Net cash provided by / (used in) operating activities	**A**	**5,437**	**(3,327)**
Dividends, interest and rents from investments		410	666
Purchase of property, plant and equipment		(4,589)	(11,669)
Purchase of intangible assets		(254)	(296)
Proceeds from sale of investments		567	19,775
Purchase of investments		(141)	(3,053)
Net cash provided by (used in) investing activities		**(4,007)**	**5,423**
Proceeds from borrowings*		-	7,500
Borrowings interest and principal repayments*		(63)	(58)
Finance lease payments		(116)	(22)
Net cash provided by (used in) financing activities		**(179)**	**7,420**
Change in cash and cash equivalents in the reporting period		1,251	9,516
Cash and cash equivalents at the beginning of the reporting period	**B**	11,290	1,774
Cash and cash equivalents at the end of the reporting period	**B**	**12,541**	**11,290**

Notes to consolidated statement of cash flow for the year ended 31 December 2021

	2021 £000	2020 £000
A. Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net movement in funds for the reporting period (as per the statement of financial activities)	4,712	(1,823)
Adjustments for:		
Depreciation charges	1,909	1,472
Amortisation charges	501	897
Loss/(gains) on investments	(3,963)	(1,460)
Increase/(decrease) in provisions	(84)	127
Dividends, interest and rents from investments	(410)	(666)
(Gain) on valuation of defined benefit pension scheme	(916)	(606)
(Increase)/decrease in stocks	6	64

	2021 £000	2020 £000
(Increase)/decrease in debtors	2,288	(1,855)
Increase/(decrease) in creditors	1,394	523
Net cash provided by/(used in) operating activities	**5,437**	**(3,327)**

B. Analysis of cash and cash equivalents		
Cash in hand	12,534	10,981
Notice deposits and investment accounts (less than 30 days)	7	309
Total cash and cash equivalents	**12,541**	**11,290**

Analysis of changes in net debt

	At 1 Jan 2021	Cash flow	New finance leases	Acquired debt	Interest and non-utilisation charges	At 31 Dec 2021
	£000	£000	£000	£000	£000	£000
Cash and cash equivalents						
Cash in hand	10,981	1,553	-	-	-	**12,534**
Notice deposits and investment accounts (less than 30 days)	309	(302)	-	-	-	**7**
Total cash and cash equivalents	**11,290**	**1,251**	**-**	**-**	**-**	**12,541**
Borrowings						
Revolving credit facility*	(7,500)	63	-	-	(63)	**(7,500)**
Finance lease obligations	(351)	116	(500)	-	(13)	**(748)**
Total borrowings	**(7,851)**	**179**	**(500)**	**-**	**(76)**	**(8,248)**
Total net debt	**3,439**	**1,430**	**(500)**	**-**	**(76)**	**4,293**

*During 2020 the organisation utilised £7.5m of a £10m revolving credit facility with Santander to fund the RCP at The Spine development.

Notes to the financial statements for the year ended 31 December 2021

1 Accounting policies

Charity information

The Royal College of Physicians (RCP) was established by royal charter in 1518. It is a registered with the Charity Commission for England and Wales and is a Royal Charter company registered with Company House. The charity registration number is 210508 and the company registration number is RC000899. RCP is a Public Benefit Entity and its registered office is 11 St Andrews Place, London NW1 4LE.

Basis of preparation

The consolidated financial statements comprise the financial statements of RCP, and its subsidiary undertaking, The RCP Regent's Park Limited, on a line-by-line basis and adjusted for the elimination of inter-group transactions and balances.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities SORP (FRS 102) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements are drawn up on the historical accounting basis, except that investments held as fixed assets are carried at market value.

Going concern

The financial statements are prepared on a going concern basis. The Board of Trustees has considered the adoption of a going concern basis in the preparation of these financial statements. A projection of the RCP's financial position to December 2023 has been undertaken, including:

- a review of budgets and forecasts;
- consideration of the key risks and uncertainties in the context of the RCP's operations; and
- the mitigating actions the RCP can deploy for liquidity, together with the impact on reserves.

The COVID-19 pandemic had a significant impact on the RCP's operations in 2020 and this continued into 2021. The pandemic restrictions introduced in March 2020 resulted in two of the four main income streams for the RCP being impacted: examinations, and conference and event activity. These restrictions have eased in quarter 1 of 2022 and income levels are forecast to recover to over 90% of pre-pandemic levels. The most significant financial impact was in relation to the cancellation of face-to-face events and conferences, impacting RCP activity directly as well the wholly owned trading subsidiary Regent's Park Ltd.

For the period to December 2023 the Board of Trustees has considered the strength of operational recovery, set against inflationary pressures, risks and assumptions, together with actions including income generation and cost saving measures. Working capital requirements are met through income received from business activities and the RCP has the ability to drawdown against funds held within the investment portfolio if required. At December 2021 the RCP had adequate levels of cash and reserves and that is expected to remain the case through 2022 and into 2023.

Having regard to the above the Board of Trustees believes it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Income

Subscriptions income, admission fees, grants and donations are accounted for once there is entitlement, probability of receipt and can be reliably measured. Legacies are accounted for where there is entitlement, probability

of receipt and amounts can be measured. For residuary legacies, entitlement is deemed to be the earlier of settled estate accounts or notification of a pending payment or actual payment being received. For pecuniary legacies these are recognised on confirmation that probate has been obtained. Investment income is recognised when due except for dividends which are accounted for on receipt. Income is deferred only when conditions have to be fulfilled before the RCP becomes entitled to it or where the donor has specified that the income is to be expended in the future period. In the case of examination admissions any receipt in respect of future years is shown as deferred income. Membership fee is seen as an annual subscription and therefore income is not deferred. Government grants are recognised as income when any specific conditions are met.

Expenditure

All expenditure is accounted for under the accruals concept and stated gross of irrecoverable VAT. All costs are allocated to the charitable cost centres on an actual basis, with the exception of administration costs which are allocated on the following basis:

- central management and human resources: number of staff in the cost centres
- finance: proportion of transactions processed
- buildings and office services: square footage of office space occupied
- IT services: number of users of the RCP network.

Salaries are allocated according to the nature of work performed by each member of staff.

Governance costs comprise the costs incurred, which are directly attributable to the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements.

Rentals for leased assets held under the terms of operating leases are charged directly to the statement of financial activities (SOFA) over the term of the lease.

Tangible and intangible fixed assets

No 11 St Andrews Place, a leasehold property held under a 99-year lease expiring in 2060 and Nos 1–10 St Andrews Place, leasehold properties held under a lease that expires in 2084, are being depreciated over the life of the lease from the commencement of the respective leases. The cost of additions to existing structures has been depreciated, concurrently, over the remaining life of the leases. Equipment, intangible assets, furniture and fixtures are capitalised when the cost of the project exceeds £15,000 and has a useful life spread over a number of financial years. These capital costs are depreciated and intangible assets amortised by equal instalments over their anticipated useful lives, at rates between 5% and 25%. No depreciation or amortisation is charged on assets in the course of construction. At each reporting date the RCP assesses if there is any indication of impairment of its estate and other fixed assets.

Collections

In addition to the capitalised fixed assets held for the RCP's own use, the RCP also has a number of assets of historical interest. These comprise learned publications and a unique collection of busts and portraits, together with other objects, whose intrinsic value is also bound up with the RCP's history. The trustees consider that the significant administrative expenses incurred in deriving a reliable cost for the capitalisation of these items would exceed the usefulness of such information to the user of the financial statements. On this basis these assets are not capitalised in the accounts.

Finance leases

Finance leases are recognised where the risks and rewards of ownership of the leased asset are held by the lessee (The RCP). These are recongised as a right-to-use fixed assets with a corresponding lease liability comprised of the present value of the minimum lease payments, derived by discounting them at the interest rate implicit in the lease. Right-to-use assets are depreciated over the lease period or asset life, where the asset is retained at the end of lease and has an asset life longer that the lease term.

Investments
Investments are stated in the balance sheet at the mid-market value at the balance sheet date. Realised gains or losses are calculated by reference to disposal proceeds and either opening market value or cost if acquired during the year.

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

Cash and cash equivalents
Cash and cash equivalents includes cash at bank and in hand, cash held for reinvestment and short-term deposits.

Pensions
The RCP has three pension schemes, one providing defined benefits based on final salary, the other two providing benefits based on defined contributions invested with Standard Life. The pension costs for the defined contribution scheme are charged to the statement of financial activities as they become payable in accordance with FRS 102. The pension costs relating to the defined benefit scheme are assessed in accordance with the advice of an independent qualified actuary.

The defined benefit pension scheme current service costs and the net of the scheme interest cost and the expected return on the scheme assets for the year are charged to the statement of financial activities within superannuation costs. Actuarial gains and losses are recognised within other recognised gains and losses.

The defined benefit pension scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

Taxation
The RCP is eligible for the tax exemptions available for charitable activities.

Unrestricted funds
These funds are received and applied to achieve the general objectives of the RCP.

Designated funds
Designated funds are unrestricted funds set aside by the trustees for specific future purposes or projects. The movements on these funds are analysed in note 21.

Restricted funds
Restricted funds are subject to specific conditions laid down by the donors as to how they may be used. Note 22 gives details of these funds.

Endowment funds
Endowment funds relate to bequests and gifts to the RCP, the terms of which stipulate that the capital may not be spent, and the income is to be utilised to meet the costs of awards, lectures and other RCP expenditure. Movements in these funds are shown in note 23.

Total return accounting
The trustees of the RCP applied to the Charity Commission in January 2012 for authorisation to enable the permanent endowments within the RCP trust funds to be invested on a total return basis as this would facilitate a better return on investments, without prejudicing the investment management policy.

Upon receiving the requisite order from the Charity Commission on 6 February 2012 the RCP trust fund committee approved the base date for the commencement of the total return investment policy to be 30 September 1988. The permanent endowments in note 23 of the financial statements have been recalculated as at the above date.

Critical accounting judgements and key sources of estimation uncertainty

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – the charity recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 26.

Financial instruments

Financial assets and financial liabilities are recognised when the RCP becomes a party to the contractual provisions of the instrument. Additionally all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, short-term investments together with accrued interest and other debtors. Financial liabilities held at amortised costs comprise other creditors and accruals.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Incoming resources

		Unrestricted	Restricted/ endowment	2021	2020
		£000	£000	£000	£000
2	**Fundraising**				
	Donations	426	156	582	419
	Legacies	55	-	55	670
	Library and museum	-	-	-	3
	RCP North	-	580	580	1,051
	RCP CQID	-	-	-	15
	Physicians' fund	-	17	17	80
		481	**753**	**1,234**	**2,238**
3	**Care Quality Improvement**				
	National Guideline Centre	50	2,544	2,594	2,832
	Core and Audit and Accreditation	2,472	1,689	4,161	4,305
	Invited Service Reviews	341	-	341	240
		2,863	**4,233**	**7,096**	**7,377**
4	**Education and Federation**				
	Education and conferences	2,786	417	3,203	1,818
	Continuing professional development	183	-	183	15
	MRCP(UK) examinations	8,917	-	8,917	6,413
	Physicians Training Board	1,723	-	1,723	1,732
		13,609	**417**	**14,026**	**9,978**
5	**Membership Support and Global Engagement**				
	Membership	8,167	-	8,167	7,609
	UK regional offices	183	-	183	124
	International	88	-	88	81
	Medical Workforce Unit	10	-	10	6
		8,448	**-**	**8,448**	**7,820**
6	**Communications, Policy and Research**				
	Publications	32	-	32	30
	External communications	2	88	90	100
		34	**88**	**122**	**130**
7	**Heritage and investing in our future**				
	Library and museum services	81	-	81	71

	Unrestricted	Restricted/ endowment	2021	2020
	81	**-**	**81**	**71**
8 Investment income				
Dividends	37	43	80	263
Interest on investments	216	122	338	403
	253	**165**	**418**	**666**

Resources expended

		Unrestricted	Restricted/endowment	2021	2020
		£000	£000	£000	£000
9	**Care Quality Improvement**				
	National Guideline Centre	307	2,579	2,886	2,932
	Core and Audit and Accreditation	3,379	1,907	5,286	5,518
	Invited Service Reviews	438	-	438	417
		4,124	**4,486**	**8,610**	**8,867**
10	**Education and Federation**				
	Education and conferences	6,288	380	6,668	4,693
	Continuing professional development	109	-	109	118
	MRCP(UK) examinations	4,178	-	4,178	4,084
	Physicians Training Board	881	-	881	836
		11,456	**380**	**11,836**	**9,731**
11	**Membership Support and Global Engagement**				
	Membership	1,920	-	1,920	1,803
	UK regional offices	1,087	-	1,087	1,000
	International	453	40	493	653
	Medical Workforce Unit	346	-	346	303
		3,806	**40**	**3,846**	**3,759**
12	**Communications, Policy and Research**				
	Professional affairs	389	-	389	468
	Committees	622	-	622	402
	Publications	506	-	506	864
	External communications	1,303	96	1,399	1,552
		2,820	**96**	**2,916**	**3,286**
13	**Heritage and investing in our future**				
	Library and museum services	751	-	751	1,431
	RCP North	302	-	302	1,270
		1,053	**-**	**1,053**	**2,701**

14 Expenditure on	Direct costs	Staff costs	Other support costs	Total 2021	Total 2020
	£000	£000	£000	£000	£000
Raising funds					
Fundraising costs	116	244	145	505	346
Investment management fees	154	-	-	154	165
Meetings and events (non-medical)	664	-	795	1,459	1,033
Charitable expenditure					
Care Quality Improvement	1,968	3,990	2,652	8,610	8,867
Education and Federation	4,141	4,086	3,609	11,836	9,731
Membership Support and Global Engagement	401	1,330	2,115	3,846	3,759
Communications, Policy and Research	588	1,698	630	2,916	3,286
Heritage and investing in our future	70	525	458	1,053	2,701
Meetings and events (medical)	1,354	1,065	1,061	3,480	4,350
Trusts and fellowships	36	-	3	39	69
Total for 2021	**9,492**	**12,938**	**11,468**	**33,898**	**34,307**
Total for 2020	**10,557**	**13,969**	**9,761**	**34,307**	

	2021	2020
The analysis of other support costs is as follows:	**£000**	**£000**
Administrative overheads	2,503	2,635
Information technology costs	2,921	2,673
Building overheads	3,403	2,055
Travel, meetings, subscriptions and journals	189	26
Governance costs*	110	127
Other costs, including staff costs of central services	2,342	2,245
	11,468	**9,761**

*Governance costs include fees payable to the auditors from audit fees of £46.9k (2020: £45.6k) and non-audit services of £2.8k (2020: £3k).

15	Employees and trustees	2021	2020
	The total costs of salaries and wages were as follows:	**£000**	**£000**
	Salaries and wages	14,719	15,227
	Social security costs	1,506	1,575
	Pension costs	1,323	1,407
		17,548	**18,209**

		2021	2020
	The average number of employees in the year was:	**403**	**413**
	The number of employees whose emoluments exceeded £60,000 were:		
	£60,001–£70,000	13	14
	£70,001–£80,000	7	9
	£80,001–£90,000	3	3
	£90,001–£100,000	4	5
	£100,001–£110,000	3	1
	£110,001–£120,000	-	1
	£120,001–£130,000	-	-
	£130,001–£140,000	-	-
	£140,001–£150,000	1	1

		2021	2020
15a	Key management personnel	**£000**	**£000**
	Total employee benefits paid to key management personnel (Including pension contributions)	1,205	1,161

15b	Termination payments	2021	2020
	No of payments	18	13
	Value of payments (£000)	198	103

15c	Payments to trustees**	2021	2020
	No of payments made to trustees, this includes payments to officers supporting their defined roles as senior officers as well as their trustee roles. No other remuneration was paid to trustees from the RCP in the current or preceding years.	6	7
	Value of payments (£000)	10	8

*As at year-end £28k remained outstanding for termination payments.
**Trustees are not remunerated and this is a reimbursement of costs.

16a Intangible IT assets (Group and RCP)	Intangible IT assets in use	Intangible IT assets under construction	Total 2021
	£000	£000	£000
Cost at 1 January 2021	**4,689**	**363**	**5,052**
Additions	80	174	**254**
Transfers/adjustments	124	(124)	**-**
Cost at 31 December 2021	**4,893**	**413**	**5,306**
Accumulated amortisation at 1 January 2021	(3,635)	-	**(3,635)**
Amortisation for the year	(501)	-	**(501)**
Accumulated amortisation at 31 December 2021	**(4,136)**	**-**	**(4,136)**
Net book value at 31 December 2021	**757**	**413**	**1,170**
Net book value at 31 December 2020	1,054	363	1,417

16b Tangible assets (Group and RCP)	Leasehold properties	Furniture and fixtures	IT & AV tangible assets	Assets under construction	Total 2021
	£000	£000	£000	£000	£000
Cost at 1 January 2021	**22,880**	**1,261**	**2,825**	**12,312**	**39,278**
Additions	671	-	213	3,705	4,589
Transfers/adjustments*	12,543	1,440	1,967	(15,950)	-
Cost at 31 December 2021	**36,094**	**2,701**	**5,005**	**67**	**43,867**
Accumulated depreciation at 1 January 2021	**(13,542)**	**(610)**	**(1,802)**	**-**	**(15,954)**
Depreciation for the year	(1,275)	(176)	(458)	-	(1,909)
Disposals	-	-	-	-	-
Accumulated depreciation at 31 December 2021	**(14,817)**	**(786)**	**(2,260)**	**-**	**(17,863)**
Net book value at 31 December 2021	**21,277**	**1,915**	**2,745**	**67**	**26,004**
Net book value at 31 December 2020	9,338	651	1,023	12,312	23,324

*The majority of the transfer balance in year relates to accounting for use of fit-out at The Spine.

17 Investments (Group and RCP)	|----------Unrestricted----------|				Total	
	Designated for leasehold	General	Restricted	Endowment	2021	2020
	£000	£000	£000	£000	£000	£000
Market value at 1 January 2021	72	20,867	1,888	10,105	32,932	48,194
Additions at cost	18	123	-	-	141	3,053
Disposals	(18)	(192)	(322)	(34)	(566)	(19,775)
(Loss)/gains	(20)	2,426	66	1,491	3,963	1,460
Total investments at 31 December 2021	**52**	**23,224**	**1,632**	**11,562**	**36,470**	**32,932**
Historical cost as at 31 December 2021	**-**	**17,629**	**462**	**10,288**	**28,379**	**34,597**

The above investments are held as follows:	2021	2020
	£000	£000
Equities	24,196	18,462
Bonds	2,911	2,914
Multi-asset funds	1,778	3,064
Alternatives	4,923	4,722
Cash	2,662	3,770

18 Debtors (Group and RCP)	2021		2020	
	Group	RCP	Group	RCP
	£000	£000	£000	£000
Current				
Trade debtors	1,303	1,103	1,179	1,089
Other debtors	53	53	998	998
Prepayments	927	927	524	524
Accrued income	1,532	1,532	3,401	3,401
Non-current				
Loans due from subsidiary	-	399	-	**275**
Total	**3,815**	**4,014**	**6,102**	**6,287**

19	Creditors and accrued expenses (Group and RCP)	2021		2020	
		Group	RCP	Group	RCP
		£000	£000	£000	£000
	Current				
	Trade creditors	945	765	912	871
	Other creditors	3,163	2,378	3,089	2,859
	Tax and social security creditors	562	562	421	421
	Accruals	3,959	3,952	5,809	5,803
	Revolving credit facility	7,500	7,500	7,500	7,500
	Amount due to subsidiary undertaking	-	791	-	214
	Obligations under finance lease	170	170	77	77
	Total	**16,299**	**16,118**	**17,808**	**17,745**

	Examination and other income received in advance (Group and RCP)	Balance b/f 1 Jan 21	Released to SOFA	Received in year	Balance c/f 31 Dec 21
		£000	£000	£000	£000
	Examination income	4,523	4,523	5,380	5,380
	Other income	2,703	2,703	2,036	2,036
	Total	**7,226**	**7,226**	**7,416**	**7,416**

	Non-current				
		Group	RCP	Group	RCP
		£000	£000	£000	£000
	Accruals	2,690	2,690	459	459
	Obligations under finance lease	579	579	274	274
	Total	**3,269**	**3,269**	**733**	**733**

19b Provisions for liabilities (Group)	Other £000	2021 total	2020 total
Provisions at 1 January	127	127	-
Additional provisions made in the year	-	-	127
Provisions released from prior years	(84)	(84)	-
Provision for liabilities at 31 December	**43**	**43**	**127**

20 Financial assets and liabilities	2021	2020
	£000	**£000**
Financial assets held at fair value	36,470	32,932
Gains/(losses) on assets held at fair value	3,962	1,460

21 Unrestricted funds

	Balance as at 01/01/2021	Income	Expenditure	Gains/losses	Transfers	Balance as at 31/12/2021
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Unrestricted general	12,423	28,985	(28,704)	5,342	(1,696)	16,350
Unrestricted designated						
Fixed and Intangible Assets Fund	17,241	-	-	-	2,432	19,673
Legacies Development Fund	147	-	-	-		147
Care Quality Improvement	105	-	-	-		105
Total	29,916	28,985	(28,704)	5,342	736	36,275

Fixed and Intangible Assets Fund – this represents the amounts set aside from the general fund to fund the net book value of the RCP's fixed and intangible assets.

Legacies Development Fund – the fund will be utilised for appropriate and relevant projects for such purposes that the major donors can be recognised and remembered.

Care Quality Improvement – funds remaining on completed projects have been designated with the aim of expanding the work carried out by this directorate.

22 Restricted funds	Balance at 01/01/2021	Income	Expenses	Gains	Transfers	Balance at 31/12/2021
	£000	£000	£000	£000	£000	£000
Care Quality Improvement	794	1,689	(1,874)	-	-	609
National Guideline Centre	119	2,544	(2,579)	-	-	84
Education	700	422	(380)	-	-	742
Membership Support and Global Engagement	164	1	-	-	(157)	8
Drabu MTI Programme	43	-	-	-	2	45
Eric Watts donation	67	-	(33)	-	-	34
RCP North	0	580	-	-	(580)	-
Physicians' Fund	200	17	(49)	-	-	168
Dorothy Whitney Wood – Physicians' Fund	518	-	(25)	-	-	493
COVID-19 appeal	38	64	(21)	-	-	81
External communications	88	88	(79)	-	-	97
Dr Everley-Jones legacy	102	1	-	-	-	103
Harold Thomas Barten Trust	109	1	(1)	14	-	123
Frank Peacock Bequest	67	1	-	9	-	77
Catherine Mills Bequest	73	1	-	10	-	84
Queenie Louisa Higgins Bequest	48	1	-	6	-	55
Thomas Cotton Trust	73	-	-	-	4	77
The Saltwell Will Trust Research Branch	138	-	-	-	16	154
17 other funds balances below £40,000	369	96	(59)	27	10	443
Total	**3,710**	**5,506**	**(5,100)**	**66**	**(705)**	**3,477**

Funds with closing balances over £100k are as follows:

The grants for Care Quality Improvement and Education are received in respect of specific projects.

The Physicians' Fund awards grants to trainees and new consultants pursuing innovation in medicine. The grants enable recipients to take up to 12 months out of clinical practice to undertake research in a UK institution and are funded by donors to the RCP.

The Dorothy Whitney Wood Physicians' Fund relates to a legacy received in 2020 to establish the Whitney-Wood Scholarship to be awarded for the purposes of research in the field of medicine preferably concerned with the understanding and management of cancer.

The Dr Everley-Jones legacy was received from the estate of Dr Everley-Jones, to be used in the field of communication in medicine in its broadest sense, encompassing all aspects of information technology.

The Harold Thomas Barten Trust is to be used for the purpose of scientific study of the human brain and mental disorder.

23 Endowment funds	Unapplied total return 01/01/2021	Income	Gains	Conversion to income	Transfers	Unapplied total return 31/12/2021	'Frozen' permanent capital 31/12/2021	Total endowment 31/12/2021
	£000	£000	£000	£000	£000	£000	£000	£000
Bradshaw Trust	185	4	42	(3)	-	228	143	371
Eden Fellowship in Paediatrics	1,145	17	166	(6)	-	1,322	142	1,464
John Rosser Scholarship	31	1	9	-	-	41	42	83
Joseph Senior White Trust	109	4	35	(1)	-	147	161	308
Lewis Thomas Gibbon Jenkins-Briton Ferry	1,363	35	338	(20)	-	1,716	1,250	2,966
ORL Wilson Bequest	110	3	20	(1)	-	132	44	176
James Maxwell Grant Prophit Bequest	465	13	130	(20)	-	588	539	1,127
Sadleir Trust	373	6	60	(3)	-	436	91	527
Samuel Leonard Simpson Fellowship	643	12	119	(5)	-	769	280	1,049
T K Stubbins bequest	29	2	17	(14)	-	34	104	138
Watson Smith Trust	555	14	133	(5)	-	697	470	1,167
William Withering Prize	140	2	23	(1)	-	164	38	202
Dr J D Ramsay Scholarship	48	1	10	-	-	59	30	89
Graham Bull Prize	52	1	10	-	-	63	25	88
Sir Michael Perrin Lecture	79	1	12	-	-	92	12	104
Lady Teale Lecture	100	2	19	(1)	-	120	44	164
John Glyn	101	2	23	(1)	-	125	80	205
Dame Sheila Kift Bequest	36	1	10	-	-	47	38	85
John Thornton Ingram Lecture	31	-	5	-	-	36	6	42
Lockyer Lectureship and Fellowship	27	1	5	-	-	33	12	45
Simms Bequest	22	1	5	-	-	28	16	44
Professor PF Thomas Bequest	26	1	7	-	-	34	25	59
10 other funds with balances below £40,000	62	1	14	(2)	-	75	50	125
Subtotal	**5,732**	**125**	**1,212**	**(83)**	**-**	**6,986**	**3,642**	**10,628**

Funds not included in total return	Balance at 01/01/2021	Income	Gains	Conversion to income	Transfers	'Frozen' permanent capital	Balance at 31/12/2021
	£000	£000	£000	£000	£000	£000	£000
Thomas Cotton Fund	186	4	15	-	(4)	-	201
The London Fever Hospital Research Fund	175	3	25	(1)	(3)	-	199
Saltwell Will Trust Research Branch	1,076	16	157	(6)	(16)	-	1,227
Will Edmunds Clinical Research Fund	487	7	66	(3)	(7)	-	550
Drabu Fund	122	2	16	(1)	(2)	-	137
Subtotal	**2,046**	**32**	**279**	**(11)**	**(31)**	**-**	**2,315**
Total endowment	**7,778**	**157**	**1,491**	**(94)**	**(31)**	**3,642**	**12,943**

The RCP received a total return order from the Charity Commission, dated 6 February 2012, which enables the trustees to decide which part of the unapplied total return from the investment of the charity's permanent endowments should be held on trust for application for the purposes of the charity.

Funds with closing balances over £300k are as follows:

- The Bradshaw Trust was founded by a bequest from Mrs Sally Hall Bradshaw by her will of 1875, in memory of her husband Dr William Wood Bradshaw MRCP FRCS (1800–1866): £1,000 to endow an annual lecture on a subject connected with medicine or surgery. The lecturer is appointed by the president: the honorarium is £20.
- The Eden Fellowship in Paediatrics was established in 1947 from the estate of Dr Thomas Watts Eden, to establish and maintain travelling fellowships for the study of childhood in health and disease.
- The Lewis Thomas Gibbon Jenkins of Briton Ferry Memorial Trust was received by the RCP in November 1998 from the executors of Mrs Nancy Crawshaw's will. The capital is to remain intact for a minimum of 21 years after her death. The income is to be applied for the promotion of medical research connected with a physical disorder prevalent in Wales.
- The Joseph Senior White Trust was by a bequest from Mrs Eliza White received in 1953, in memory of her husband Joseph Senior White to be used for scientific research solely with a view to the discovery of means to alleviate human suffering and for the prevention and cure of diseases.
- The James Maxwell Grant Prophit Trust was received in November 1998. The endowment is an addition to the Prophit Bequest and as with the original bequest the fund is to be devoted to the promotion and furthering of research work concerning the nature, causes, prevention, treatment and cure of tuberculosis.
- The Samuel Leonard Simpson Fellowship was founded in 1984 by a gift of shares/stocks from Mrs HM Simpson in memory of her husband Dr Samuel Leonard Simpson FRCP (1900–1983) for a travelling scholarship in endocrinology.
- The Watson Smith Trust was a bequest from Dr Sydney Watson Smith FRCP in memory of his wife and himself, to endow an annual lecture and medical research fellowship.
- The Sadleir Trust was established by a bequest from Lady Sadleir, wife of Sir Edwin Sadleir Bt and widow of Dr William Croone (1633–1684), fellow of the RCP, to provide for the two annual lectures Dr Croone had planned, but for which he had made no endowment: one to be read before the Royal College of Physicians by a fellow of the college, with a sermon to be preached at St Mary-le-Bow; the other on the nature and laws of muscular motion to be delivered before the Royal Society.
- Saltwell Will Trust Research Branch was established for the income generated to be used to aid research work in connection with and the cure and prevention of cancer, rheumatism, malaria and morbid conditions of the prostate gland.
- Will Edmunds Clinical Research Fund was established in 1925 to award a fellowship in clinical research in hospitals in the Metropolitan area of London. The research must concern diseases usually treated at a general hospital, excluding tropical and rare diseases.

24	Analysis of group net assets after pension scheme liability						
		Intangible and tangible assets	Loan	Investments	Net liabilities inc. pension liability	Total 2021	Total 2020
		£000	£000	£000	£000	£000	£000
Unrestricted:							
Designated	Fixed Assets Fund	27,174	(7,500)	-	-	19,673	17,241
	Legacies Development Fund	-		-	147	147	147
	Care Quality Improvement	-		-	105	105	105
		27,174	**(7,500)**	**-**	**252**	**19,925**	**17,493**
General funds			-	23,275	(6,924)	16,350	12,423
		27,174	**(7,500)**	**23,275**	**(6,673)**	**36,275**	**29,916**
Restricted		-		1,633	1,844	3,477	3,710
Endowment	-		-	11,562	1,381	12,943	11,420
Total		**27,174**	**(7,500)**	**36,470**	**(3,448)**	**52,695**	**45,046**

25 Trading subsidiary – The RCP Regent's Park Limited

The trading results and balance sheet of the RCP subsidiary company as extracted from its audited accounts are set out below.

	2021	2020
Profit and loss account	**£000**	**£000**
Turnover	1,448	928
Cost of sales	(594)	(476)
Gross profit	**854**	**452**
Administrative expenses	(865)	(558)
Operating profit/(loss)	(11)	(106)
Gift aid to Royal College of Physicians	-	-
Retained profit/(loss) for the financial year	**(11)**	**(106)**

Included within operating costs is £795k (2020: £530k), which represents a reimbursement in respect of costs incurred by the RCP.

	2021	2020
Balance sheet	**£000**	**£000**
Debtors	199	90
Debtor – due from RCP	791	214
Balance at bank	264	142
Current and total assets	**1,254**	**446**
Creditors due within 1 year:	(972)	(277)
Creditors due more than 1 year:	(399)	(275)
Total creditors	**(1,371)**	**(552)**
Net assets	**(117)**	**(106)**
Capital and reserves		
Accumulated deficit	(117)	(106)
Called up share capital	£1	£1
Shareholders' funds	**£1**	**£1**

The RCP's wholly owned trading subsidiary, The RCP Regent's Park Limited, was incorporated on 17 September 2001, company registration 04288664.

The operating loss for the year ended 31 December 2021 was £117k (2020: loss £106k).

The principal activity of the company is to organise, provide facilities for and hold conferences, seminars, and courses of instruction, demonstrations, lectures, exhibitions, private dinners and functions.

26 Pension schemes

Total pension costs charged for the year were £49k (2020: £79k) for the defined benefit pension scheme and employer pension contributions of £1,323k (2020: £1,407k) for the defined contribution pension scheme.

There are two defined contribution schemes. One scheme closed to new members in 2018 – employer contribution rates for this defined contribution scheme are determined by the members' age bands with incremental rates for older members. The new scheme opened for new membership has a flat employer contribution rate of 7%.

The defined benefit pension scheme is closed to new members and closed to future accrual. There is no further salary linkage. For the purposes of FRS 102 the valuation of the defined benefit scheme has been calculated under FRS 102 as at 31 December 2021 by a qualified actuary.

The valuation, details of which are given below, shows £21.96 million of assets and £22.34 million of liabilities, resulting in a deficit of £0.39 million.

The scheme's assets and liabilities as at 31 December 2021, analysis of pension costs and details of the valuation were as follows:

Principal assumptions	2021	2020	2019	2018	2017
	% per annum	% per annum	% per annum	% per annum	% per annum
Discount rate	1.85	1.30	2.00	2.90	2.50
Aggregate long-term expected rate of return on assets	1.85	1.30	2.00	2.90	2.50
Rate of increase of salaries	n/a	n/a	n/a	n/a	n/a
RPI inflation assumption for pensions in payment	3.25	2.75	3.00	3.25	3.20
CPI inflation assumption for deferred pensions	2.65	2.15	2.00	2.25	2.20
Pension increases	3.15	2.75	2.95	3.15	3.10
Pension commencement lump sum taken at retirement	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value

Mortality tables: 90% of S2PMA tables for men and 80% of S2PFA tables for women using CMI 2018 projections with a 1.25% long-term rate of improvement based on year of birth.

The assets valued below are in the form of monies invested with Standard Life, Newton Investment Management and Legal and General Investment Management, together with the trustees' bank account. The assets in the scheme and the expected rate of return were:

Assets breakdown	2021	2020
	%	%
Real return and absolute return funds	-	-
Diversified Growth Fund	-	-
UK Government index-linked gilts	-	-
Corporate bonds	-	-
Multi asset credit	33.00	34.44
UK corporate bonds	12.69	14.12
Liability driven investments	22.21	27.33
Equities	16.31	14.91
Cash	15.79	9.20
Total market value of assets	**100**	**100**

The pension scheme has not invested in any of Royal College of Physicians' own financial instruments, nor in properties or other assets used by the Royal College of Physicians. The assets are all quoted in an active market.

Movement in deficit during the year	2021	2020
	£000	£000
Pension scheme liability at the beginning of the year	(4,239)	(4,243)
Actuarial losses and gains on present value of obligations	416	(2,315)
Experience gains and losses on defined benefit obligations	1,430	-
Gains/(losses) on return of scheme assets	1,091	1,713
Employer contributions	965	685
Net interest on the net defined benefit liability	(49)	(79)
	(386)	**(4,239)**
	2021	**2020**
	£000	**£000**
Present value of scheme liabilities at beginning of the year	24,526	22,482
Interest cost	315	443
Actuarial (loss)/gain on scheme liability assumption changes	(1,846)	2,315
Benefits paid	(653)	(714)
Present value of scheme liabilities at the end of the year	**22,342**	**24,526**

Movement in deficit during the year	2021	2020
	£000	**£000**
Fair value of scheme assets at beginning of the year	20,287	18,239
Interest income	266	364
Return on scheme assets	1,091	1,713
Employer contributions	965	685
Benefits paid	(653)	(714)
Fair value of scheme assets at the end of the year	**21,956**	**20,287**
	2021	**2020**
	£000	**£000**
Fair value of scheme assets	21,956	20,287
Value of liabilities (defined benefit obligation)	(22,342)	(24,526)
Funded status	(386)	(4,239)
Recognised pension scheme liability	**(386)**	**(4,239)**

Analysis of pension scheme assets and liabilities for the current and previous five financial periods	2021	2020	2019	2018	2017	2016
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Present value of scheme liability	(22,342)	(24,526)	(22,482)	(19,966)	(22,604)	(22,962)
Fair value of scheme assets	21,956	20,287	18,239	16,988	16,690	15,683
Deficit	(386)	(4,239)	(4,243)	(2,978)	(5,914)	(7,279)

At the date of the last triennial statutory actuarial assessment as at 1 January 2018, the market value of the scheme was £19.3 million and the actuarial value of those assets represented 83% of the value of the benefits which had accrued at that date, allowing for future pension increases.

27	Lease obligations	2021	2020
		£000	**£000**
	Operating leases on land and buildings, by expiry date:		
	Under 1 year	13	123
	1 to 5 years	34	58
	5 years plus	27,562	27,571
	Total future minimum operating lease commitments	**27,609**	**27,752**
	Operating leases on office equipment and computers, by expiry date:		
	Under 1 year	11	20
	1 to 5 years	-	11
	5 years plus	-	-
	Total future minimum operating lease commitments	**11**	**31**
	Finance leases on IT equipment, by expiry date:		
	Under 1 year	91	91
	1 to 5 years	204	294
	5 years plus	-	-
	Total future finance lease commitments	**295**	**385**
	Finance leases on land and buildings, by expiry date:		
	Under 1 year	**100**	**-**
	1 to 5 years	**375**	**-**
	5 years plus		**-**
	Total future minimum finance lease commitments	**475**	**-**

In August 2019 the RCP signed an agreement for lease for 69,890 square feet over seven floors of 'The Spine' with Liverpool City Council for 25 years. The rental for the total period is £27.5 million. The lease came into effect at the end of June 2020.

The new finance lease in year, relates to integrated equipment within The Spine.

28 Related party transactions

The Royal College of Physicians, a charity registered (charity number 210508) in England and Wales, is the ultimate controlling parent of its subsidiary undertaking, The RCP Regent's Park Limited, which is consolidated on a line-by-line basis in these group accounts. During the year the Royal College of Physicians received £795k income from The RCP Regent's Park Limited. At 31 December 2021 The RCP Regent's Park Limited owed the RCP £399k in relation to an inter-company loan and the RCP owed the trading company £791k in respect of inter-company transactions. There were no other related party transactions in the period.

29 Comparative notes from the prior year

a Consolidated statement of financial activities for the year ended 31 December 2020

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 31 Dec 20	Total funds 31 Dec 19
		£000	£000	£000	£000	£000
Income from:						
Fundraising	2	307	1,931	-	2,238	594
Charitable activities						
Care Quality Improvement	3	2,501	4,876	-	7,377	8,530
Education and Federation	4	9,819	159	-	9,978	17,982
Membership Support and Global Engagement	5	7,818	2	-	7,820	8,096
Communications, Policy and Research*	6	42	88	-	130	130
Heritage and investing in our future	7	71	-	-	71	73
Meetings and events (medical)		573	-	-	573	4,269
Activities to generate funds						
Investment income	8	448	18	200	666	1,085
Meetings and events (non-medical) – trading	25	928	-	-	928	1,772
COVID-19 Job Retention Scheme		1,083	11	-	1,094	
Other income		148	-	-	148	201
Total income		**23,738**	**7,085**	**200**	**31,023**	**42,732**
Expenditure on:						
Raising funds						
Fundraising costs		346	-	-	346	253
Investment management fees		113	4	48	165	159
Meetings and events (non-medical)	25	1,033	-	-	1,033	1,713
		1,492	**4**	**48**	**1,544**	**2,125**
Charitable activities						
Care Quality Improvement	9	4,181	4,686	-	8,867	10,605
Education and Federation	10	9,244	487	-	9,731	14,138
Membership Support and Global Engagement	11	3,602	157	-	3,759	4,668

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 31 Dec 20	Total funds 31 Dec 19
Communications, Policy and Research	12	3,211	75	-	3,286	4,016
Heritage and investing in our future	13	2,698	3	-	2,701	2,265
Meetings and events (medical)		4,350	-	-	4,350	6,016
Trusts and fellowships		-	3	66	69	66
Total expenditure	14/15	**28,778**	**5,415**	**114**	**34,307**	**43,899**
Net operating (loss)/gain		**(5,040)**	**1,670**	**86**	**(3,284)**	**(1,167)**
Net gains/(losses) on investment assets		1,064	15	381	**1,460**	**3,712**
Net income/(expenditure)		**(3,976)**	**1,685**	**467**	**(1,824)**	**2,545**
Transfers between funds	21/22	1,353	(1,331)	(22)	-	-
Actuarial (losses)/gains on defined benefit pension scheme	26	(602)	-	-	(602)	(1,874)
Net movement in funds for the year		**(3,225)**	**354**	**445**	**(2,426)**	**671**
Funds brought forward at 1 Jan 2020	21/22/23	**33,141**	**3,356**	**10,975**	**47,472**	46,801
Funds carried forward at 31 December 2020		**29,916**	**3,710**	**11,420**	**45,046**	**47,472**

b Unrestricted funds 2020

21 Unrestricted funds

	Balance as at 01/01/2020	Income	Expenditure	Gains/losses	Transfers	Balance as at 31/12/2020
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Unrestricted general	13,678	23,738	(28,778)	443	3,342	12,423
Unrestricted designated						
Leasehold Replacement Fund	4,357	-	-	19	(4,376)	-
Fixed and Intangible Assets Fund	14,780	-	-	-	2,461	17,241
Legacies Development Fund	147	-	-	-		147
Care Quality Improvement	105	-	-	-		105
Total	33,141	23,738	(28,778)	462	1,353	29,916

c Restricted funds 2020

Restricted funds	Balance at 01/01/2020	Income	Expenses	Gains	Transfers	Balance at 31/12/2020
	£000	£000	£000	£000	£000	£000
Care Quality Improvement*	620	2,122	(1,971)	-	23	794
National Guideline Centre	-	2,761	(2,640)	-	(2)	119
Education	962	163	(425)	-	-	700
Membership Support and Global Engagement***	178	2	(20)	-	4	164
Drabu MTI Programme	37	10	(6)		2	43
Physicians for Africa***	24	127	(131)			20
Eric Watts donation	100	-	(33)	-	-	67
RCP North**	100	1,051	-	-	(1,151)	-
Physicians' Fund**	120	80	-	-	-	200
External communications	75	88	(75)	-	-	88
Dr Everley-Jones legacy	320	5	(2)	6	(227)	102
Harold Thomas Barten Trust	106	2	(1)	2	-	109
Frank Peacock Bequest	65	1	-	1	-	67
Catherine Mills Bequest	70	2	-	1	-	73
Queenie Louisa Higgins Bequest	47	-	-	1	-	48
Thomas Cotton Trust	73	-	-	-	-	73
The London Fever Hospital Fund	15	1	-	-	3	19
The Saltwell Will Trust Research Branch	124	-	-	-	14	138
Will Edmunds Clinical Research Trusts	24	-	-	-	3	27
17 other funds balances below £40,000	296	10	(7)	4	-	303
Total	**3,356**	**7,085**	**(5,415)**	**15**	**(1,331)**	**3,710**

*formerly Clinical Standards
**formerly Fundraising
***formerly included in Membership Support and Global Engagement

d Endowment funds 2020

Endowment fund	Unapplied total return 01/01/2020	Income	Gains	Conversion to income	Transfers	Unapplied total return 31/12/2020	'Frozen' permanent capital 31/12/2020	Total endowment 31/12/2020
	£000	£000	£000	£000	£000	£000	£000	£000
Bradshaw Trust	203	7	6	(31)	-	185	143	328
Eden Fellowship in Paediatrics	1,102	26	23	(6)	-	1,145	142	1,287
John Rosser Scholarship	29	1	1	-	-	31	42	73
Joseph Senior White Trust	101	4	5	(1)	-	109	161	270
Lewis Thomas Gibbon Jenkins-Briton Ferry	1,297	50	47	(31)	-	1,363	1,250	2,613
ORL Wilson Bequest	105	3	3	(1)	-	110	44	154
James Maxwell Grant Prophit Bequest	433	19	18	(5)	-	465	539	1,004
Sadleir Trust	357	10	8	(2)	-	373	91	464
Samuel Leonard Simpson Fellowship	613	17	17	(4)	-	643	280	923
T K Stubbins bequest	40	3	3	(17)	-	29	104	133
Watson Smith Trust	522	20	18	(5)	-	555	470	1,025
William Withering Prize	134	4	3	(1)	-	140	38	178
Dr J D Ramsay Scholarship	46	1	1	-	-	48	30	78
Graham Bull Prize	51	-	1	-	-	52	25	77
Sir Michael Perrin Lecture	76	1	2	-	-	79	12	91
Lady Teale Lecture	95	3	3	(1)	-	100	44	144
John Glyn	95	4	3	(1)	-	101	80	181
Dame Sheila Kift Bequest	34	1	1	-	-	36	38	74
17 other funds with balances below £40,000	161	4	5	(2)	-	168	109	277
Subtotal	**5,494**	**178**	**168**	**(108)**	**-**	**5,732**	**3,642**	**9,374**

Funds not included in total return	Balance at 01/01/2020	Income	Gains	Conversion to income	Transfers	'Frozen' permanent capital	Balance at 31/12/2020
	£000	£000	£000	£000	£000	£000	£000
Thomas Cotton Fund	180	-	6	-	-	-	186
The London Fever Hospital Research Fund	168	3	8	(1)	(3)	-	175
Saltwell Will Trust Research Branch	924	14	155	(3)	(14)	-	1,076
Will Edmunds Clinical Research Fund	447	3	41	(1)	(3)	-	487
Drabu Fund	120	2	3	(1)	(2)	-	122
Subtotal	**1,839**	**22**	**213**	**(6)**	**(22)**	**-**	**2,046**
Total endowment	**7,333**	**200**	**381**	**(114)**	**(22)**	**3,642**	**11,420**

e Analysis of group net assets after pension scheme liability 2020

Analysis of group net assets after pension scheme liability

						Total	
		Intangible and tangible assets	Loan	Investments	Net current assets inc. pension liability	2020	2019
		£000	£000	£000	£000	£000	£000
Unrestricted:							
Designated	Leasehold Replacement Fund	-	-	-	-	-	4,357
	Fixed Assets Fund	24,741	(7,500)	-	-	17,241	14,780
	Legacies Development Fund	-	-	-	147	147	147
	Care Quality Improvement	-	-	-	105	105	179
		24,741	**(7,500)**	**-**	**252**	**17,493**	**19,463**
General funds		-	-	20,939	(8,516)	12,423	13,678
		24,741	**(7,500)**	**20,939**	**(8,264)**	**29,916**	**33,141**
Restricted		-	-	1,888	1,822	3,710	3,356
Endowment		-	-	10,105	1,315	11,420	10,975
Total		**24,741**	**(7,500)**	**32,932**	**(5,127)**	**45,046**	**47,472**

30 Capital commitments

The Royal College of Physicians had a capital commitment of £974k as at 31 December 2021 (2020: £3,284k), the majority of which relates to electrical works on the Regent's Park estate.

31 Contingent liabilities

Historically, the College has accounted for Federation activity in its VAT returns; however, in 2022 the Federation registered for VAT in its own name and will now submit its own VAT returns, but also is required to make retrospective returns back to 2008. The Federation estimates that the VAT charge retrospectively could be £740,000; however, this is before any retrospective returns are submitted by the College to exclude Federation activity and a recalculation of the partial exemption methodology, thereby generating a refund of VAT payable that may offset in part or in full the retrospective Federation VAT charge. The resolution of this matter is expected by the end of 2022.

The Trustees of the defined benefit pension scheme have engaged legal advisers to advise on whether previous scheme deeds going back to 1974 have been properly implemented. These involve both terms of the scheme as well as removal and appointment of trustees. In anticipation that this work will result in more favourable benefits and therefore higher liabilities, the actuarial valuation of the defined benefit pension scheme dated 1 January 2021 contained a contingency in anticipation of this. Although that contingency is only an approximation and not recognised in the accounting valuation of the scheme, there will be an increase to the deficit repair plan payments from 2022 onwards and until the next actuarial valuation at 1 January 2024. It is not expected that the resolution of this matter will be complete until at least the end of 2022.

Awards, fellowships and major donors

Awards, prizes and lectures

Ambuj Nath Bose prize
Dr Stephen Walker

Christmas lecture
Dr Sheuli Porkess

Croonian lecture
Professor Hywel Williams

FitzPatrick lecture
Professor Andrew Lees

Graham Bull prize and Goulstonian lecture
Professor Rickie Patani

Harveian orator
Professor Sir Jonathan Van-Tam MBE

Lady Estelle Wolfson lecture in translational medicine
Dr Axel Petzold

Linacre lecture
Dr Lucy Turner

Moxon medal
Professor Wei Shen Lim

President's medal
Dr Peter Belfield

Teale essay prize for trainees
Caitriona Cox

Samuel Gee lecture
Professor Mary Reilly

RCP-NIHR Clinical Research Network awards
Dr Ashish Abdul
Dr David Tucker
Dr Hermione Price
Dr Richard Balasubramaniam
Professor Andrew Ustianowski
Dr Amit Patel

Fellowships and bursaries

John Glyn bursary in rheumatology
Dr Ilfita Sahbudin

Lewis Thomas Gibbon Jenkins of Briton Ferry fellowship
Dr David Williams

Samuel Leonard Simpson fellowship in endocrinology
Dr Tim Robbins

Whitney-Wood scholarship
Dr Amit Sud

Wellbeing of women – RCP entry level research scholarship
Dr Melanie Nana

Fellowship admissions

New fellows

1,134 elected under bye-law 8.2 (1) a
6 elected under bye-law 8.2 (1) b
166 elected under bye-law 8.2 (1) c
3 elected under bye-law 8.6 (1)

New honorary fellows

George Abraham
Dr Rosemarie Baillod
John Cairns
Michael Dixon
Dr Bruce J Kirenga
Dr Yukari C Manabe
Adam Matthews
Graham Meek
Professor Sir Jonathan Van-Tam MBE

Major donors for 2021

The Amateurs Trust
AstraZeneca UK
BD
Professor William Brumfitt
CAE Healthcare
Daiichi Sankyo
Dinwoodie Charitable Company
Dr Barry Anthony Enoch
Sir Andrew Goddard
GSK
Jerwood Foundation
Modiano Charitable Trust
Norgine
Novartis
Novo Nordisk
Professor Chuka Nwokolo CBE
Overbury
Pfizer
Rosetrees Trust
Sanofi
Takeda
Tay Charitable Trust
Dr Olwen Williams OBE
The Williams Charitable Trust
The Wolfson Foundation

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Royal College of Physicians

THE ROYAL COLLEGE OF PHYSICIANS OF LONDON

England & Wales - Charity number 210508

Accounts

Annual report 2020



Supporting our members in a year like no other

Royal College of Physicians

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About the **RCP**

The Royal College of Physicians (RCP) is a professional membership body for physicians, with over 40,000 members and fellows around the globe working in hospitals and communities across 30 medical specialties. Physicians diagnose and treat illness, and promote good health. They care for millions of medical patients with a broad range of conditions, from asthma and diabetes to stroke and yellow fever.

Everything that we do at the RCP aims to improve patient care and reduce illness. Our work is patient centred and clinically led. We drive improvement in the diagnosis of disease, the care of individual patients and the health of the whole population, both in the UK and across the globe. We work to ensure that physicians are educated and trained to provide high-quality care. We also develop doctors to become leaders, providing advice and expertise to deliver service improvements across the NHS and more broadly.

Our vision and mission

Our vision is the best possible health and healthcare for everyone. As the leading body for physicians in the UK and internationally, we work to achieve our vision by:

- influencing the way that healthcare is designed and delivered
- promoting good health and leading the prevention of ill health across communities
- supporting physicians to fulfil their potential.

Our values

We are committed to taking care, learning, and being collaborative. These values drive the way we behave, how we interact with each other, and how we work together to achieve our vision and improve patient care.

Public benefit

The Royal College of Physicians (RCP) was established by royal charter in 1518. It is a registered charity, and the trustees are mindful of their duty to ensure that the charity's purpose accords with the objects set out in its governing document (the charter). Uniquely for the time, through the charter the king established the RCP in perpetuity as a professional body in the name of the public benefit. He empowered it to set standards by regulating practice, to protect the public.

Today the RCP continues to focus its work to support high standards of medical training and patient care through activities within the meaning of charitable purpose as defined by the Charities Act 2011 that are carried out for the general public benefit. In particular, most of our activities fall within the purposes of the advancement of health or the saving of lives; the advancement of education; and the advancement of the arts, culture, heritage or science.

Our work in these areas is made possible through the involvement of our fellows and members wherever they work, in the UK or overseas, and is summarised annually in this report.

Foreword from the RCP president

Andrew Goddard, RCP president

'A year like no other' seems an understatement to describe 2020. Physicians across the world have been at the forefront of the response to the COVID-19 pandemic which, as I write this in the spring of 2021, continues to influence much of what we do.

I have always said the RCP is not its buildings or treasures but its people – the members, fellows and staff. When called upon in the past year all have stepped up and shown the RCP in its best light. We have seen the physician body collaborate and innovate, rapidly adapting both clinical ways of working as well as those related to research, education and training. This has been the case not just in the UK but across the globe and I have never been prouder to call myself a physician.

The pandemic has taken its toll on both the public and the profession. For the former, the health inequalities in our society have been brutally exposed and reinforced the importance of public health and underinvestment in health services over the past decades. We knew health inequalities were an issue before the pandemic and had started bringing together the Inequalities in Health Alliance before the first wave hit. This united front by health charities and other groups is one of our most important achievements last year.

The fragility of our own workforce has also been shown in all too much detail, both with respect to understaffing but also the effect of COVID-19 itself. In the first wave in 2020 a fifth of physicians contracted COVID-19 and sadly many died. That most of these physicians were from minority ethnic backgrounds was a wake-up call to us all. The loss caused by the death of colleagues and close friends will stay with us forever. For the RCP, the death of our registrar, Professor Donal O'Donoghue was the biggest personal tragedy we have seen in my 18 years working for the college.

The pandemic has resulted in very different ways of working for the RCP, some of which were needed and some most unwanted. The cancellation of face-to-face meetings was a big blow to our income and thus finances. The rapid development of alternatives including the RCP Player and virtual conferences has shown our adaptability and I must thank all our staff for continuing to work so hard throughout the year. We have dramatically increased our profile in 2020 and, in a time when everyone has an opinion, ours has been always seen as the trustworthy one.



It was undoubtedly the hardest year for us financially for many decades. We have had to make some difficult decisions and consider options unpalatable to some. We have, though, survived while other charities have not been so lucky. Our metaphorical belt will need to remain tight for the next couple of years.

Donal, if he were here, would want us to focus on the positive achievements of 2020, many of which bear his fingerprints. This report lays these out by the different themes of our strategy but the two of which he would be most proud are at the end of the report. Our work to improve the diversity of the RCP and its inclusion of people from all backgrounds achieved a major milestone this year. We must build on the Summerskill report in 2021 and beyond. Our vision of The Spine has also been realised, with the first exams taking place within its walls in May 2021. I hope Donal would be proud of the wall that will bear his name in that building.

Future generations of physicians will look back at 2020 and see it as a turning point for medicine in many ways. We have been challenged as never before but have shown what we can achieve. When the going gets tough, the RCP has shown it gets going.

Chair's report

David Croisdale-Appleby, chair of Board of Trustees



The advent of a global pandemic presented the RCP with some major challenges in 2020. Securing the future of the RCP became the principal focus of the Board of Trustees, particularly in relation to the substantial reduction in our income due to the cessation of exams and severe curtailment of events and conferences.

However, much is expected of us by our fellows and members across the globe, our staff, and our audiences in the government, NHS, media and wider health sector – all of whom look to the RCP for informed views, clarity of communications, and solutions to problems. I think the RCP has delivered against those high expectations. It is a privilege to lead the trustees in overseeing this delivery and I wish to express my appreciation for the huge contribution they have made to the RCP in such challenging circumstances. The advances made by the RCP have been impressive, such as seeing RCP at The Spine in Liverpool through to successful completion, and making great progress in the vital area of driving forward our ambitious equality and diversity agenda.

In addition to ensuring the financial stability of the RCP through the pandemic, we are in a position to return to financial break-even in 2021/22 despite the continuing extreme pressures caused by COVID-19 and its effect on the economy. I and my fellow trustees share a great deal of optimism as we emerge from the shadow of the pandemic with the determination to continue to provide leadership to all those served by the RCP.

CEO's report

Ian Bullock, chief executive



The year 2020 started with RCP at The Spine becoming real and construction progressing well, marking the culmination of a 5-year vision. This wonderful building, our new northern home, reflects our desire to increase engagement and relevance with a growing membership.

As the looming shadow of a global pandemic crept ever closer it was clear that we were about to enter perhaps the most challenging time in recent RCP history, with the Spanish flu in 1918 the closest historical comparison.

In mid-March 2020, the RCP transformed overnight into a digital organisation with our support services in IT and HR ensured a smooth transition and minimal disruption. Working at home became the norm and, despite the challenges, our staff responded innovatively and diligently. They worked flexibly alongside caring commitments, home schooling, changing circumstances, family illness and bereavement. Supporting staff wellbeing became key across the RCP, modelling our values of taking care, learning and being collaborative. For many, the experience has made them more resilient, while for others the pandemic remains a huge shadow in their lives.

It has been a very difficult year personally and professionally for most of us, though. The impact on RCP finances has been enormous, and the response from staff to minimise this has been remarkable. I would like to thank the staff, officers and volunteers of the RCP, who have enabled us to develop an even stronger influence on healthcare decision making and delivery, and to ensure our core charitable purpose was realised in 2020 – both of which are reflected in this annual report.

Report of trustees

The trustees of the RCP present their annual report for the year ended 31 December 2020. The report presents the RCP's activities, significant achievements and successes in 2020 against plans derived from the 5-year strategy covering 2015–20 and is set out under the five key strategic themes:

- Improving care for patients
- Developing physicians throughout their careers
- Leading and supporting our members
- Shaping the future of health and healthcare
- Investing in our future, building on our heritage

During 2020, we consulted widely with our stakeholders and plan to launch our new strategy at the end of 2021. This will guide our planned activities from 2022–25. There is more information about the development of our new strategy on page 40.

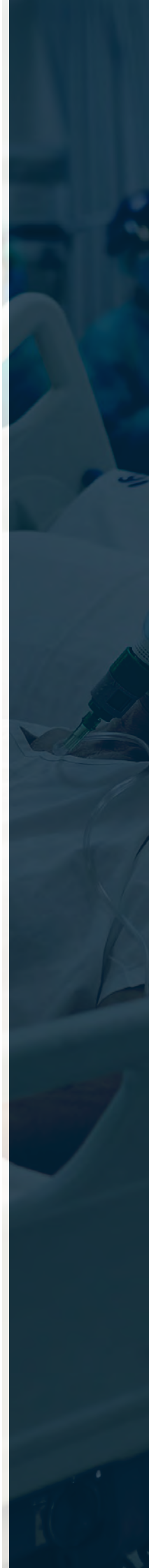
The Federation of the Royal Colleges of Physicians

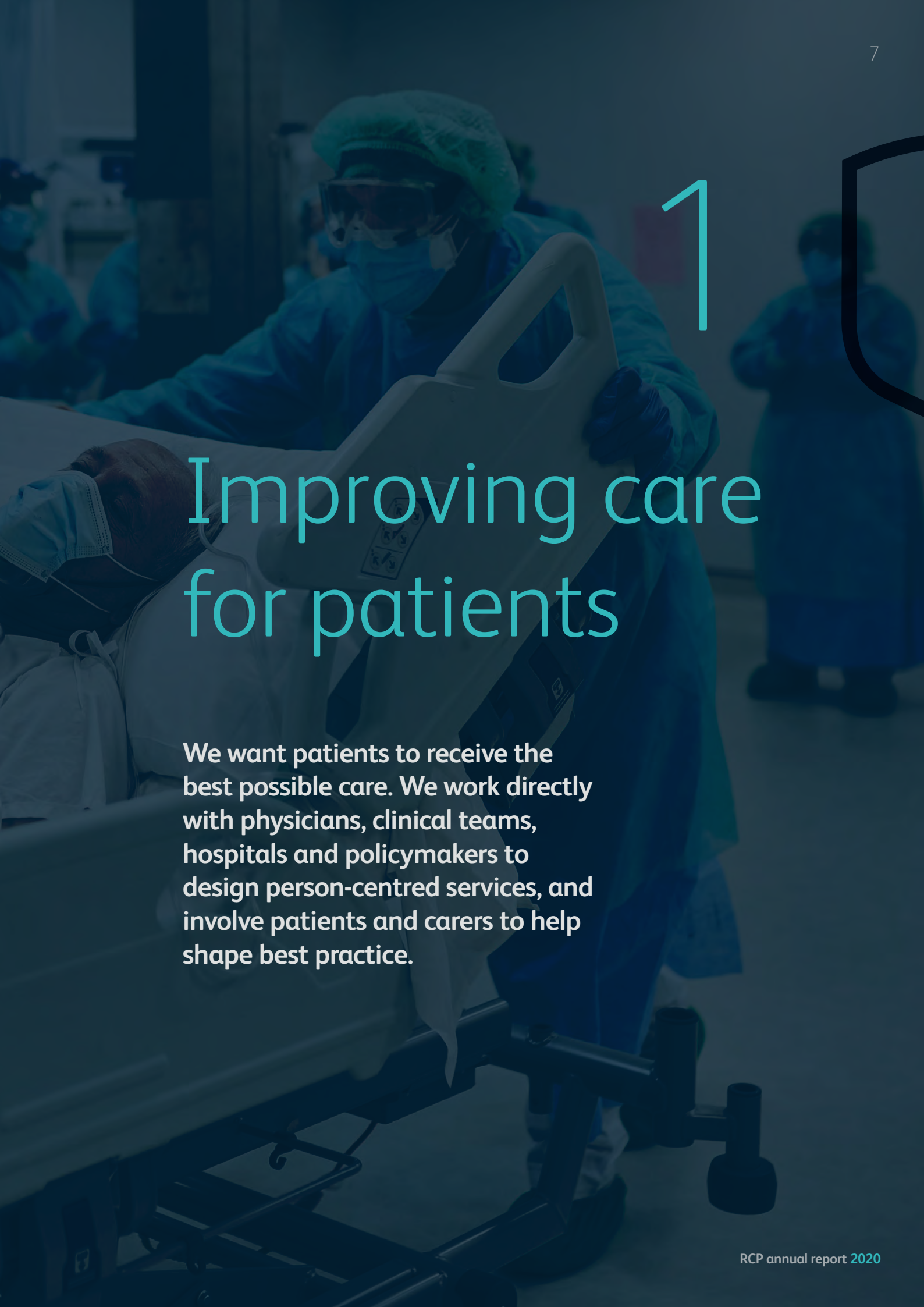
The Federation of the Royal Colleges of Physicians is a collaboration between the Royal College of Physicians of Edinburgh, the Royal College of Physicians and Surgeons of Glasgow, and the RCP. Together, the three colleges represent around 60,000 physicians worldwide.

The Federation develops and delivers services to support doctors at every stage of their careers, including:

- continuing professional development (CPD)
- examinations (Membership of the Royal Colleges of Physicians of the UK – MRCP(UK), specialty certificate examinations and international clinical examinations)
- training (Joint Royal Colleges of Physicians Training Board – JRCPTB).

Highlights of Federation activities are included in this report.





1 Improving care for patients

We want patients to receive the best possible care. We work directly with physicians, clinical teams, hospitals and policymakers to design person-centred services, and involve patients and carers to help shape best practice.

Our objectives

In 2020, we planned to:

- support physicians and multidisciplinary teams to lead quality and service improvement
- set, measure and promote standards that improve care for patients
- implement our vision of the future hospital and promote good practice in health service design
- develop health services that promote patient safety, patient experience, staff wellbeing and service improvement.



Our key **achievements**

Supporting service improvement

Our flagship Chief Registrar Programme, now in its fifth year, continued to go from strength to strength in 2020. This programme is designed to develop doctors in training with the skills to lead and revolutionise the healthcare of the future. Due to the pandemic we delivered the programme modules virtually this year and increased the support provided by mentors and interaction with the RCP Patient and Carer (PCN). Since 2016, 68 trusts across the UK have supported the programme with 244 chief registrars. The programme attracted 61 participants in 2020/21, despite the impact of the pandemic, and a large proportion led improvements related to COVID-19 in their trusts. High levels of expressions of interest have again been received from NHS trusts for the 2021/22 cohort.

We continued to assess the quality of clinical services through our accreditation programmes for endoscopy, allergy, pulmonary rehabilitation, primary immunodeficiency and liver services. During 2020 and in response to the pandemic, we rapidly redesigned the approach to assessments to reduce the number of assessors on site, and introduced remote review and virtual interviews.

In 2020, over 30 new services registered with our accreditation programmes, and we also:

- delivered 30 training events for clinical services and assessors to support them with participating in accreditation
- awarded almost 400 certificates to endoscopy trainees to demonstrate competence and accredited over 25 endoscopists to become bowel cancer screeners
- collaborated with specialist societies to publish the impact of the COVID-19 pandemic on allergy and immunology services
- published the results of the 2019 Joint Advisory Group on GI Endoscopy census together with interactive dashboards for local services to benchmark against national results.

Setting standards

The National Guideline Centre continued to develop, consult on and publish guidelines in 2020. These included publication of guidelines on tinnitus, perioperative care, joint replacement, low back pain and acute coronary syndromes, and consultation on atrial fibrillation, chronic pain, and myalgic encephalomyelitis / chronic fatigue syndrome.



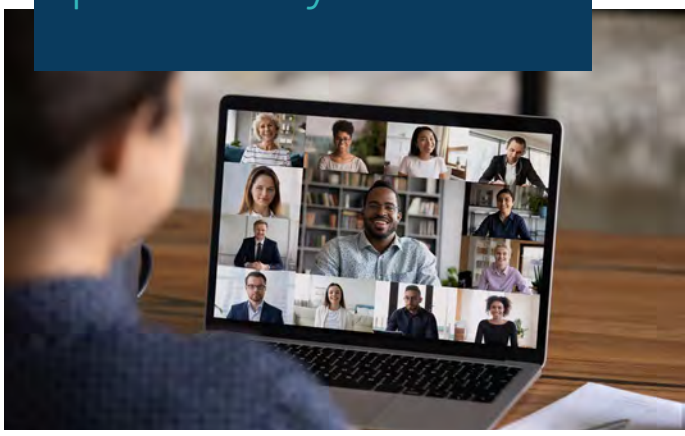
The RCP continues to be commissioned by NHSE and others to deliver four national clinical audit programmes: the Falls and Fragility Fractures Audit Programme, the National Asthma and COPD Audit Programme, the National Lung Cancer Audit Programme and the National Mesothelioma Audit. In 2020 we published 13 national reports, including reports on adults with COPD; people with asthma in Wales; inpatient falls; pulmonary rehabilitation; lung cancer and fracture liaison services. We also published the National Mesothelioma Audit report which raised the profile of this asbestos-related cancer and reported on care during 2016–18.

COVID-19 impacted hip fracture care in 2020 and the National Hip Fracture Database team were able to identify where rates of non-operative management were high and carried patient safety risks. With the support of funders, the deputy national strategic incident director for COVID-19, and national clinical director for trauma, we provided local units with data to support them to change practice.

We published a range of new guidance to improve care for patients, on topics including using NEWS2 to identify people at risk of deterioration, multiprofessional working on COVID-19 wards, patient safety advice when using PPE, and an updated acute care toolkit on older people living with frailty. We also worked in partnership with the Royal College of Nursing and other organisations to produce new guidance on modern ward rounds.



COVID-19 impacted hip fracture care in 2020 and the National Hip Fracture Database team were able to identify where rates of non-operative management were high and carried patient safety risks.



Supporting quality assurance in endoscopy

Our work to develop the National Endoscopy Database (NED) was instrumental in supporting quality assurance in endoscopy. Over 400 services uploaded data to this central store of key procedural data in 2020 and we captured 1 million procedures, making it a unique and invaluable research platform.

Endoscopy quality is known to vary among individual endoscopists and between units. NED has enabled automatic reporting of nationally agreed KPIs which are vital for monitoring the safety and quality of services, and has reduced the burden on each endoscopy unit having to carry out performance audits.

The importance of NED was highlighted in NHS England's report *Diagnostics: recovery and renewal*, which recommended mandating participation for the 20% of NHS trusts not already doing so.

NED is now a central source of service intelligence. It has provided an accurate overview of endoscopy workload and workforce, facilitated capacity and demand management and contributed to longer-term planning for endoscopy delivery both locally and nationally.

In 2020, data were used to perform the first national analysis of the impact of the pandemic on endoscopy which demonstrated a substantial and concerning reduction in cancer detection.

Our vision of the future hospital and health service design

Although the Future Hospital Programme drew to a close 3 years ago, we continued to support the 11 principles of patient care published in the groundbreaking Future Hospital Commission report.

Our PCN promoted the message that the future hospital principles must remain a clear and tangible ambition for all partners in healthcare. In 2020 the PCN developed a partnership strategy for 2021–24 which sets out a vision for how patients and carers can support committees, projects, boards and activities across the RCP to achieve co-production and the future hospital vision.

The PCN continued with its ambitious target to support the RCP in all discussions around public and patient involvement and determine where projects sit on the 'ladder of involvement'.

Developing health services

To improve patient safety, we launched a patient-held steroid emergency card (supported by patient information), evidence-based guidance for professionals, and issued a national patient safety alert calling for organisational action. We provided tailored training for NHS organisations on structured judgement review to facilitate learning and service improvement in trusts.

The Falls and Fragility Fractures Audit Programme published tips to overcome common quality improvement (QI) barriers, and a video for hip fracture services on how to navigate run charts to support using audit data for improvement. We also published an updated guide for patients on the care to expect before and after a hip operation.

Our work in **numbers**

5 new NICE guidelines produced



Over 240 chief registrars recruited since the launch of this flagship programme



More than 30 new services registered with our accreditation programmes



The National Asthma and COPD Audit Programme launched a set of guidance documents to support pulmonary rehabilitation services working remotely with their patients to obtain consent to enable their continued participation in the audit as the pandemic reduced face-to-face rehabilitation.

We collaborated with the British Society of Gastroenterology to publish advice and guidance for endoscopy teams on planning their services during the COVID-19 pandemic, and on the use of PPE in endoscopy procedures, environment, service restoration and vaccination.

In digital health we worked collaboratively with key stakeholders including NICE, NHSX, NHS England and the MHRA. We facilitated an RCP partnership with the Liverpool Civic Data Trust, which aims to use insights from integrated health data to improve the health of people in deprived communities. In establishing a partnership with NHSX we now have representation on the NHSX Remote Care Board and NHSX Electronic Referral System Clinical Council. We convened a digital health group to support the Academy of Medical Royal Colleges' response on advancing the digital health agenda. We also increased understanding of digital health through a series of webinars, lectures and articles in *Commentary* magazine, and guest-edited an issue of *Future Healthcare Journal* focusing on the digital health workforce.

Through the Federation, we developed new quality criteria for medical registrars which we are aiming to implement in 2021.

In 2020 the PCN developed a partnership strategy for 2021–24 which sets out a vision for how patients and carers can support committees, projects, boards and activities across the RCP to achieve co-production and the future hospital vision.



Looking **forward**

In 2021, we plan to carry out the following activities:

- further develop and expand our flagship Chief Registrar Programme for doctors in training
- continue to deliver national clinical audit programmes in COPD and adult and children's asthma care, falls and fragility fracture care, and lung cancer care
- increase the numbers of endoscopy, allergy, immunology, liver and pulmonary rehabilitation services registering and gaining accreditation
- promote and deliver guidance and resources for members to improve quality and safety of patient care
- publish guidance on improving medicines safety, PPE and improving safety, the hospital discharge improvement
- publish learning from structured judgement reviews into COVID-19 cases during 2020 and support physicians and their teams to review patient safety systems
- work with NICE, NHS business support units and charities to develop evidence-based advice and guidance
- revitalise the RCP Medical Care website, our online guide to service design
- continue to influence the development and delivery of the digital health care agenda
- work with our Patient and Carer Network to improve involvement in projects and enhance the impact of the patient voice in the RCP.





2

Developing physicians throughout their careers

Our education and training programmes support physicians to fulfil their potential. We develop doctors to deliver the best possible patient care and become excellent clinicians.

Our objectives

In 2020, we planned to:

- shape the future of the medical workforce in the UK
- promote high-quality medical education and clinical leadership across the world
- promote lifelong learning for physicians, and accessible opportunities for development
- support physicians throughout their careers
- promote medicine as a career.



Our key **achievements**

Shaping the medical workforce

At the end of 2020, 57 trainees were participating in the pilot flexible portfolio training programme, combining their usual clinical training with 1 day per week dedicated to development in a complementary field such as clinical informatics, medical education, quality improvement or research. This joint initiative with Health Education England aims to address the shortfall of medical registrars in difficult to recruit to specialties and areas.

We launched pre- and post-CCT pathways for a Professional Diploma in Obstetric Medicine for doctors from any medical specialty. Clinicians following this credential curriculum undertake a full- or part-time fellowship attachment with an approved training centre.

The first cohort of our 'Springboard to Leadership: supporting diversity' programme launched in 2020. It supports the development of clinicians from diverse groups who may be underrepresented within healthcare leadership positions, and clinicians with a deep interest in supporting equality, diversity and inclusion within their organisation.

We commenced a study for Health Education England, examining the increasing phenomenon of trainees choosing 'Foundation 3' roles and other types of experience before (or instead of) commencing a higher specialty training pathway. Understanding this is important because it may reshape medical careers and training pathways.

Our Patient and Carer Network continued to help shape the future of the physician associate (PA) role through the Faculty of Physician Associates Board and involvement in General Medical Council (GMC) patient roundtable events. The patient and carer perspective in this piece of work is vital as the PA role moves towards regulation by the GMC.

Through our work with the Federation of Royal Colleges of Physicians, the curricula for stage 1 and stage 2 internal medicine training were approved by the GMC and a four-nation group set up to oversee implementation. New curricula have been developed for the 29 higher medical specialties and the subspecialty of stroke medicine with a rolling programme of submission to the GMC for approval, and the principles for transition to the new curricula have been agreed.

Recognising the increasing number of non-medical senior roles in clinical care for older people, we worked in partnership with the British Geriatrics Society to review the Diploma in Geriatric Medicine and open it to other professions. We expect to examine the first non-medical candidates during 2021.

The Federation of the Royal Colleges of Physicians published guidance on physician training recruitment, run by Health Education England, following the introduction of the new internal medicine curriculum.

High-quality education across the world

In-person international education was severely curtailed by pandemic travel restrictions, but we focused on redesigning a number of programmes as high-quality interactive learning in virtual classrooms. For example, we delivered a 5-day faculty development programme for the Swiss Institute of Medical Education. We also substantially increased our provision of online learning, available to clinicians everywhere.

We delivered a series of three joint seminars with partners at Sunway Medical Group in Malaysia and Cambridge University on the topics of geriatrics, vasculitis/lupus and oncology for physicians in the Asia Pacific region.

The Federation delivered the first-ever diet of the harmonised European Specialty Examination in Nephrology, Federation also delivered the first pathfinder and full diet of MRCP(UK) PACES examination in Pakistan and supported Annual Reviews of Competence Progression online for our partners in Iceland, India and Dubai. Following the signing of a memorandum of agreement in 2019, the Federation introduced specialty certificate exams (SCEs) in Singapore in acute medicine, dermatology and neurology.

The Federation introduced online exam delivery for MRCP(UK) Part 1 and Part 2 written exams, so that candidates in the UK and those overseas who needed the exam for training progression could sit online in 2020, and provided contingency exam dates for all written exams. Delivery of PACES was maintained with a modified format during the pandemic to allow trainee career progression.

The Federation also ensured that all SCEs were delivered despite COVID-19 with reduced support from UK examiners at our most experienced PACES centres, including in Hong Kong and Singapore where the exams ran entirely with local examiner panels.

The number of clinicians using the Federation's CPD diary increased to 21,000 consultants and 2,000 physician associates, 10,000 of whom accessed and used the CPD app in 2020.

Promoting lifelong learning

Our new platform for online learning launched successfully. RCP OnlineEd has much greater functionality and provides a better user experience. This led to over 8,000 users accessing our online courses in 2020, a 200% increase since 2019. New online courses included 'Delegating under pressure' and three bite-sized introductions to leadership.

Our RCP Medicine podcasts also transferred to a new platform in May. We launched 15 new episodes in 2020 and had over 36,000 downloads. We developed a special bundle of episodes focusing on COVID-19 to support doctors throughout the pandemic. These episodes alone had over 13,500 downloads.

In-person education was restricted by the pandemic, so we redesigned our longer courses, such as MSc degrees, the Chief Registrar Programme and Emerging Women Leaders Programme, for delivery in virtual classrooms. When infection rates were low in late summer, some in-person workshops took place in small groups with social distancing and other infection-control measures in place.

RCP OnlineEd, our new platform for online learning, has much greater functionality and provides a better user experience.

In partnership with Edge Hill University, we secured an expanded 5-year contract from Health Education North West to deliver two master's modules to all of the region's 600 trainees.

Adapting exams during the pandemic

On 17 March 2020 RCP Assessment Unit staff met to discuss the possible impact of COVID-19 on their upcoming exams. Little did they imagine that this would be the last time they would meet in person – for the rest of the year and beyond.

By 25 March all planned assessments had been cancelled until at least September and as the year progressed it became clear that COVID-19 was here to stay, and assessments could no longer be delivered as they had been pre-pandemic.

In response, the Assessment team worked hard and at pace, overcoming challenge after challenge to adapt the national exam for physician associates (both written and clinical) to be delivered in a COVID-safe way, including social distancing, PPE and many other vital adjustments. Thanks to these adaptations 655 new PAs entered the workforce in 2020 – an amazing achievement.

That same innovation and expertise was also called on to work with Federation to adapt MRCP(UK) PACES exams so that they too could continue to take place in COVID-safe conditions.

Due to the pandemic, all RCP exams ceased in March. Our major exams were redesigned to enable clinicians to take them at the appropriate career stages. Exams then restarted in September. This was particularly important for the Physician Associate National Examinations, which permit entry to the Managed Voluntary Register and to become part of the PA workforce.

We concluded delivery of the Medical Training and Fellowship Programme, a 5-year capacity-building programme to reduce the burden of cancer and neurological disorders in Kenya, Tanzania, Uganda and Rwanda. A total of 550 doctors were trained, 58 oncology trainers were upskilled to teach others and over 5,000 healthcare professionals are estimated to have benefited from the programme.

We launched an online equality and diversity training course that is used across royal colleges to train members in interviewing skills.

The Federation Framework for International Engagement was approved.

Supporting physicians throughout their careers

RCP Player launched in 2020 and swiftly became a go-to platform for webinars and virtual lectures with over 10,000 people tuning in to our digital events. Due to COVID-19, we transformed our Medicine 2020 annual conference planned for April into an extremely successful virtual event at the beginning of 2021.

Burnout, work-related stress and mental illness are increasingly recognised within the physician workforce. Early in the year we launched a new mental health and wellbeing resource to support doctors, who often find it difficult to seek help. This online resource aims to open up the conversation about mental health issues

Our work in **numbers**

Over 8,000 doctors accessed our online courses



More than 10,000 people tuned in to our digital events on RCP Player



655 physician associates entered the workforce following success in their exams



and their impact with a focus on recognising the triggers, wellbeing tools and where to seek support. As the pandemic took hold, this resource became even more relevant and we actively encouraged the physician workforce to remain aware of their wellbeing during extremely challenging times.

We produced a new video resource to support the massive move to online consultations, which were unfamiliar to many. 'Effective remote consultations' was accessed almost 900 times in just the first few days it was available.

The Medical Training Initiative (MTI) scheme supports doctors from low- and middle-income countries to come to the UK for short-term (typically 2-year) training experience within the NHS. Despite the challenges of the pandemic, the RCP supported 300 MTI doctors within the NHS throughout the year while working to develop virtual interviews, induction and pastoral support.

In collaboration with Maudsley Learning, we produced an online course for clinical leaders to proactively support the mental wellbeing of their teams. It includes insights into how to manage uncertainty, particularly important in the context of the pandemic.

COVID-19 had a huge impact on trainees who have been unable to meet the required competencies before completing their core training. The Federation updated the Annual Review of Competence Progression form to reflect that the trainee was unable to meet specific requirements through no fault of their own.

Trainees who completed core training were given 12 months free ePortfolio access to continue with recording their evidence and obtaining the required competencies/exam as a way of supporting them during the pandemic.

We transformed our Medicine 2020 annual conference planned for April into an extremely successful virtual event at the beginning of 2021.

The Federation introduced a fortnightly newsletter for both clinical and written exam candidates in the UK and internationally as well as a programme of live Twitter Q&A sessions, allowing candidates to have their questions and comments seen and answered by MRCP(UK) medical directors.

Promoting medicine as a career

We prepared *Double or quits*, our report detailing a blueprint for expanding medical school places. This included a call for the government to undertake further detailed work and research to fully understand the appetite for medical school places and the perceptions of the entry process to medicine.

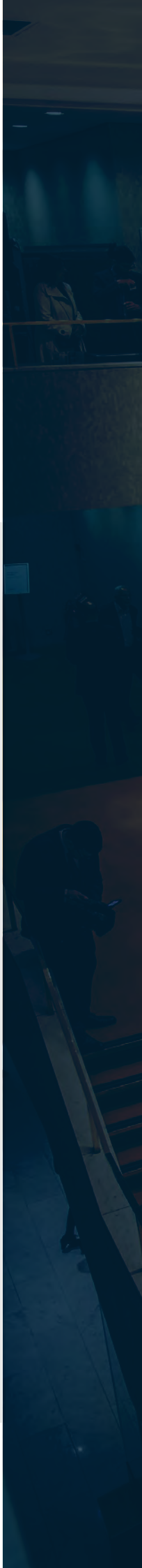
In October we promoted the role of physician associates during 'PA week' to raise awareness and visibility of the profession. It went virtual in 2020 and used social media to highlight facts and myths about PAs.

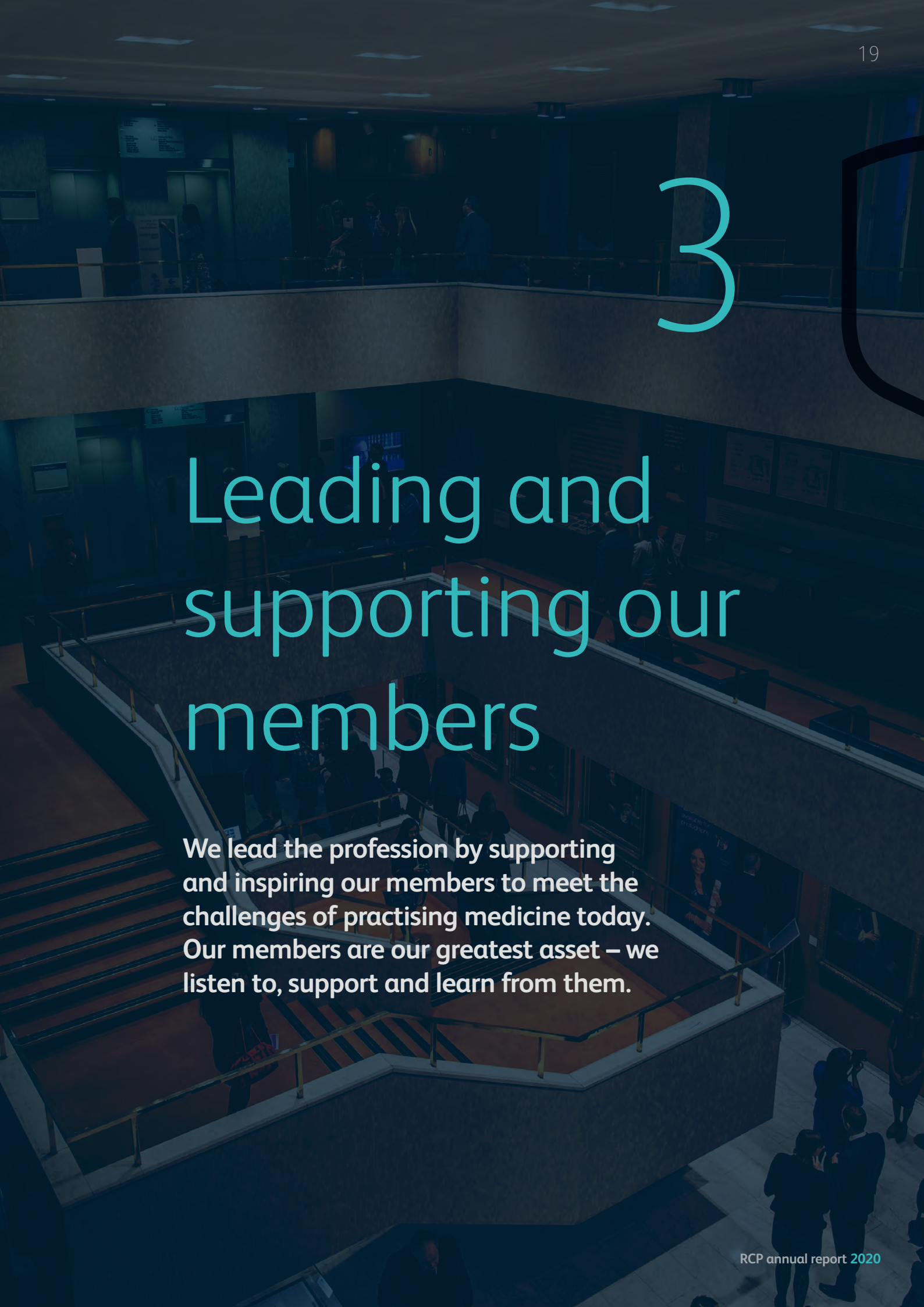


Looking **forward**

In 2021 we plan to:

- continue to deliver most elements of our education and CPD portfolio online to support clinicians' learning through the pandemic
- continue to run clinical exams safely, while increasing the number of candidates and beginning to address the backlog caused by COVID-19
- design and launch a new CPD programme to support new consultants
- continue to expand our successful Medicine podcast series
- develop new leadership modules with Birkbeck, University of London
- support members representing the RCP on Advisory Appointment Committees with e-learning on equality, diversity and interview skills
- facilitate clinical training in the UK for up to 300 international medical graduates though the Medical Training Initiative
- work with the Federation to embed the internal medicine stage one curriculum into UK training programmes and implement stage two; continue to rewrite and introduce the 30 higher and sub-specialty curricula and cascade their delivery to trainees and trainers
- monitor developments in relation to EU/UEMS-approved common training frameworks and tests following Brexit
- work with the Federation to monitor GMC proposals for credentialing and alternative pathway proposals to the specialist register to assess their impact
- work with the Federation to explore moving MRCP(UK) written exams online for the next 12 months in the UK, and for international online exams where appropriate; and introduce an additional diet in 2021.





3

Leading and supporting our members

We lead the profession by supporting and inspiring our members to meet the challenges of practising medicine today. Our members are our greatest asset – we listen to, support and learn from them.



Our objectives

In 2020, we aimed to:

- lead the medical profession and champion medical professionalism
- increase our reach and relevance to all our members
- support our members in their daily practice
- deliver an exceptional membership experience for all
- increase our understanding of the context in which our members work in the UK and around the world.

Our key **achievements**

Leading the profession

In any given year, the RCP replies to hundreds of consultations from bodies such as NICE and NHS England. The first half of the year saw an exponential rise in the number of consultations and requests for review and endorsement of COVID-19 related materials and guidance.

Our invited review service went virtual in 2020 and continued to deliver high-quality recommendations to trusts and health boards dealing with difficult problems, leading to direct improvements in patient care.

Partnership working with specialist societies has been key throughout the COVID-19 pandemic and we have been able to play a significant leadership and coordination role around major issues. The Medical Specialties Board met frequently throughout the year and provided a vibrant and well-attended focus for this work.

Our specialist networks, members and the UK regions have proven to be invaluable in supporting physicians and PAs working with patients. This includes our committees for trainees and new consultants, SAS doctor network and regional network of advisers.

The RCP is a lead partner of the COVID-19 Therapeutics Advice and Support Group which was established to provide advice and support in the management of the pandemic while national guidelines evolved.

We supported our partners the East, Central and Southern Africa College of Physicians (ECSACOP) in the delivery of their first postgraduate examinations, their virtual conference and through the provision of training for clinical supervisors across the region.

Increasing our reach and relevance

We honoured our duty of care to doctors on, or applying to, the Medical Training Initiative (MTI) scheme by supporting them through regularly changing regulations on visa extensions, international travel, quarantine requirements, delays to appointments and requirements to return to their home countries to support their COVID-19 response.

We hosted our fifth annual Excellence in Patient Care Awards. In 2020 it was more important than ever to celebrate the amazing work of physicians and their teams with so many achieving so much during, before and despite COVID-19. We received 94 applications and the winners came from a diverse range of projects and areas. The ceremony was converted to a virtual event and we used our social media platforms to announce the winners, resulting

in huge reach and engagement – the 'opening ceremony' animation received almost 50,000 impressions on Twitter alone.

We expanded the criteria for RCP fellowship in order to recognise the contribution of physicians in the first few years of their consultant career earlier than would traditionally have been the case.

We hosted a series of five regional international adviser meetings to strengthen regional and local networks around the world and to inform the development of our new global strategy. The 'RCP Global stories' series of webinars covered topics including palliative medicine in low- and middle- income countries, the COVID-19 response and the impact of the Beirut explosion on physicians in Lebanon.

We saw a significant increase in delegate numbers at virtual events that were previously face-to-face, including our conference for college and associate college tutors and New Consultants National Conference both with over 200 attendees, and our Turner-Warwick lectures with over 1,000 attendees watching one of the lecture webinars. These figures represent a significant increase in reach compared with attendance in 2019.

Fostering engagement with physicians across our regions, we held over 120 online meetings with regional representatives. Six regions ran webinars covering 18 topics across six specialties and achieving over 3,500 views.



In 2020 it was more important than ever to celebrate the amazing work of physicians and their teams with so many achieving so much during, before and despite COVID-19.

Our global strategy

The RCP's ambitious new global strategy for 2021–24 is based on the RCP's core values, vision, mission and principles. It sets out how we will achieve three strands: educating physicians to fulfil their potential, influencing healthcare design and delivery, and improving health and care by leading on the prevention of ill health globally.

The strategy was developed following wide stakeholder consultation and sets out our goals under the following key themes:

- membership and fellowship engagement
- the Medical Training Initiative and supporting the international workforce
- education and training
- conferences and continuing medical education events
- federated activity including exams
- projects mapped to RCP strategic aims, vision, mission, principles and charitable purpose.

Our global strategy will be achieved through close collaborative working across the RCP directorates, the Federation of the Royal Colleges of Physicians of the UK and partner organisations in the UK and internationally. Our associate global directors, wide network of international advisers and members, fellows and patient representatives will be key to shaping and supporting our plans.

We also held new consultants forums, pilot virtual poster competitions and virtual trust visits led by our regional offices.

Supporting our members

Throughout 2020 we increased activity to support and represent our members during what has no doubt been the most challenging period in their careers. From a COVID-19 hub on our website to campaigning for PPE, we addressed key challenges facing our members.

As the pandemic took hold in April we launched a new regular COVID-19 e-newsletter for members and sent 32 bulletins from our president to keep members informed and supported during the pandemic, increasing the frequency from monthly to weekly at key points in the year. These digital updates have proved highly popular and received much higher than average open rates (rising from 32% in 2019 to 41%) and compliments for 'being a lifeline'.

Our Advisory Appointment Committees quality assured consultant job descriptions and provided an RCP representative for consultant appointment panels. Following a reduction in advertised consultant posts during the first wave of the pandemic, we supported around 400 appointments and reviewed over 750 job descriptions. We also kitemarked 74 job descriptions so potential applicants can see where the RCP has endorsed a post to indicate it has met national quality standards.

We established a new working party on pharmacogenomics in the NHS, revised and updated a working party report on eating and drinking difficulties and developed UK guidelines on the diagnosis of fibromyalgia syndrome. All will be published in 2021.

We began work to reinvigorate the RCP Medical Care website to create a vibrant, updated resource to engage clinicians in healthcare and digital transformation. We will deliver this in 2021 working closely with NHSX.

Our work in **numbers**

Our membership grew to 39,500



Over 3,500 physicians tuned in to our specialty webinars



Our Excellence in Patient Care Awards received almost 100 applications



In Federation, we successfully communicated the waiving of annual CPD requirements, extended the 2019/20 CPD diary deadline by a month and increased options for adding livestreamed/distance-learning activities. We also supported derogation of full MRCP(UK) for ST3 appointments and reviewed critical transition points in all 32 specialties to allow continued career progression for trainees. We negotiated with the GMC to allow physicians to triple accredit with intensive care medicine in some specialties, undertook further work on differential attainment and reasonable adjustment and improved CESR performance (GMC SLA).

Delivering an exceptional membership experience

At the end of 2020 we had over 39,500 members. This represents a 23% increase in membership over the strategic period 2015–20.

A record number of candidates were elected into RCP fellowship in 2020 despite the effect of the pandemic on the fellowship grading process.

We were proud to have steered to fruition and publication an independent review into diversity and inclusion at the RCP carried out by Ben Summerskill. The review encapsulated feedback from over 1,100 survey responses and interviews with members, officers, staff and volunteers. Valuing and promoting diversity underpins our vision for cultural transition, and our new Diversity and Inclusion Delivery Group is working on an action plan to ensure the 29 recommendations in the report are achieved.

The Faculty of Physician Associates (FPA) worked closely with Health Education England, Health Education in Wales and physician associate schools. Together with HEE we developed opportunities for graduates who could not take their national PA examinations due to COVID-19 to be given alternative employment in the NHS until they could progress to being qualified and registered PAs. 'Physician Associates Week' went virtual in 2020 and provided information and CPD content for our members in place of the usual conference.

Partnership working with specialist societies has been key throughout the COVID-19 pandemic.

Increasing our understanding

Our Medical Workforce Unit supports workforce planning by collecting and analysing a wide range of information on UK physicians. We published the annual census of consultants, higher specialty trainee physicians and physician associates conducted in partnership with the Scottish royal colleges of physicians and the Faculty of Physician Associates. The census data supports key healthcare bodies to identify trends, monitor specialty expansion rates, make recommendations, and plan for workforce development.

We published the results of the latest CCT progression survey, a collaboration with JRCPTB. This looks at the experience of people within 1 year of attaining their certificate of completion of training and has monitored changing outcomes since 2009.

We also provided a survey service both within the RCP and to external medical bodies. This included running and reporting the findings from a series of COVID-19 surveys conducted across our membership throughout 2020.



Looking **forward**

Our plans for 2021 include:

- supporting trusts to improve professionalism through our invited reviews
- reviewing job descriptions for new consultant posts and sourcing RCP representatives for AACs
- carrying out the consultant and higher specialty trainee census for 2021 and a survey on career progression
- supporting physician associates by working with the GMC on regulation in 2022, with HEE to develop a career framework for progression, holding an annual conference, and undertaking the 2021 census
- publishing new guidance on fibromyalgia syndrome and supporting people who have eating and drinking difficulties, and supporting the working party on pharmacogenomics in the NHS
- running the 2021 Excellence in Patient Care Awards
- supporting our college tutor and associate college tutor network
- reviewing the RCP fellowship system
- delivering webinars, virtual conferences and the Turner-Warwick lecture scheme to support and encourage trainees across our 18 regions
- increasing our support for SAS doctors and delivering forums for new consultants
- building on our global strategy to grow and diversify our international membership
- supporting the development of the East, Central and Southern Africa College of Physicians and fundraising activities for Physicians in Africa
- piloting a new programme of work to support women from low- and middle-income countries in career progression
- engaging with fellows and members to improve the CPD diary.



4

Shaping the future of health and healthcare

Our 39,500 members and their patients are central to shaping the RCP's ambitious vision for the best possible health and care for all. Throughout 2020 we continued to promote, advocate and campaign on the issues that we know matter most to them.



Our objectives

In 2020, we planned to:

- use the expertise of physicians and the experience of patients to influence the future of healthcare, from parliaments to wards
- improve the public's health by championing evidence-based action to prevent ill health, nationally and internationally
- foster innovation in health and promote research
- ensure that patients' and carers' experiences shape everything that we do.

Our key **achievements**

Using expertise and experience to influence healthcare

From informing to influencing and engaging we increased the RCP's profile dramatically during 2020. We focused on the issues impacting our members working at the heart of the response to COVID-19 and positioned the RCP as an authoritative voice.

Over 8,000 members and fellows responded to our series of seven surveys on the impact of COVID-19 on the workforce. Their responses helped us to gain direct insight into what was happening in hospitals and establish the issues we should be addressing on our members' behalf. This led to high-profile successful campaigning to support doctors to do their jobs as safely as possible by highlighting issues around testing, accessing PPE and staff absence.

We convened an expert online update for doctors, with a high-profile panel including Professor Chris Whitty and other key medical leaders. And in July, health secretary Matt Hancock chose the RCP to host his keynote speech on the future of healthcare.

We enhanced our political relationships and felt our influence in government grow with around 50 UK parliamentary mentions, many related to COVID-19. They covered a range of issues such as PPE – which was raised by the leader of the opposition Sir Keir Starmer MP among others – COVID-19 testing and how people were being discharged from hospital, as well as smoking cessation and air quality.

We also shone a light on the role of the international workforce – a long-term priority for us – quickly developing a 'new deal' for overseas staff. It has so far resulted in the exemption of NHS and social care staff from the international health surcharge.

Calls to our media team rose by 50% and we logged almost 13,000 pieces of coverage (compared with just over 11,000 in 2019). Highlights included five national newspaper front pages, and high-profile broadcast coverage such as BBC Breakfast and BBC News at 10. Survey feedback from our membership showed that 60% would describe the RCP's national media profile as either high or very high, compared with just 23% before the pandemic.

Ensuring that patients shape everything that we do

Our Patient and Carer Network (PCN) is an integral part of the RCP and our shared goal is the provision of patient-centred care.
In 2020, members of the PCN contributed their time to over 36 RCP committees, boards and

working groups, were involved in policy work on integration, health inequalities and research as well as quality improvement and digital health. Representatives contributed to new guidance on modern ward rounds, ensuring the patient perspective was fully embedded.

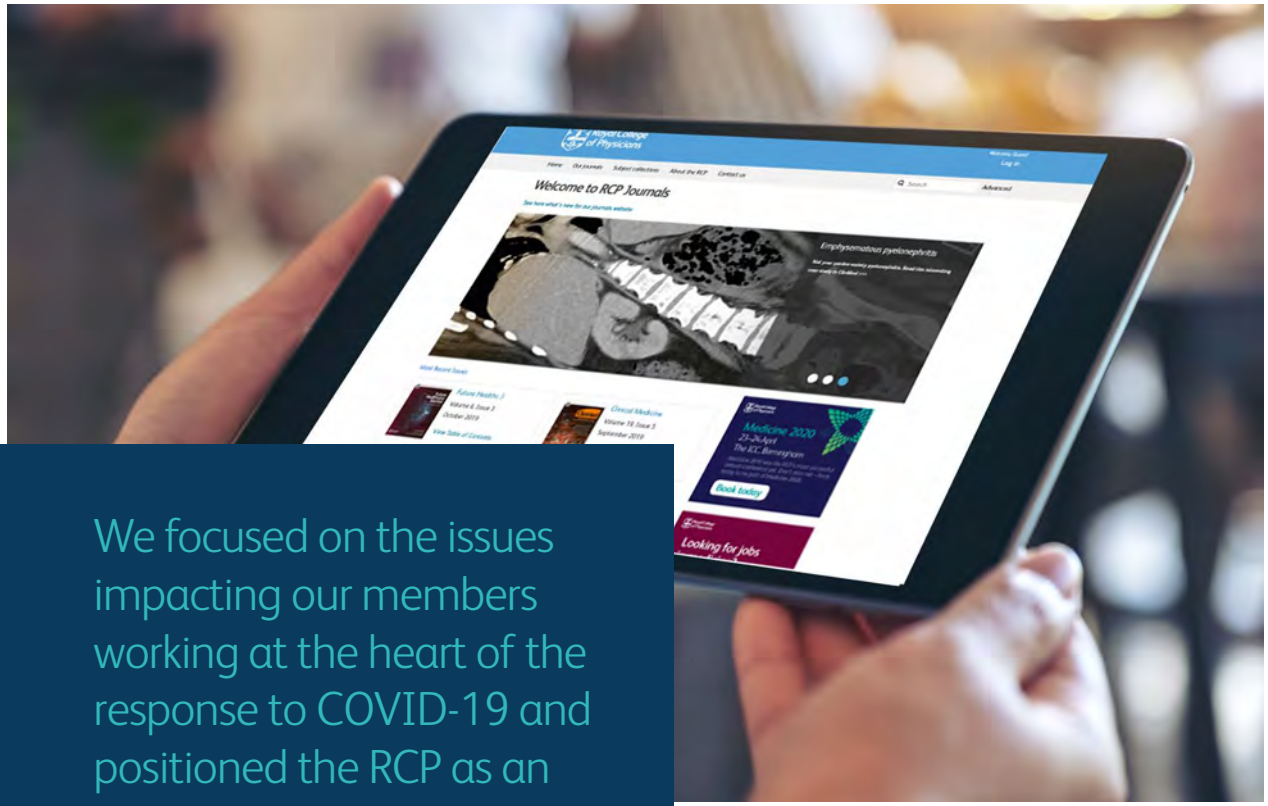
The PCN issued a statement in support of healthcare professionals during the COVID-19 pandemic and continued to be part of supportive messaging around workforce issues.

We ensured that the patient perspective is represented on working parties covering new guidance on fibromyalgia and pharmacogenomics in the NHS, both due to be published in 2021.

Improving public health

We continued to support important campaigns aligned with our public health work. These included a call convened by Crisis to protect people sleeping rough during the winter and a campaign on the Environment Bill with the UK Health Alliance on Climate Change.

Following our call for obesity to be recognised as a disease, we were proud to partner with over 100 organisations to sign a consensus statement calling for an end to the stigma surrounding obesity. Published in the journal *Nature Medicine*



We focused on the issues impacting our members working at the heart of the response to COVID-19 and positioned the RCP as an authoritative voice.

Tackling inequalities in health

In October we launched the Inequalities in Health Alliance with a letter to the prime minister pressing for urgent action to reduce health inequalities.

The COVID-19 pandemic has hit those already disadvantaged in our society hardest, exposing and exacerbating health inequalities. The moral case for tackling this is imperative. It is important to the public too – in a 2020 public opinion poll, 81% agreed that there should be a UK government strategy to reduce health inequality.

Our letter urged the prime minister to ask the government to do three things: develop a cross-government strategy to reduce health inequalities, commence the socio-economic duty (section 1 of the Equality Act 2010), and adopt a 'child health in all policies' approach.

We received substantial interest from organisations requesting to join the coalition demonstrating the overwhelming support for action. At the beginning of 2021 we were delighted that the IHA had grown to almost 160 members, including royal colleges, specialist societies, charities, think tanks, local authorities and NHS trusts. By building momentum we hope to achieve long-lasting change.

to mark the first-ever World Obesity Day, the statement called for legislation to prevent weight-based discrimination. We continued to raise awareness, develop educational opportunities and influence for more focus on this area.

Towards the end of 2020 we established the Inequalities in Health Alliance (IHA) of over 80 organisations to campaign for a cross-government strategy to reduce health inequalities.

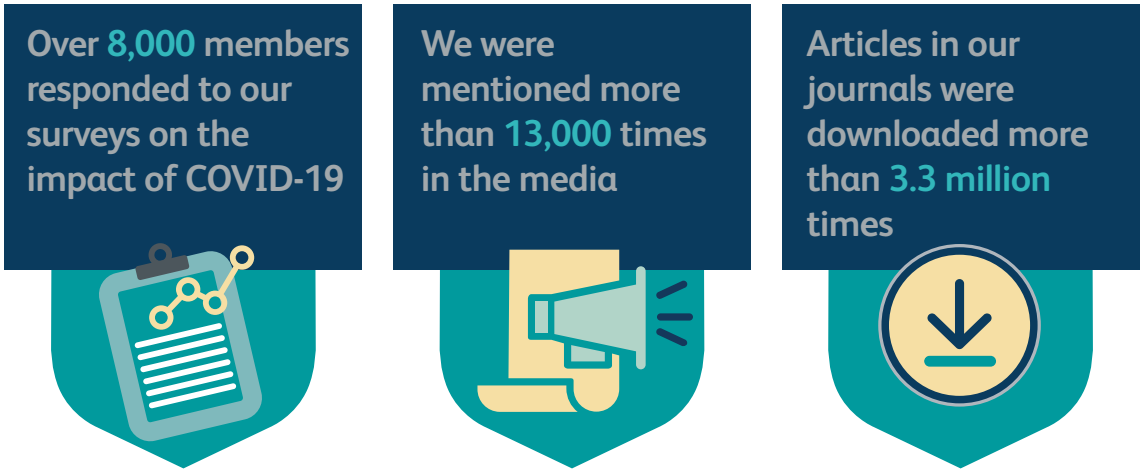
Fostering innovation

We positioned the RCP website at the heart of our COVID-19 digital response, quickly curating bespoke areas to share key information and guidance. Website page views increased to nearly 4 million – up by over 30% on 2019 – and RCP Player, our new streaming platform, hosted a growing number of webinars and events welcoming over 10,000 participants.

We focused on developing engagement across all RCP social media channels, including the launch of a new Instagram account, helping us to reach a younger demographic. Our social media audience grew by 25% to well over 130,000, and engagements increased by 40%. Our 'This Doctor Can' Twitter campaign became a powerful vehicle to celebrate the diversity of the RCP community, promoting the stories of fellows and members from ethnic minority backgrounds throughout South Asian Heritage Month and Black History Month. Facebook Live Q&As saw our president reaching audiences in the thousands, particularly important in the early months of the pandemic.

Clinical Medicine and *Future Healthcare Journal* continued to grow their reputation as high-quality sources of clinical and thought leadership content. We developed our strategy to move more content online, with a focus on environmental and financial sustainability,

Our work in **numbers**

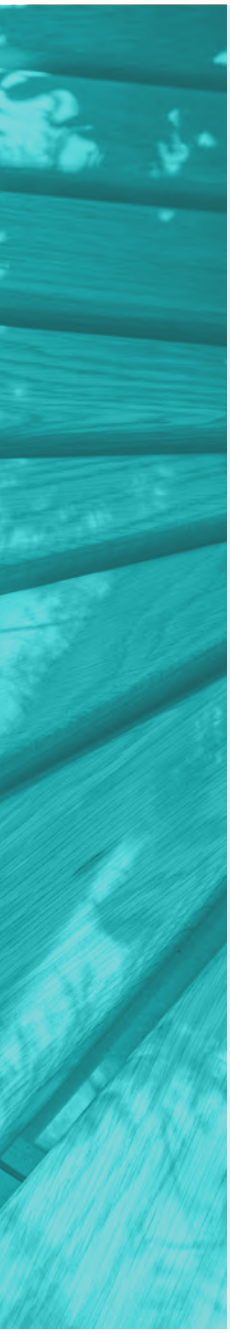


while article submissions rose by 250% and readership doubled. A COVID-19 subject collection proved extremely popular and, alongside a new journal club series on Twitter, further elevated our medical publishing profile. Our membership magazine *Commentary* saw particularly vibrant engagement with our trainee members and included more diverse voices.

We published the RCP's research strategy and launched a new research and innovation hub, enhancing our profile in this area. The online resource is a one-stop shop for supporting physicians to become more involved in research and develop their career. It fulfils one of the key aims in our research strategy, also published earlier this year.

RCP staff faced an unsettling time with the almost wholesale move to home working and loss of income impacting many areas. Our internal communications focused on ensuring staff felt supported through digital bulletins, videos and all staff briefings. A survey showed our staff felt valued and well supported, with 80% open rates for our weekly bulletin and good attendance at virtual staff events.

We positioned the RCP website at the heart of our COVID-19 digital response, quickly curating bespoke areas to share key information and guidance.



Looking **forward**

Our objectives for 2021 include:

- reflecting our members' priorities by urging UK governments to increase the medical workforce; influencing health and care legislation to improve integration, workforce planning and regulation; leading the Inequalities in Health Alliance; and working to increase the number of doctors involved in research
- supporting the resetting of the NHS and development of new guidance
- increasing the reach and impact of our media work with a new media strategy and growing our following on social media
- working to replace the RCP website and incorporate greater use of video
- promoting and cementing our presence in the north from RCP at The Spine
- publishing to shape best practice in medicine and developing the RCP brand
- reviewing the publishing model for our peer-reviewed journals and developing income-generating opportunities for our design, editorial and print services
- exploring innovative internal communications platforms to connect with our staff in all sites
- conserving, shaping and promoting our resources on the history of medicine and the RCP
- developing a 2021 programme of exhibitions, displays and events
- complying with archive and museum standards and accreditation to embody best practice.



5

Investing in our future, building on our heritage

The RCP is at the forefront of clinical innovation, yet we also share and learn from our medical heritage, which dates back over 500 years to 1518.



Our objectives

In 2020, we planned to:

- deliver a financially sustainable future by making the most of our expertise and managing our finances well
- run an excellent organisation that enables us to deliver our vision of better health and healthcare for everyone
- be a responsible organisation that lives by the values which we champion in the health service
- make our current knowledge and our long history work for the benefit of present and future generations.

Our key **achievements**

A financially sustainable future

Our 2020 financial result was a net operating deficit of £3.3 million. This was due to the significant impact of COVID-19, which reduced our income by over a quarter (£12.0 million). Costs were managed to mitigate this, including through use of the government furlough scheme for those staff unable to do their usual work. The 2020 deficit on unrestricted funds was £5.0 million, with free reserves falling to £12.4 million (equivalent to around 5 months of unrestricted expenditure).

The investment portfolio and defined benefit pension scheme both ended the year with high single-digit percentage value growth.

The core and shell of The Spine building in Liverpool, developed by Liverpool City Council, was completed in June 2020 and the RCP's fit-out of our seven floors finalised on 13 April 2021. Up to December 2020, £13.5 million (including irrecoverable VAT) had been spent on the fit-out, with £1.75 million funded by fundraising, £4.3 million by previously liquidated investments, and £7.5 million by drawing down on our credit facility with Santander.

Although COVID-19 and the completion of The Spine in Liverpool have impacted adversely on our short-term financial position, those events also provide the RCP with an opportunity to rebalance its activities in line with our new strategy for 2022–25. While we anticipate that our income levels will recover, our focus will be to ensure that we undertake our work and activities in an efficient and sustainable way, maximising the benefits of our facilities in London and Liverpool alongside our people and technology capabilities.

Our Fundraising team had another successful year and are well on the way towards the target of £3 million for The Spine, as well as £127k (raised via the Physicians for Africa appeal) for the East, Central and Southern Africa College of Physicians.

In 2018 the RCP committed to work towards reducing its gender pay gap within 5 years. In April 2020, our gender pay gap fell to a mean of 11.8% and median of 16.7% (2019: mean 14.8%, median 17.8%). The RCP follows an equal pay policy and within each grade band the gender pay differences are minimal. The overall gender pay gap is therefore due to the higher-than-average numbers of male staff at senior grades, and higher-than-average numbers of female staff at junior grades.

We completed the rollout of our new purchase order procurement system to the RCP's departments and suppliers, resulting in further processing efficiencies and financial benefits.

The Procurement team carried out several significant tenders and had discussions with suppliers to mitigate COVID-19 impact and secure refunds.

We implemented a new RCP anti-fraud policy, along with a supporting fraud response plan. These set out responsibilities for the prevention of fraud, as well as the action to be taken if fraud is discovered or suspected.

A separate accounting database for Federation enabled improved and faster reporting, and greater clarity around financial flows. An independent audit of Federation was conducted by Shipleys LLP in the first quarter of 2021 which provided additional assurances to the three colleges (RCP, RCPE and RCPSG) that the joint venture is being run in line with the Memorandum of Agreement.

An excellent organisation

We continued to increase on the number of staff based in Liverpool. By the end of 2020, 65 people were based in our interim offices at the University of Liverpool, working across all five of our directorates. Throughout 2020, staff were supported to work remotely and we quickly adapted our services to continue to operate as far as possible during the pandemic.

Technology improvements in 2020 included implementing Microsoft Teams and Office 365, planning the move of our server infrastructure off site and the JISC universities network, achieving Cyber Essentials Plus accreditation, and continuing to develop new Federation IT systems to improve physicians' exams, training and CPD experience.

To meet the sudden demand for virtual events, we rapidly developed two online platforms – RCP Player and RCP Virtual – both have proved a great success. Just before lockdown, our Meeting and Events team won the Conference 2020 Awards best conference venue under 450 theatre-style category, a significant national award.

To meet the sudden demand for virtual events, we rapidly developed two online platforms – RCP Player and RCP Virtual – both have proved a great success.

We delivered further improvements identified by internal audits, including in fundraising and trust funds management.

Our Programme Management Office engaged in a variety of change projects, including coordinating the RCP at The Spine programme, and the implementation of new e-learning software.

We held our annual general meeting (AGM), uncontested presidential election and central elections virtually. This allowed our members to continue to engage during the pandemic and key decisions to take place. The resultant environmental and other resource savings led to RCP Council agreeing that future elections will remain online only and key governance meetings will have hybrid physical/virtual attendance.

A significant revision of the RCP's bye-laws was approved at the AGM. Fundamental to the RCP's governance, these link back to our 1518 royal charter. This was the first major revision in recent years and aimed to modernise the bye-laws where necessary, but also maintain core historic aspects. In particular, the role and responsibilities of the Board of Trustees was clarified.

Through the Federation, we ensured that examinations continued throughout the pandemic by adapting to virtual and hybrid boards and committees. Through the Federation, we delivered remotely proctored exams and PACES stations 2 and 4, and provided contingency exams to ensure career progression was not jeopardised.

Heading towards zero carbon

We began divesting from fossil fuel companies over 5 years ago to manage our long-term financial risk and align with our strong advocacy on clean air. In 2020, we published our new Climate Policy which includes support for the Transition Pathway Initiative, an independent tool developed for investors to move away from any oil, gas or mining company that has not set emissions targets.

By March 2021 the percentage of fossil fuel companies within the RCP investment portfolio had fallen to 0.03% and by the end of 2021 it will be down to zero.

Andrew Goddard, RCP president, said:

'Climate change will significantly impact public health in the UK and around the world and the RCP has an important role to play in highlighting the health impact. If our voice is to be effective, we must ensure that our public advocacy is consistent with our own investments. Our new Climate Policy reflects the pace of climate change and the urgent need for everything possible to be done to limit global temperature rises in line with the goals of the Paris Climate Agreement.'

A responsible organisation

Throughout the COVID-19 lockdowns, we ensured that the RCP values of taking care, learning and being collaborative were woven into our support for NHS physicians and our staff working remotely while home schooling their children or caring for family members.
In August, with our on-site facilities managers CBRE, we put in place industry best practice COVID-19 safety measures and were awarded the COVID-safe 'Good to Go' quality mark. From September we cautiously reopened the London site to host exams and hybrid events.

During 2020, our fund managers started to implement the Board of Trustees' decision in 2019 to decarbonise our investment portfolio over a 3-year period. Our staff pension schemes also introduced a more ethical ESG (environmental, social and governance) stance within their investment strategy.

We completed installation of LED lighting at our Regent's Park offices, and maintained our Carbon Trust, ISO 14001 and ESOS-2 environmental and energy saving certifications. Energy usage at our sites fell by around 15% due to over 95% of our staff continuing to work from home through the lockdown.

The fit-out of our seven floors of The Spine in Liverpool (~71,000 sq ft) is BREEAM Excellent, and the building is classed as A++ ESOS-2 energy efficient. We are also applying for WELL Platinum Standard – an audited standard of 'wellness' for buildings, which will make it one of the healthiest work and events spaces in the UK.

The RCP farmland at Burmarsh in Kent, a gift to the College in William Harvey's 1656 will, is being evaluated for its carbon offsetting and biodiversity potential as an organic market garden or beehives for 'Harvey's Honey'.

Our work in **numbers**

2 online platforms launched to meet the new demand for digital events



The number of staff based in Liverpool grew to **65**



£1.75 million raised towards development of RCP at The Spine



Benefit present and future generations

The Spine building in Liverpool opened in May 2021 when the RCP formally commenced our occupancy of seven out of 14 floors, on a 25-year lease from the landlord Liverpool City Council. Because of national COVID-19 restrictions we anticipate that practical occupancy and activities will be limited initially, but will increase gradually up to September 2021.

Over the next 3–4 years the aim is to rebalance the workforce between Liverpool and London, with around 185 staff at each site, and to engage wholeheartedly with initiatives to improve health and address health inequalities in the north of England. The Spine forms a key part of Liverpool's Knowledge Quarter and its state-of-the-art assessment centre and educational facilities will transform what we are able to offer our members in the north and enhance our provision nationally. This is a long-term investment and partnership with the city of Liverpool and the north. Some space has been set aside at The Spine for other medical colleges, faculties and societies to take serviced office or sublet space, to form a 'medical campus'.

RCP Player became a key online platform for webinars and streamed content for our members during the pandemic.



As some staff moved to Liverpool and space opened up at our Regent's Park office, we began to sublet the terrace houses in St Andrews Place. In 2020 we secured three new tenants – the Tropical Health and Education Trust, C3 Collaborating for Health and the British Society for Heart Failure.

Our archives and museum were closed to visitors due to COVID-19. We developed an innovative new virtual exhibition, RCP Unseen, to showcase some of the hidden treasures in our collection.



Looking **forward**

Our plans for 2021 include:

- continuing with plans to repair the financial impact of the COVID-19 pandemic and return the RCP to a financially sustainable position
- completing the fit-out and installation of The Spine, moving staff into the building, implementing the WELL Standard, and transition planning for the moving of roles from London to Liverpool in 2022–24
- launching RCP Spaces at The Spine for conferences and events, exams and training, and office space
- fundraising to reach the £3 million target for The Spine
- finalising and publishing the RCP's new strategy for 2022–25 (see p40)
- successfully delivering our Medicine 2021 annual conference and a programme of virtual/hybrid educational conferences
- building the professional conference organiser business Circulus
- completing the migration of the RCP website and email addresses to www.rcp.ac.uk as well as migrating our IT server infrastructure to the JISC/ JANET UK universities network
- developing the RCP Digital Strategy, including website improvements, an RCP app and online exam software
- commissioning internal audits of cybersecurity and our international activities
- enhancing our environmental credentials, including progressing the plan to achieve carbon neutrality by 2030, and developing the biodiversity/ carbon offsetting potential of the farmland at Burmarsh.

Our ambitious plans to improve **diversity and inclusion**

This year we welcomed the findings of an independent review of diversity and inclusion at the RCP. The report was compiled by consultant Ben Summerskill, previously chief executive of Stonewall and a commissioner at the Equality and Human Rights Commission.

The findings drew on one-to-one interviews with a range of members from different backgrounds and at different stages in their careers. Over 1,000 RCP members, staff and stakeholders also responded to an anonymous online survey.

The report's six sections look at the current make-up of the RCP, how diversity is measured and monitored, how we present ourselves and how some perceive us, how we recruit and retain staff and volunteers, and at our ways of working. There are 29 wide-ranging recommendations, covering areas such as advertising, recruitment, representation, staff networks and systems and training.

The report's publication in July was very timely, coinciding with the renewed urgency given to improving diversity by Black Lives Matter protests, and at a time when the disproportionate impact of COVID-19 upon some communities has been keenly felt in the health sector. Its candid and sometimes difficult-to-read findings have propelled us to take action with a programme of work to ensure the recommendations are achieved. Andrew Goddard, RCP president, said it has: 'united all in the RCP to committing to and doing something about the racism and disparities it highlighted'.

We are now developing a communications inclusion policy and reviewing our physical spaces to ensure they embody our commitment to inclusion and engagement. Data is key and work has begun to ensure systems and engagement strategies with members and staff are improved to record, reflect and encourage greater diversity. With the expertise of our project teams and stakeholders to guide us, we are committed to delivering on the 29 recommendations in the report. This is just the start of our ambitious plans to improve diversity and inclusion across the organisation to ensure all our people – fellows, members, staff and volunteers – are enabled to contribute fully to the RCP's work.

RCP at **The Spine**

In 2021, we open an exciting new purpose-built office in partnership with Liverpool City Council – RCP at The Spine. For the first time in our 500-year history, the RCP will be working from two main homes, transforming our reach and facilities for members in the north.

Despite the COVID-19 pandemic, impressive progress has been made on the fit-out of The Spine, our new home in Liverpool's Knowledge Quarter, as part of a wider new development known as Paddington Village.

The RCP has funded the Cat-B fit-out of the seven floors we are taking space on, and employed Overbury as the principal contractor, along with Recursive, MTI and Pure AV as contractors for the IT and AV facilities. We have been supported by generous donations from several organisations, for which we are very grateful.

The onset of the pandemic posed considerable and unexpected challenges. However, these were overcome thanks to close collaboration with Liverpool City Council, Morgan Sindall (the construction contractors), CBRE (our professional advisers), and our own contractors. As a result, work started on site in June 2020 (rather than March), taking full account of all industry standards and regulations to ensure safe working in these unique circumstances. By the end of 2020 it was possible to see the plans and architect's impressions becoming reality, contributing to what is a striking and important building. The Spine will enable the RCP to provide its services such as examinations, educational courses and meetings, lectures, and wider events in an environment that has extensive biophilic features and meets the Platinum WELL Standard, supported by state-of-the-art facilities. These include a Harvard-style theatre, and a virtual video wall enabling remote as well as physical participation and interaction with delegates.

In 2020 the new Clatterbridge Cancer Centre opened close to The Spine, and their headquarters will be based in the building, as our neighbours. Along with the proximity of the Royal Liverpool Hospital, the universities, and other health and academic institutions, the RCP will be at the heart of a vibrant scientific community. We have also strengthened our links with the city and city region authorities, such as by Liverpool City Council's acceptance of our invitation to join the Inequalities in Health Alliance. We opened our new facilities in May 2021, and despite the continuing uncertainties and challenges of the pandemic, we look forward to engagement with the city and developing the RCP's activities.













Our strategy for 2022–25

During 2020, the RCP's work was reprioritised due to the global pandemic. We focused on providing support for our members at the forefront of the response to COVID-19, rapidly adapting many of our services and developing new ways of working.

Given these challenges, we decided to postpone finalising and publication of our new strategy, originally planned to cover 2021–24. During 2021 we continued to be guided by our strategy for 2015–20.

Our new 4-year strategy covering 2022–25 has gone through a process of consultation. We decided to keep our vision, but to develop a new mission statement and priorities. In early 2020 we asked our members and staff, as well as key organisations and people we work with, what they thought.

They broadly supported our proposals, with three-quarters of our members agreeing we should have fewer priorities than the five in our current strategy. When asked 'if we could do only one thing, what should it be?', the majority of our members said it should be support for doctors, education or influencing.

We discussed what we had learned from the survey feedback, made some changes to our proposals and set out our three key priorities. In late 2020, our vision and revised priorities were supported by the Board of Trustees.

Our vision for 2022–25 will continue to be 'the best possible health and healthcare for everyone'. As the leading body for physicians in the UK and internationally, we will set ourselves the mission of achieving our vision by:

- educating physicians and supporting them to fulfil their potential
- influencing the way that healthcare is designed and delivered
- improving health and care and the prevention of ill health.

The Board of Trustees, RCP officers and staff are now working together to develop the objectives under each of these three key priority areas. This work will complete our strategy and provide a roadmap to guide our work over the next 4 years.

RCP boards, committees and lists

The officers, trustees and councillors listed below served during 2020. Current lists can be found via www.rcplondon.ac.uk/about-us/who-we-are/our-governance

Officers and senior roles of the RCP

Visitor
Her Majesty the Queen

President
Dr Andrew Goddard

Vice president for education and training (senior censor)
Dr Emma Vaux
(demitted July 2020)
Professor Áine Burns
(appointed August 2020)

Clinical vice president
Dr Sarah Clarke

Academic vice president
Professor Cheng-Hock Toh

Treasurer
Professor Chuka Nwokolo

Registrar
Professor Donal O'Donoghue OBE*

Censors
Dr Jyoti Baharani
Dr Celia Bielawski
Professor Rudolf Bilous
Dr David Cohen
(demitted July 2020)
Dr Manish Gautam
(appointed August 2020)
Dr Rasha Mukhtar
Dr Catherine Sargent
(appointed August 2020)
Dr Robert Wright
(demitted July 2020)

Vice president for Wales
Dr Olwen Williams OBE

Vice president – global
Professor Ali Jawad
(demitted August 2020)
Dr Mumtaz Patel
(appointed September 2020)

Linacre fellow
Dr Ananthakrishnan Raghuram
(demitted July 2020)
Dr Joanna Szram
(appointed August 2020)

Harveian librarian
Professor Simon Bowman
(demitted August 2020)
Dr Louella Vaughan
(appointed September 2020)

* Following Professor Donal O'Donoghue's tragic death from COVID-19 in January 2021, Dr Peter Belfield took over as interim registrar until May 2021 when Dr Cathryn Edwards was appointed.

Deputy treasurer
Professor Simon Bowman

Medical director of publishing
Professor Anton Emmanuel

Editor-in-chief, *Clinical Medicine* and *Commentary*
Professor Anton Emmanuel

Editor, *Future Healthcare Journal*
Dr Kevin Fox

Clinical director for quality improvement and patient safety
Dr John Dean

Medical director, of CME and CPD
Dr Emma Vaux
(until 31 July 2020)
Professor Áine Burns
(from 1 August 2020)

Senior examiner of the London College (PACES)
Dr Abdul-Majeed Salmasi

RCP chief examiner
Dr Emma Vaux
(from September 2020)

Director, Medical Workforce Unit
Dr Nigel Trudgill

Deputy directors, Medical Workforce Unit
Dr Sarah Logan and
Dr Rifca Le Dieu (job-share)

Clinical lead for engagement – The Spine
Dr Louise Bate

Patient involvement officer
Dr Helen Gentles

Director, invited service reviews
Dr Peter Belfield

Deputy medical director, invited service reviews
Dr Adam De Belder

Deputy medical director, invited service reviews
Dr Jonathan Bennett

Deputy registrars
Dr Alastair Gilmore
Dr Sonia Panchal

Clinical director for audit and accreditation
Dr Jane Youde

Clinical director for digital health
Dr Wajid Hussain

Garden fellow
Dr Henry Oakeley

Representative on the Advisory Committee of the Chelsea Physic Garden
Professor Michael de Swiet

Chief executive
Dr Ian Bullock

Officers of the Federation of Royal Colleges of Physicians of the UK

Executive medical director
Dr Gerrard Phillips

Medical director, training and development
Dr Mike Jones

Medical director, assessment
Dr Kenneth Dagg

International medical director, assessment
Dr Donald Farquhar

International medical director, training and development
Professor David Black

Associate medical director, CPD
Dr Adrian Jennings

Associate medical director, written examinations
Professor Albert Ferro

Associate medical director, clinical examinations
Dr Stuart Hood

Deputy medical director, JRCPTB
Dr Alastair Miller

Board of Trustees

Ex-officio members
Dr Andrew Goddard, president
Professor Donal O'Donoghue, registrar (until January 2021)
Dr Peter Belfield, interim registrar (January – June 2021)
Dr Cathryn Edwards, registrar (appointed May 2021)
Professor Chuka Nwokolo, treasurer
Dr Sarah Clarke, clinical vice president
Professor Cheng-Hock Toh, academic vice president (demitted July 2021)
Professor Ramesh Arasaradnam, academic vice president (appointed August 2021)
Dr Emma Vaux, vice president for education and training and senior censor (demitted July 2020)
Professor Áine Burns, vice president for education and training and senior censor (appointed August 2020)

Members nominated from Council

Professor Namita Kumar
Dr Iain Lawrie
Dr John Dean
Dr Jo Szram (appointed April 2021)

Lay members

Professor David Croisdale-Appleby OBE
Professor Charles Baden-Fuller
Sarah Barzycki
Andrew Chandler
Graham Meek

Members of Council

Dr Andrew Goddard
Professor Aine Burns
Dr Sarah Clarke
Professor Cheng-Hock Toh
Professor Chuka Nwokolo
Professor Donal O'Donoghue OBE
Dr Olwen Williams OBE
Dr Tun Aung (appointed August 2020)
Dr Angshu Bhowmik (appointed August 2020)
Professor Susan Carr (demitted July 2020)
Dr Kaushik Chaudhuri
Dr Parijat De
Professor Rob George
Professor Namita Kumar (demitted July 2020)
Dr Ruth Law
Dr Philippa Medcalf MBE (demitted July 2020)
Professor Tom Solomon
Dr Joanna Szram
Dr Mark Temple (appointed August 2020)
Dr Jenny Vaughan
Dr Robert Wright (appointed August 2020)
Professor Áine Burns (demitted July 2020)
Dr John Dean
Dr Iain Lawrie (appointed March 2020)
Dr Celia Bielawski
Professor Rudolf Bilous
Dr Margaret Stark
Dr Anne de Bono
Professor Tim Higenbottam
Professor Maggie Rae
Dr Alison Pittard
Ms Kate Straughton
Dr Tun Aung (demitted July 2020)
Dr Mick Kumwenda (appointed September 2020)
Dr David Price (demitted July 2020)
Dr Kanwaljit Sandhu
Dr Ruth Murphy (demitted July 2020)
Dr Tanya Bleiker (appointed July 2020)
Dr Sanjeev Patel (appointed April 2020)
Dr Elizabeth Price (demitted April 2020)
Dr Cathryn Edwards (demitted June 2020)
Dr Alastair McKinlay (appointed June 2020)
Dr Jennifer Burns (appointed December 2020)
Professor Tahir Masud (demitted December 2020)
Professor Jonathan Bennett
Dr Susan Crossland
Professor David Burn
Dr Robert Gregory
Dr Katherine Henderson
Dr Katie Honney (appointed August 2020)
Dr Madhu Varma (demitted July 2020)
Dr Ajay Verma
Professor Simon Ray
Dr Michael Fitzpatrick
Dr Matthew Roycroft
Dr Rachel Jones
Dr Waleed Arshad
Dr Helen Gentles
Mr Eddie Kinsella (appointed April 2020)

Finance and Resources Board

Professor Charles Baden-Fuller
Professor Chuka Nwokolo, treasurer
Dr Andrew Goddard, president
Professor Simon Bowman, Harveian librarian and deputy treasurer
Professor Donal O'Donoghue, registrar
Roger Speddy
Dr Kaushik Chaudhuri
Professor Rob George
Dr Mark Temple
Dr Wajid Hussain

Audit and Risk Committee

Andrew Chandler
Graham Meek
Ray Sadler
Tim Golbourn
Roger Speddy
Dr Angshu Bhowmik

Investment Advisory Panel

Professor Chuka Nwokolo
Professor Simon Bowman
Consuelo Brooke
James Hordern
Adam Matthews
Professor Ganesh Subramanian
Peter Allen
Martin Been

Remuneration Committee

Professor Chuka Nwokolo
Professor Simon Bowman
Andrew Chandler
Graham Meek
Professor Anthony B Ward
Nigel Turner

Awards, prizes and lectures

Christmas lecture
Professor Sir Michael Marmot

FitzPatrick lecture
Professor Ali Jawad

Graham Bull prize and Goulstonian lecture
Dr Rickie Patani

Harveian orator
Professor Sir Peter Ratcliffe

Linacre lecture
Dr Adam Croft

Teale essay prize for trainees
Dr Sina Ghadiri

President's Medal
Dr Henry Oakeley
Anne McSweeney

Excellence in Patient Care Awards

Digital award
Flash Glucose Collaboration (ABCD, DTN-UK, NHS England)

Innovation award
Kettering General Hospital NHS Foundation Trust

International award
Team CAPD (continuous ambulatory peritoneal dialysis), Anuradhapura Teaching Hospital, Sri Lanka

Medical education and training award
The Prescribing Safety Assessment (PSA) partnership

Person-centred care award
Moving Medicine, Faculty of Sport and Exercise Medicine

Quality improvement award
FORWARD, Guy's and St Thomas' NHS Foundation Trust

The Lancet research award
Newcastle University, South Tyneside and Sunderland NHS Foundation Trust and the Northern Region Endoscopy Group

Welfare and wellbeing award
'Professionals together' team, HEE West Midlands

Contribution to the profession award
Dr Amit Arora, consultant physician and geriatrician

Fellowships and bursaries

Rosetrees Trust – RCP joint fellowships
Dr Ray Tan
Dr Jennifer Piggott

Whitney-Wood Scholarship
Dr Stephen Sammut

Elections and admissions

New fellows
1,939 elected under bye-law 39 (a, c and d)
6 elected under bye-law 39 (b)
1 elected under bye-law 39 (e)
22 elected under bye-law 39 (f)
85 elected under bye-law 39 (g)
7 elected under bye-law 43

New honorary fellows
Consuelo Brooke
Professor Hugo Barrera-Saldaña
Andrew Chandler
Simon Ellen
James Hordern
Professor Francesca Levi-Schaffer
Sir Simon Stevens

Major donors for 2020

Celgene
Daiichi Sankyo
Dr Barry Anthony Enoch
Dr Robert Hardwick
Garfield Weston Foundation
GSK
Jerwood Foundation
Lord Leverhulme's Charitable Trust
Modiano Charitable Trust
Mrs Dorothy Whitney-Wood
Norgine
Novartis
Novo Nordisk
Pfizer
Rosetrees Trust
Tay Charitable Trust
The Thompson Educational Trust
The Williams Charitable Trust
The Wolfson Foundation

Principal advisers

Solicitors
Fieldfisher LLP
Riverbank House
2 Swan Lane
London EC4R 3TT

DAC Beachcroft LLC
Administration Centre
Portwall Place
Portwall Lane
Bristol BS1 9HS

Bankers
C Hoare and Company
37 Fleet Street
London
EC4P 4DQ

Lloyds plc
National Clubs and Charities Centre
Sedgemoor House
Dean Gate Avenue
Blackbrook Business Park
Taunton
TA1 2UF

Santander UK plc
Education Specialist Sectors Group
4 St Paul's Square
Liverpool
L3 9SJ

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

Investment managers
Cazenove Capital Management
12 Moorgate
London
EC2R 6DA

Ruffer LLP
80 Victoria Street
London
SW1E 5JL

Morgan Stanley Private Wealth Management
25 Cabot Square
Canary Wharf
London
E14 4QA

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

Principal address

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

Chief executive
Dr Ian Bullock

Supported by key management personnel

Executive director, Membership Support and Global Engagement
Matthew Foster

Executive director, Care Quality Improvement
Rhona Buckingham

Executive director, Education
Professor Della Freeth

Executive director, Corporate Services
Justin Smith

Director, Communications, Policy and Research
Claire Burroughs

Commissioning director for RCP at The Spine
Clive Constable

Chief operating officer – Federation
Yasmin Becker

Financial policies

This section should be read in conjunction with the financial statements on pages 61 to 88. An overview of the financial results is given in the treasurer's report on page 55.

Fundraising

The RCP is grateful for the exceptional level of support that we have received during the course of 2020 from generous donors, including members and fellows, charitable trusts and foundations, and corporate partners.

Philanthropic support and corporate sponsorship are fundamental to the work of the RCP and help us to fulfil our wider charitable aim of improving healthcare. The funds that we raise go directly to supporting research; education and training; clinical improvement; patient safety; and the maintenance and development of our facilities. This report allows us to show how our charitable funds are distributed and spent. It demonstrates the benefits and impact that fundraising has on supporting physicians and improving standards of patient care.

Principal fundraising activities and performance

Giving Health is the RCP's ongoing fundraising appeal to secure philanthropic donations to fund key areas of our work. Giving Health aims to raise funds for four vital projects that demonstrate our shared commitment to the medical profession:

- **Physicians for Africa** – a partnership with the East, Central and Southern Africa College of Physicians to provide financial and in-kind support for a region desperately short of well-trained doctors
- **The Physicians' Fund** – the award of grants to trainees and new consultants pursuing innovation in medicine and helping to create a research-active health service
- **RCP at The Spine** – a state-of-the-art facility in Liverpool for the education and examination of physicians, which will pioneer advances in medical education and support RCP members
- **Heritage** – maintaining our Grade I listed buildings in London, including caring for our historic collections and providing welcoming spaces for meeting and collaboration.

COVID-19 required us to adapt our original fundraising strategy, which was focused on face-to-face meetings with major donors, a series of high level events, and international fundraising visits. We focused instead on a greater number of approaches to mid-level donors, smaller trusts/foundations, and more resilient corporate partners.

Fundraising income in 2020 (including gifts to unrestricted funds and to restricted income and endowment funds) increased to £2,238k (2019: £594k).

Our annual membership appeal was focused on COVID-19 and raised a total of £133k. This funded grants to help the NHS manage the response and longer-term consequences of the pandemic.

Nearly 300 donors to our Giving Health campaign have now been recognised through the Linacre Wall at the main entrance to our London home. Plans are being advanced to erect a counterpart wall in Liverpool at RCP at The Spine, and to establish a new legacy society of donors.

The RCP's fundraising programme is carried out by a small team including specialists in trust/foundation, corporate, and major donor fundraising. The director of development reports to the CEO and works closely with the Board of Trustees. We aim to keep our fundraising costs below the average for the sector and in 2020 these costs were 13.5% of monies raised.

Fundraising controls and regulation

We recognise that our fundraising success is dependent on maintaining the trust of our donors and the public. We have a number of controls in place to ensure that our fundraising remains ethical, transparent, respects vulnerable people and is compliant with current regulation. Our campaigns are run by an in-house team and we do not engage the services of commercial partners to raise funds on our behalf.

Our Board of Trustees plays an active role in our fundraising activities, reviews fundraising plans, and ensures that fundraising activity operates in line with regulatory requirements and relevant best practice.

We have an ethical fundraising policy and carry out due diligence to ensure that we do not receive any donations that conflict with our values. All of our fundraisers receive compulsory training in this area and are members of the Chartered Institute of Fundraising, the professional membership body for UK fundraising.

The RCP is registered with the Fundraising Regulator (ref 128235) and has adopted the Code of Fundraising Practice. No complaints were received in relation to our fundraising activities during 2020 (2019: nil).

Investments

Powers and governance

The RCP's bye-laws give the trustees powers to appoint fund managers to manage its investments.

The Investment Advisory Panel (IAP) is responsible for monitoring the performance of the investment portfolios and of the fund managers. The IAP meets with the fund managers quarterly to review their reports and progress. The IAP is chaired by the treasurer, and its membership includes fellows, independent external advisers, the executive director of Corporate Services and the director of Finance. The panel reports to the Finance and Resources Board.

Management

The majority of investments are managed by Cazenove Capital (part of Schroders plc) who have discretionary powers of investment within agreed restrictions as agreed in the Statement of Investment Principles.

The managers' mandate is to invest, on a total returns basis, in a globally diversified portfolio of cash, equity, fixed income, convertible bonds, hedge fund securities, property funds and commodities' funds. A relatively small investment remains with the former (pre-2011) investment managers Morgan Stanley, in the form of hedge funds that are slowly being run down, liquidated and transferred to Cazenove. Three specific trust funds invested with fund manager CCLA were transferred to Cazenove in early 2020. One other trust fund (The Cotton Trust) remains invested (as per its terms) with RBC / Royal Trust Corporation of Canada.

During 2020, the management of the investment portfolio has been reviewed by the finance and resources board, and the trustees, and our approach has been clarified with the investment managers.

The RCP's objective is to invest its investment assets to manage returns, with a low to moderate level of risk, with targeted returns of CPI + 3% through a diversified asset portfolio. Within this framework a number of objectives have been agreed to help guide the Finance and Resources Board in their strategic management of the RCP's investments.

Ethical and Climate Change Investment Policy

The RCP has operated an Ethical Investment Policy in line with guidance issued by the Church of England Investment Fund. We continue to hold minimal tolerances on the proportion of indirect funds held linked to production or supply of tobacco, armaments, pornography, gambling and sale or production of alcohol.

Climate change will significantly impact public health both in the UK and around the world. All that can be done should be done to limit global temperature rises in line with the goals of the Paris Agreement on climate change. If we are to avoid the extreme impacts of climate change on both people and the environment this means a world where we limit temperature rises to 1.5 degrees above pre-industrial levels.

As a medical college the Royal College of Physicians (RCP) has a particular role to play in highlighting the health impact of climate change.

In December 2019, the Board of Trustees approved a new Climate Change Investment Policy developed by the IAP. One of its main goals is set out below:

> **'Disinvesting by 2023 from fossil fuel companies not demonstrably in line with the goals of the Paris Agreement:** By 2023 and after engagement by our fund managers with those remaining oil and gas and mining companies in which we still retain a holding we will ask our fund managers to undertake a final assessment, using the insights of the Transition Pathway Initiative (TPI), to identify which oil and gas and mining companies are demonstrably on a path in line with the goals of the Paris Agreement. Any company that is not on such a path will be disinvested from.

Reporting by our fund managers: The RCP instructs its fund managers to report on a quarterly basis on their delivery against this policy and to evidence the seriousness by which they are engaging with companies and how they are using their voting and shareholder rights to do so.

Reporting on progress: The RCP will report annually on progress in implementing this policy.'

By December 2020 our fund managers reported that indirect investment in fossil fuels had decreased to less than 1% of the value of the portfolio and that total divestment was likely to occur earlier than expected, possibly in 2021.

Total returns policy

The RCP received a total return order from the Charity Commission, dated 6 February 2012, which enables the trustees to decide which part of the unapplied total return from the investment of the charity's permanent endowments should be held on trust for application for the purposes of the charity.

The policy applied in determining the initial amounts of the trusts for investments and any unapplied total return was identifying an appropriate and suitable date at which the investments (which were all invested with and managed by external fund managers) were at their lowest. This date was determined (through reference to the general stock market conditions over the period) as 30 September 1988.

The value of the investments at this date was 'frozen' and classified as frozen permanent capital and the remainder of the investments was classified as unapplied total return.

The amount of the unapplied total return allocated to income was the actual costs of grants, fellowships and other costs such as medals, prizes and honoraria that were awarded in the financial year, as stipulated by and within the remit of the various funds.

Policy on reserves

To deliver its business plan, the RCP has agreed a budgeting and reserves policy that enables it to make appropriate strategic allocations of funds, while also securing a sound financial base for future requirements. Services are provided with a clear understanding of whether they should be subsidised, cost neutral or delivered at a surplus. Through this policy, the RCP seeks to develop new sources of income to mitigate the risk of over-reliance on major income streams. Investment decisions on the resources necessary, both to deliver new activities and to sustain continuing commitments, are based on the RCP's overall strategic needs.

The trustees make allocations between the main activities, based on the current environment and the changing requirements of the RCP's key activities. The Finance and Resources Board recommends an overall financial framework for the preparation of annual budgets to the trustees, taking into account the need to maintain an appropriate level of reserves.

Reserves provide an important base from which the RCP can deliver against its charitable objectives, recognizing that some areas of income and expenditure can be variable and uncertain. The budgets and future plans are put in place to overcome any uncertainty over income or unexpected calls on the charity's funds. At 31 December 2020 total reserves of RCP were £45.0 million. The RCP holds a number of permanently endowed and restricted funds which result from bequests or donations for particular purposes, details of which are set out in notes 22 and 23 to the financial statements. At 31 December 2020 total restricted funds were £3.7 million and endowment funds were £11.4 million.

The RCP also holds reserves in the form of designated funds that are earmarked for particular purposes by the trustees. At 31 December 2020 the balance on the designated funds was £17.5m. The main designated fund is the intangible and fixed assets fund, represented by tangible and intangible fixed assets less associated loan finance outstanding in respect of The Spine fit-out, which are not readily converted into cash. The leasehold replacement fund had been identified in prior years as one source of funds for the fit-out of RCP at The Spine in Liverpool, the fund and associated cash deposits has been released to the general fund in 2020 in line with this spend.

The general reserves of the RCP, excluding designated funds, are represented by a mixture of external investments and net assets that include cash reserves. The minimum target free reserves level is in the range of 3–6 months of unrestricted expenditure and is set based on: the risk to income and expenditure fluctuations, unexpected needs for funds, and the need to provide working capital for the operation.

The general reserves of the RCP as at 31 December 2020 were £16.7 million (2019 free reserves restated: £17.9 million). At 31 December 2020 the defined benefit pension scheme deficit was £4.2 million (2019: £4.2 million). Free reserves net of pension scheme deficit represent 7.3 months of the unrestricted operational expenditure, which is beyond the target free reserves level of between 3 and 6 months (£7.2m-£14.4m). While the financial impact of COVID-19 is likely to put pressure on the level of free reserves going forward, the target level is still appropriate.

Trading subsidiary

The principal activity of the company is to organise, provide facilities for and hold conferences, seminars, and courses of instruction, demonstrations, lectures, exhibitions, private dinners and functions. Net deficit for the RCP's wholly owned trading subsidiary, The RCP Regent's Park Limited, for the year ended 31 December 2020 was £106k. The company is looking to recover its trading position through the provision of more virtual and hybrid events, as well as harnessing opportunities from new facilities at the Spine building. The trading results and balance sheet of the subsidiary extracted from its audited accounts are set out in note 25 to the financial statements.

Going concern

The financial statements are prepared on a going concern basis. The Board of Trustees has considered the adoption of a going concern basis in the preparation of these financial statements. A projection of the RCP's financial position to December 2022 has been undertaken including:

- a review of budgets and forecasts
- consideration of the key risks and uncertainties in the context of the RCP's operations, including COVID-19
- the mitigating actions the RCP can deploy for liquidity, together with the impact on reserves.

The COVID-19 pandemic has had a significant, immediate impact on the RCP's operations. The government guidelines introduced in March 2020 resulted in two of the four main income streams for the RCP being impacted: examinations, and conference and event activity. Membership support and income is key and the RCP continues to ensure the delivery of value of being a member. The most significant financial impact has been in relation to the cancellation of face-to-face events and conferences, impacting RCP activity directly as well in the wholly owned trading subsidiary, Regents Park Ltd.

For the period to December 2022 the Board of Trustees has considered the impact of a series of scenarios and the actions required to mitigate the impact of the pandemic, including income generation, cost-saving measures and (in 2020 and 2021) utilising the support offered by the UK government through its Coronavirus Job Retention Scheme. Working capital requirements are met through income received from business activities and the RCP has the ability to drawdown against funds held within the investment portfolio if required. At December 2020 the RCP has adequate levels of cash and reserves and that is expected to remain the case through 2022 with operating income and expenditure expected to return to surplus in 2022.

Having regard to the above, the Board of Trustees believes it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Structure, governance and management

The RCP is a registered charity (no. 210508), incorporated by royal charter dated 23 September 1518, affirmed by an act of parliament in 1523. The charter of 1518 was amended by a supplemental royal charter dated 11 March 1999. The governing instruments of the RCP are the royal charters, and the bye-laws as amended from time to time. The RCP is also registered at Companies House as a company incorporated by royal charter (no. RC000899).

Board of Trustees

The Board of Trustees is the RCP's governing body and meets five times a year – four main quarterly meetings plus a November budget review meeting. It is responsible for:

- ensuring the RCP operates within its charitable objectives, and its standing orders in terms of matters reserved for the Board and those delegated to the CEO

- providing strategic direction
- agreeing the RCP annual operations plan and monitoring the progress of performance against that plan
- ensuring the effective management and custody of all RCP assets.

The RCP is committed to ensuring best practice governance and the Board of Trustees embeds the Charity Governance Code to ensure the organisation's effectiveness:

- **Organisational purpose** – the Board of Trustees is clear about the RCP's purpose, vision and mission as described in this report, and the public benefit this serves in supporting the evolution of the healthcare agenda. During 2020, trustees considered how the 2015–20 RCP strategy had fulfilled its purpose and in early 2021 we consulted widely with our stakeholders and plan to launch our new strategy at the end of 2021. This will guide our planned activities from 2022–25.
- **Leadership** – in addition to setting strategy, the Board of Trustees seeks to provide leadership for the RCP and ensure delivery of the charity's aims and values by the involvement of trustees (officers and lay trustees) alongside the executive team in key committees. The review of the bye-laws during 2019 enabled development of tighter governance processes and provided greater clarity around the respective roles of the Board of Trustees and Council. This work was ratified at the annual general meeting in September 2020.
- **Integrity** – trustees are expected to follow *The 7 principles of public life* drawn up by the Committee on Standards in Public Life. During 2020 the RCP embedded its Code of Conduct and organisational values within all areas of its business. A raising concerns policy was written to support and encourage a responsive culture where people can speak up when things go wrong and the organisation can continue to learn and improve. In November 2020, an anti-fraud policy was published supported by existing RCP policies including hospitality and gifts (anti-bribery). A statement relating to the Modern Slavery Act is on the RCP website.
- **Decision-making, risk and control** – in order to ensure strong oversight of the organisation by the Board of Trustees, the RCP commissioned two internal audits in Q1 2020, with one audit postponed to Q1 2021. The RCP embraced an improved risk identification and reporting processes and provided training to teams throughout the organisation to improve the understanding of risk and risk reporting.
- **Board effectiveness** – the members of the Board reflect the complexity of the organisation. As part of the ongoing modernisation of governance and effectiveness of trustees a lay chair was appointed in June 2019.
- **Diversity** – the Board currently has a diverse membership, and this will be kept under review. In 2020 the RCP published an independent review of equality, diversity and inclusivity across all areas of activity with recommendations to the trustees.
- **Openness and accountability** – the RCP has many touchpoints with a wide variety of stakeholders. As part of the bye-law review consideration was given to aligning a Council meeting with the annual general meeting to improve attendance and enable a question-and-answer session with trustees as part of the meeting. Due to the pandemic, the AGM in 2020 was held virtually but it was agreed that future AGMs would follow a hybrid model to increase attendance and provide opportunity to engage with the trustees.

The Board of Trustees has the authority to delegate any of its powers to the RCP's boards and committees. Ultimately, all decisions apart from changes to the bye-laws and regulations are either taken by or on behalf of the Board of Trustees, and reported at the annual general meeting.

The Board of Trustees comprises:

- senior officers of the RCP (*ex officio* – six)
- members nominated from Council (four)
- lay members appointed by the Board of Trustees (five).

Trustees are inducted in the operations of the RCP as well as their statutory obligations as a charity trustee when they are appointed. The training requirement for trustees is kept under regular review. An online governance hub makes material more accessible to trustees and an online declaration of personal interests and good standing of trustees supports good governance processes.

RCP Council

Council meets six times a year. Its function is to develop RCP policy in relation to professional and clinical matters, and to give authority to:

- RCP statements and publications
- conduct and results of the MRCP(UK) examination
- elections to the fellowship and membership as well as of RCP officers.

There is one board with specific responsibility to the Council:

- Medical Specialties Board.

RCP officers

The senior officers of the RCP (president, vice presidents, treasurer and registrar) are all trustees of the charity. Their involvement in all of the main boards and committees of the RCP ensures that due consideration is given to the RCP's charter and bye-laws on every occasion.

Annual general meeting

The annual presidential election is held on the first Monday after Palm Sunday by act of parliament. In 2020, the AGM was decoupled from the presidential election to take place later in the year.

Fellows

Fellowship is the highest level of membership of the RCP and comes with many benefits and responsibilities. Fellows have distinguished themselves in the practice of medicine, medical science or medical literature. At the time of election, the fellow is normally a member of the RCP of at least 4 years standing, in a substantive consultant post for a minimum of 3 years, and making a significant contribution in one or more of these areas of practice. Fellows are nominated for election by Council and have the right to stand for office, to vote for officers and to attend and vote at the AGM.

Boards

There are four boards with specific responsibility to the Board of Trustees. They are:

- Council
- Finance and Resources Board (also the Board responsible for strategic theme 5)
- Audit and Risk Committee
- Remuneration Committee.

Four further boards report on the operational work of the RCP under the strategy themes and report through the operational plan to the Board of Trustees:

- Care Quality and Improvement Board
- Education Board
- Membership Support and Global Engagement Board
- Communications, Policy and Research Board.

Finance and Resources Board

In 2020 the Finance and Resources Board met four times. It has responsibility for:

- agreeing and monitoring the application and use of resources
- monitoring the business planning process and delegating decisions on new activities to senior management within agreed financial limits.

The Board is chaired by the treasurer, and its membership includes the president and registrar (both *ex officio*), two elected members of Council, two other fellows and up to five members from outside the RCP.

There are two committees with specific responsibility to the Finance and Resources Board. They are:

- Funding Awards Committee (formerly Trust Funds Management Committee)
- Investment Advisory Panel.

Audit and Risk Committee

Formed at the end of 2016, this committee is responsible for internal controls, risk management and audit, leading to assurances on the veracity of the financial and management statements. During the year the committee commissioned one internal audit by haysmacintyre, as part of a continuing series which seeks to examine and improve various financial and operational practices of the RCP.

Remuneration Committee

This committee has been established to provide independent review and recommendations to the Board on the RCP's remuneration policy, pay awards, senior staff performance reviews, and pay and related matters.

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with International Financial Reporting Standards (FRS102) and applicable law.

Under charity 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 the charity and the group and of the group's net incoming or outgoing resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the presentation principles in the Charities' Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity and the group will continue to operate.

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

The trustees of the charity are aware of their duty under section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

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

Management

Responsibility for the day-to-day operations of the RCP is delegated to the chief executive, who is accountable to the Board of Trustees. The management and staff of the RCP are structured to carry forward the work and achieve the objectives of the RCP, and to provide support services. Each department of the RCP is also overseen at a governance level by a designated officer.

Key management personnel are considered to be those personnel who have the authority and responsibility for planning, directing and controlling the activities of the RCP. Key management personnel are remunerated within the RCP's general staff policy for pay and reward that is competitive within the charity sector, proportionate to the complexity of each role, and responsible in line with our charitable objectives.

A large number of volunteers are involved with the RCP's work, in the UK and abroad. The vast majority are doctors who are RCP members who support RCP activities, such as by being examiners, regional advisers, or representatives on consultant appointment committees. There are many more examples, and the RCP also has a Patient and Carer Network which allows members of the public to become involved. Medical staff give their own time, but also rely on NHS guidance about the ability to use NHS time for the greater benefit of the NHS.

Modern slavery statement

Pursuant to section 54(1) of the Modern Slavery Act 2015, the RCP has published a slavery and human trafficking statement for the financial year ending 31 December 2020. This is available to view on our website at: www.rcplondon.ac.uk/modern-slavery-and-human-trafficking-statement.

Risk management

The trustees have overall responsibility for risk management in the RCP. Agreed processes are in place by which the trustees review, identify and assess major risks and agree with management the controls that already are, or will be, put in place to manage those risks. These details form part of the risk register, which trustees regularly review in full. The controls put in place provide a reasonable but not absolute assurance that risks have been adequately mitigated.

Risk issues in the day-to-day operation of the RCP are delegated to management to monitor and implement appropriate control measures. Any new areas of risk identified are reported to the Audit and Risk Committee, including how they have been managed. The Audit and Risk Committee reports any areas of concern to the trustees, with recommendations for corrective action.

The principal categories of risk that the RCP monitored and sought to mitigate in 2020 and into 2021 are:

Area of risk	Risk	Mitigating factors
COVID-19	Shortfall in revenue due to cancellation of exams, conferences and events as a result of lockdowns. Potential impact on member enagegment, operational delivery and staff welfare due to remote working.	> Use of government furlough scheme. > Implementing a range of cost improvements, including job vacancies not being replaced, reductions in workforce and savings in non-payroll costs. > Establishment of RCP19 group looking at staff and estates issues. > Weekly communications huddle to address immediate policy and communications requirements as a result of the pandemic. > Investment in IT support. > Staff surveys. > Flexible working arrangements.
Governance	Complex range of activities and organisational structure.	> Revision to bye-laws and clarification of the role and responsibilities of the Board of Trustees. > Adequate internal controls and policies in place. > Appointment of internal auditors in 2017 to help focus on high-risk areas. > Development of the RCP strategy for 2022–25.
Governance	Ongoing services structure provided through the Federation with the Scottish physician colleges.	> Revised memorandum of agreement (MoA) was agreed and signed in Dec 2018. > Independent audit of the Federation undertaken in 2021. > Detailed operational plans have been developed.
Operational plans	Ageing and inflexible (grade I) estates infrastructure in London, and the new expansion plans in Liverpool.	> A capable property and facilities team, supported by advisers CBRE.

Area of risk	Risk	Mitigating factors
Operational plans – RCP at The Spine	Strategic project puts excessive pressure on the reserves, causes management stretch and key personnel to leave. Fails to deliver on opportunity.	> Good project/programme management. > Focus on financial management/planning, supported funding proposals. > Regular staff communication.
Financial risks	A deficit in the closed defined benefit pension scheme, for which we have agreed a repayment over 7 years.	> A new agreed deficit repayment of £685k pa until Dec 2023. > A strong Defined Benefit Trustee Board.
	Ability to generate income/fundraise and grow/diversify the revenue base and our ability to control costs, causing cash management strain.	> Increased focus of cash management and planning. > Established team assisting the RCP to raise funds for strategic purposes. > RCP at The Spine income diversification.
	Loss making trading activities.	> Move to virtual events with lower costs in both the charity and trading company to mitigate loss of income as a result of COVID-19.
Environmental or external factors	Government policy on the NHS and impact on medical professionalism and standards, while remaining aligned to the views of our members.	> Continued influence on the engagement plans with our members and government on NHS policy.

External auditor

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

Approved by the Board

The annual report has been approved by the Board of Trustees on 31 August 2021 and signed on its behalf by:



Professor David Croisdale-Appleby
Chair of trustees



Professor Chuka Nwokolo
Treasurer

Treasurer's annual report

I am pleased to present my report for the year ending 31 December 2020.

During this, our 502nd year, the RCP has faced challenges unprecedented in our history as a result of COVID-19. Like many businesses and other charities, the RCP has had to find ways to mitigate the effects of the pandemic on its finances. In 2020 unrestricted income dropped by 33%, with expenditure falling by 22% in line with decreased activity across the RCP, resulting in a total operating deficit of (£3,284k), around three times greater than the deficit in 2019.

Despite the market volatility experienced by world financial markets leading to a reduction in equity values in the first half of the year, the RCP's risk-based investment mix and a subsequent rallying of markets in the latter stages of the year resulted in an overall gain on investments of £1,460k. However, this was partly offset by an increase in the (closed) defined benefit pension fund actuarial deficit of (£602k), resulting in a overall net deficit funds movement of (£2,426k) (2019: £671k surplus).

	2020 (£000)				2019 (£000)
	Unrestricted	Restricted	Endowment	Total	Total
Total income	23,738	7,085	200	31,023	42,732
Total expenditure	28,778	5,415	114	34,307	43,899
Net operating result	(5,040)	1,670	86	(3,284)	(1,167)
Net (losses)/gains on investment assets	1,064	15	381	1,460	3,712
Other net gains/(losses)	(602)	0	0	(602)	(1,874)
Transfers	1,353	(1,331)	(22)	0	0
Net movement in funds for the year	(3,225)	354	445	(2,426)	671

Income and expenditure

The RCP's consolidated total income in 2020 was £31.0 million (2019: £42.7 million), representing a substantial drop in income compared with 2019. The COVID-19 crisis and subsequent lockdowns had a severe impact in 2020 on a number of important RCP activities – exams and assessment, conferences and events, face-to-face education and training workshops, regional events and quality improvement collaboratives. The RCP benefited from the government Coronavirus Job Retention Scheme throughout the year, with just over £1.1 million claimed during the period, representing 4% of total income.

While unrestricted income took a significant hit throughout the period, restricted income recorded a 3% increase due in large part to donations received specifically for RCP at The Spine (£1.1 million compared with £0.1 million in 2019) and two significant legacy donations received in the same period. This offset the reduced clinical standards, national guidelines and education restricted work.

2020 saw membership numbers ending the year at 39,500, a growth of 7%. The newer physician associate category of membership continues to grow rapidly.

With decreased activity across the RCP, expenditure has fallen further to £34.3 million (2019: £43.9 million). College officers and staff have grappled with the twin objectives of maintaining the key activities of the RCP and keeping expenditure down. The executive team have been working hard to mitigate the financial position, including deferring investments in the London estate and IT systems development, and cutting non-essential costs, while preserving our core capabilities, key NHS services and support for members tackling the pandemic.

Construction and fit-out of The Spine was completed in May 2021. As part of Liverpool's Knowledge Quarter, The Spine will be a centre of excellence and innovation to engage members, fellows and partner organisations in the north and enhance RCP activities. It will be certified to the Platinum WELL Standard, which will make it one of the healthiest buildings in the UK. Although RCP at The Spine will not be fully open until September, we have already begun to host exams in our purpose-built assessment facilities, with physician associate exams held from 6 May 2021.

Our fundraising team is now well established and is working well towards its objective of contributing £3 million towards the funding of The Spine, with over £1 million raised in 2020. The success of the Linacre Wall personalised brick project in RCP at Regent's Park has led to plans for a similar fundraising project for RCP at The Spine. The COVID-19 Appeal has been successful in raising funds to support research into aspects of the pandemic.

Investments

As at 31 December 2020 our investments, including cash deposits, stood at £32.9 million. During the year the leasehold fund, £4.3 million, was liquidated in order to support the fit-out of RCP at The Spine. In the same period £12.5 million was liquidated from main funds to support ongoing working capital as a result of the pandemic and significant shortfall in income.

The objectives of our investment strategy are to achieve long-term growth at 3% ahead of CPI inflation, at an acceptable level of risk, applying a total return startegy. Our investments are now mainly held by fund managers Cazenove, with small holdings still with Morgan Stanley and Canada Trust Corp. The investment skills of Cazenove, together with our knowledgeable Investment Advisory Panel enable us, on average, to achieve target performance with downside protection. We are continuing to evolve our ethical investment stance, which is aligned to the RCP's charitable objectives to improve health and prevent health harms. The process of removing any residual fossil fuel assets in the RCP's portfolio is almost complete.

Pensions

As at the end of 2020, the deficit of the defined benefit pension scheme, which has been closed to new members since 2002 and to further accrual from 2008, decreased slightly from (£4.243) million to (£4.239) million on an FRS 102 basis. Despite an increase in scheme liabilities over the year due to a change in financial assumptions the funding position has remained broadly the same due to assets performing well over the period. A liability driven investment (LDI) strategy is in place with the inflation and interest rate risk in the scheme decreased substantially. The effect of this protection has been apparent in 2020.

The RCP continues to run a Group Personal Pension Plan (GPPP) scheme for new staff joiners and maintains the RCP single employer trust-based defined contribution pension scheme which was closed to new entrants from the start of 2018 but continues to run for existing staff members.

Balance sheet and reserves

Despite the significant challenges faced in 2020, at the end of the year the RCP held net assets of £45.0 million of which £32.9 million is the market value of our investment portfolio and £11.0 million in cash. Endowment and restricted funds comprise £15.1 million, therefore unrestricted funds comprise £30.0 million, of which free reserves (net of the designated funds but gross of the long-term defined benefit pension deficit) have fallen slightly to £16.7 million from £17.9 million in 2019. Heritage assets (rare books, manuscripts, paintings, silverware), originally gifts to the college over the past 5 centuries, are not valued at all in the financial balance sheet, but have an insurance value of ~£41 million.

Future financial plans

The trustees and I remain vigilant in seeking to protect the RCP and support its members and to use the resources available to fulfil the RCP's objectives and promote its work as efficiently as possible. Our reserves policy is to maintain the level of general reserves at between 3 and 6 months of unrestricted operational expenditure.

While the RCP's balance sheet position remains strong, the COVID-19 crisis has had a severe impact on core activities in 2020 and this has followed the RCP into 2021. The focus will be on keeping expenditure down while continuing to carry out key activities.

With thanks

As ever, I am extremely grateful for the help and support that I have received in my role, from so many who have given generously of their time to help carry the work of the RCP forward.

I owe a particular debt of gratitude to our independent pro-bono external advisers, who give unfailingly of their time and expertise to advise and support the infrastructure and financial activities of the RCP. I should also particularly like to thank: all the staff of the RCP Finance Department for their unfailing help and advice; the members of the Finance and Resources Board for their assistance in overseeing and monitoring the RCP's finances, developments of our IT facilities, and our estates strategy; the members of the Investment Advisory Panel for their work in monitoring the implementation of our investment strategy and the performance of the investment managers; and the Audit and Risk Committee for their assistance in reviewing and providing assurances on the RCP's governance and controls.



Professor Chuka Nwokolo
Treasurer
31 August 2021

Independent auditor's report to the trustees of the Royal College of Physicians

Opinion

We have audited the financial statements of the Royal College of Physicians for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the parent and consolidated balance sheets, the consolidated cash flow statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, 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 Charities Act 2011.

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 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 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.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 52, the trustees 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 group's and the parent charity'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 charity 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 section 151 of the Charities Act 2011 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. 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 charitable group 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 together with compliance with the Charities SORP (FRS 102). 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 fundamental 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 charity for fraud. The laws and regulations we considered in this context were General Data Protection Regulation (GDPR), employment legislations and taxation legislations.

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 of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, review of internal audit reports conducted in the period 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 the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory auditor
London

3rd September 2021

Crowe UK LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Consolidated statement of financial activities for the year ended 31 December 2020

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 31 Dec 20	Total funds 31 Dec 19
		£000	£000	£000	£000	£000
Income from:						
Fundraising	2	307	1,931	-	2,238	594
Charitable activities						
Care quality improvement	3	2,501	4,876	-	7,377	8,530
Education and Federation	4	9,819	159	-	9,978	17,982
Membership support and global engagement	5	7,818	2	-	7,820	8,096
Communications, policy and research*	6	42	88	-	130	130
Heritage and investing in our future	7	71	-	-	71	73
Meetings and events (medical)		573	-	-	573	4,269
Activities to generate funds						
Investment income	8	448	18	200	666	1,085
Meetings and events (non-medical) – trading	25	928	-	-	928	1,772
Coronavirus Job Retention Scheme		1,083	11	-	1,094	
Other income		148	-	-	148	201
Total income		**23,738**	**7,085**	**200**	**31,023**	**42,732**
Expenditure on:						
Raising funds						
Fundraising costs		346	-	-	346	253
Investment management fees		113	4	48	165	159
Meetings and events (non-medical)	25	1,033	-	-	1,033	1,713
		1,492	**4**	**48**	**1,544**	**2,125**
Charitable activities						
Care quality improvement	9	4,181	4,686	-	8,867	10,605
Education and Federation	10	9,244	487	-	9,731	14,138
Membership support and global engagement	11	3,602	157	-	3,759	4,668
Communications, policy and research	12	3,211	75	-	3,286	4,016
Heritage and investing in our future	13	2,698	3	-	2,701	2,265
Meetings and events (medical)		4,350	-	-	4,350	6,016
Trusts and fellowships		-	3	66	69	66
Total expenditure	14/15	**28,778**	**5,415**	**114**	**34,307**	**43,899**
Net operating (loss)/gain		**(5,040)**	**1,670**	**86**	**(3,284)**	**(1,167)**
Net gains/(losses) on investment assets		1,064	15	381	**1,460**	**3,712**
Net income/(expenditure)		**(3,976)**	**1,685**	**467**	**(1,824)**	**2,545**
Transfers between funds	21/22	1,353	(1,331)	(22)	-	-
Actuarial (losses)/gains on defined benefit pension scheme	26	(602)	-	-	(602)	(1,874)
Net movement in funds for the year		**(3,225)**	**354**	**445**	**(2,426)**	**671**
Funds brought forward at 1 Jan 2020	21/22/23	**33,141**	**3,356**	**10,975**	**47,472**	46,801
Funds carried forward at 31 December 2020		**29,916**	**3,710**	**11,420**	**45,046**	**47,472**

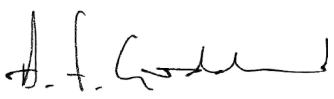
*formerly Strategy, communications and policy

Consolidated and RCP balance sheets as at 31 December 2020

			2020		2019	
			Group	RCP	Group	RCP
		Notes	£000	£000	£000	£000
Fixed assets						
	Intangible assets	**16a**	1,417	1,417	2,018	2,018
	Tangible fixed assets	**16b**	23,324	23,324	12,762	12,762
	Investments	**17**	32,932	32,932	48,194	48,194
			57,673	**57,673**	**62,974**	**62,974**
Current assets						
	Stocks		114	114	178	178
	Debtors	**18**	6,102	6,287	4,247	4,061
	Investment accounts		309	303	309	303
	Cash		10,981	10,845	1,465	1,385
			17,506	**17,549**	**6,199**	**5,927**
Creditors						
Amounts falling due within 1 year						
	Creditors and accrued expenses	**19**	(10,308)	(10,245)	(11,170)	(10,898)
	Examination and other income received in advance	**19**	(7,226)	(7,226)	(6,288)	(6,288)
	Provisions	**19b**	(127)	(127)		
			(17,661)	**(17,598)**	**(17,458)**	**(17,186)**
Amounts falling due after 1 year		**19**	**(8,233)**	**(8,233)**	**-**	**-**
Net current liabilities			**(155)**	**(49)**	**(11,259)**	**(11,259)**
Net assets excluding pension liability			**49,285**	**49,391**	**51,715**	**51,715**
Defined benefit pension scheme liability		**26**	(4,239)	(4,239)	(4,243)	(4,243)
Net assets including pension liability		**24**	**45,046**	**45,152**	**47,472**	**47,472**
Represented by						
Unrestricted funds:						
Designated funds		**21**				
	Leasehold Replacement Fund		-	-	4,357	4,357
	Fixed and Intangible Assets Fund		17,241	17,241	14,780	14,780
	Legacies Development Fund		147	147	147	147
	Care quality improvement		105	105	179	179
			17,493	**17,493**	**19,463**	**19,463**
General charitable fund			16,662	16,768	17,948	17,921
	Less: Pension scheme liabilities	**26**	(4,239)	(4,239)	(4,243)	(4,243)
			12,423	**12,529**	**13,678**	**13,678**
Total unrestricted			29,916	30,022	33,998	33,141
Restricted		**22**	3,710	3,710	3,187	3,356
Endowment		**23**	11,420	11,420	9,616	10,975
			45,046	**45,152**	**47,472**	**47,472**

The results of the parent charity for the year ended 31 December 2020 was a £2,426k deficit (2019: £671k gain).

Approved for and on behalf of the RCP (Charity Registration No. 210508) on 31 August 2021 and authorised for issue.





President: Andrew Goddard

Treasurer: Chuka Nwokolo

Consolidated statement of cash flow for the year ended 31 December 2020

		2020 £000	2019 £000
Cash flow from operating activities			
Net cash provided by / (used in) operating activities	**A**	**(3,327)**	**2,396**
Dividends, interest and rents from investments		666	1,085
Purchase of property, plant and equipment		(11,669)	(2,247)
Purchase of intangible assets		(296)	(475)
Proceeds from sale of investments		19,775	4,838
Purchase of investments		(3,053)	(5,419)
Donation of cash to discontinued operation		-	(804)
Net cash provided by (used in) investing activities		**5,423**	**(3,022)**
Proceeds from borrowings*		7,500	-
Borrowings interest and principal repayments*		(58)	-
Finance lease payments**		(22)	-
Net cash provided by (used in) financing activities		**7,420**	-
Change in cash and cash equivalents in the reporting period		9,516	(626)
Cash and cash equivalents at the beginning of the reporting period	**B**	1,774	2,400
Cash and cash equivalents at the end of the reporting period	**B**	**11,290**	**1,774**

*During 2020 the organisation utilised £7.5m of a £10m revolving credit facility with Santander to fund the RCP at The Spine development.
**During 2020 the organisation entered into a finance lease for new IT infrastructure.

Notes to consolidated statement of cash flow for the year ended 31 December 2020

	2020 £000	2019 £000
A. Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net movement in funds for the reporting period (as per the statement of financial activities)	(1,823)	2,545
Adjustments for:		
Depreciation charges	1,472	1,471
Amortisation charges	897	901
Loss/(gains) on investments	(1,460)	(3,712)
Loss on discontinued operation	-	767
Increase/(decrease) in provisions	127	-
Dividends, interest and rents from investments	(666)	(1,085)
(Gain) on valuation of defined benefit pension scheme	(606)	(609)
(Increase)/decrease in stocks	64	(19)
(Increase)/decrease in debtors	(1,855)	(249)
Increase/(decrease) in creditors	523	2,386
Net cash provided by/(used in) operating activities	**(3,327)**	**2,396**

B. Analysis of cash and cash equivalents		
Cash in hand	10,981	1,465
Notice deposits and investment accounts (less than 30 days)	309	309
Total cash and cash equivalents	**11,290**	**1,774**

Analysis of changes in net debt	At 1 Jan 2020	Cash flow	New finance leases	Acquired debt	Interest and non-utilisation charges	At 31 Dec 2020
	£000	£000	£000	£000	£000	£000
Cash and cash equivalents						
Cash in hand	1,465	9,516	-	-	-	**10,981**
Notice deposits and investment accounts (less than 30 days)	309	-	-	-	-	**309**
Total cash and cash equivalents	**1,774**	**9,516**	**-**	**-**	**-**	**11,290**
Borrowings						
Loan to finance fixed assets – falling due after more than one year	-	58	-	(7,500)	(58)	**(7,500)**
Finance lease obligations	-	22	(364)	-	(9)	**(351)**
Total borrowings	**-**	**80**	**(364)**	**(7,500)**	**(67)**	**(7,851)**
Total net debt	**1,774**	**9,596**	**(364)**	**(7,500)**	**(67)**	**3,439**

Notes to the financial statements for the year ended 31 December 2020

1 Accounting policies

Charity information

The Royal College of Physicians (RCP) was established by royal charter in 1518. It is a registered with the Charity Commission for England and Wales and is a Royal Charter company registered with Company House. The charity registration number is 210508 and the company registration number is RC000899. RCP is a Public Benefit Entity and its registered office is 11 St Andrews Place, London NW1 4LE.

Basis of preparation

The consolidated financial statements comprise the financial statements of RCP, and its subsidiary undertaking, The RCP Regent's Park Limited, on a line-by-line basis and adjusted for the elimination of inter-group transactions and balances.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (2015) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

RCP constitutes a public benefit entity as defined by FRS 102.

The financial statements are drawn up on the historical accounting basis, except that investments held as fixed assets are carried at market value.

Going concern

The financial statements are prepared on a going concern basis. The Board of Trustees has considered the adoption of a going concern basis in the preparation of these financial statements. A projection of the RCP's financial position to December 2022 has been undertaken, including:

- a review of budgets and forecasts
- consideration of the key risks and uncertainties in the context of the RCP's operations, including COVID-19
- the mitigating actions the RCP can deploy for liquidity, together with the impact on reserves.

The COVID-19 pandemic has had a significant, immediate impact on the RCP's operations. The government guidelines introduced in March 2020 resulted in two of the four main income streams for the RCP being impacted: examinations, and conference and event activity. Membership support and income is key and the RCP continues to ensure the delivery of value of being a member. The most significant financial impact has been in relation to the cancellation of face-to-face events and conferences, impacting RCP activity directly as well in the wholly owned trading subsidiary, Regents Park Ltd.

For the period to December 2022 the Board of Trustees has considered the impact of a series of scenarios and the actions required to mitigate the impact of the pandemic, including income generation, cost-saving measures and (in 2020 and 2021) utilising the support offered by the UK government through its Coronavirus Job Retention Scheme. Working capital requirements are met through income received from business activities and the RCP has the ability to drawdown against funds held within the investment portfolio if required. At December 2020 the RCP has adequate levels of cash and reserves and that is expected to remain the case through 2022 with operating income and expenditure expected to return to surplus in 2022.

Having regard to the above, the Board of Trustees believes it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Income

Subscriptions income, admission fees, grants and donations are accounted for once there is entitlement, probability of receipt and can be reliably measured. Legacies are accounted for when there is adequate probability over entitlement, amount and receipt. For residual legacies, entitlement is deemed to be the earlier of settled estate accounts and notification of a pending payment or actual payment being received. Investment income is recognised when due except for dividends which are accounted for on receipt. Income is deferred only when conditions have to be fulfilled before the RCP becomes entitled to it or where the donor has specified that the income is to be expended in the future period. In the case of membership subscriptions and examination admissions any receipt in respect of future years is shown as deferred income. Government grants are recognised as income when any specific conditions are met.

Expenditure

All expenditure is accounted for under the accruals concept and stated gross of irrecoverable VAT. All costs are allocated to the charitable cost centres on an actual basis, with the exception of administration costs which are allocated on the following basis:

- central management and human resources: number of staff in the cost centres
- finance: proportion of transactions processed
- buildings and office services: square footage of office space occupied
- IT services: number of users of the RCP network.

Salaries are allocated according to the nature of work performed by each member of staff.

Governance costs comprise the costs incurred, which are directly attributable to the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements.

Rentals for leased assets held under the terms of operating leases are charged directly to the statement of financial activities (SOFA) over the term of the lease.

Tangible and intangible fixed assets

No 11 St Andrews Place, a leasehold property held under a 99-year lease expiring in 2060 and Nos 1–10 St Andrews Place, leasehold properties held under a lease that expires in 2084, are being depreciated over 49 years from the commencement of the respective leases. The cost of additions to existing structures has been depreciated, concurrently, over the remaining life of the leases. Equipment, intangible assets, furniture and fixtures are capitalised when the cost of the project exceeds £15,000 and has a useful life spread over a number of financial years. These capital costs are depreciated and intangible assets amortised by equal instalments over their anticipated useful lives, at rates between 5% and 25%. Depreciation and amortisation is allocated to the departments within the RCP on the basis of area occupied. No depreciation or amortisation is charged on assets in the course of construction. At each reporting date the RCP assesses if there is any indication of impairment of its estate and other fixed assets.

Costs that have been capitalised for RCP North phase 1 are being depreciated over the life of the lease, currently 3 years.

Collections

In addition to the capitalised fixed assets held for the RCP's own use, the RCP also has a number of assets of historical interest. These comprise learned publications and a unique collection of busts and portraits, together with other objects, whose intrinsic value is also bound up with the RCP's history. The trustees consider that the significant administrative expenses incurred in deriving a reliable cost for the capitalisation of these items would exceed the usefulness of such information to the user of the financial statements.

Finance leases

Finance leases are recognised where the risks and rewards of ownership of the leased asset are held by the lessee (The RCP). These are recongised as a right-to-use fixed assets with a corresponding lease liability comprised of the present value of the minimum lease payments, derived by discounting them at the interest rate implicit in the lease. Right-to-use assets are depreciated over the lease period or asset life, where the asset is retained at the end of lease and has an asset life longer that the lease term.

Investments
Investments are stated in the balance sheet at the mid-market value at the balance sheet date. Realised gains or losses are calculated by reference to disposal proceeds and either opening market value or cost if acquired during the year.

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

Cash and cash equivalents
Cash and cash equivalents includes cash at bank and in hand, cash held for reinvestment and short-term deposits.

Pensions
The RCP has three pension schemes, one providing defined benefits based on final salary, the other two providing benefits based on defined contributions invested with Standard Life. The pension costs for the defined contribution scheme are charged to the statement of financial activities as they become payable in accordance with FRS 102. The pension costs relating to the defined benefit scheme are assessed in accordance with the advice of an independent qualified actuary.

The defined benefit pension scheme current service costs and the net of the scheme interest cost and the expected return on the scheme assets for the year are charged to the statement of financial activities within superannuation costs. Actuarial gains and losses are recognised within other recognised gains and losses.

The defined benefit pension scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

Taxation
The RCP is eligible for the tax exemptions available for charitable activities.

Unrestricted funds
These funds are received and applied to achieve the general objectives of the RCP.

Designated funds
Designated funds are unrestricted funds set aside by the trustees for specific future purposes or projects. The movements on these funds are analysed in note 21.

Restricted funds
Restricted funds are subject to specific conditions laid down by the donors as to how they may be used. Note 22 gives details of these funds.

Endowment funds
Endowment funds relate to bequests and gifts to the RCP, the terms of which stipulate that the capital may not be spent, and the income is to be utilised to meet the costs of awards, lectures and other RCP expenditure. Movements in these funds are shown in note 23.

Total return accounting
The trustees of the RCP applied to the Charity Commission in January 2012 for authorisation to enable the permanent endowments within the RCP trust funds to be invested on a total return basis as this would facilitate a better return on investments, without prejudicing the investment management policy.

Upon receiving the requisite order from the Charity Commission on 6 February 2012 the RCP trust fund committee approved the base date for the commencement of the total return investment policy to be 30 September 1988. The permanent endowments in note 23 of the financial statements have been recalculated as at the above date.

Critical accounting judgements and key sources of estimation uncertainty
The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – the charity recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 26.

Financial instruments

Financial assets and financial liabilities are recognised when the RCP becomes a party to the contractual provisions of the instrument. Additionally all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, short-term investments together with accrued interest and other debtors. Financial liabilities held at amortised costs comprise other creditors and accruals.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Notes to the financial statements continued

Incoming resources

		Unrestricted	Restricted/ endowment	2020	2019
		£000	£000	£000	£000
2	**Fundraising**				
	Donations	155	264	419	443
	Legacies	152	518	670	61
	Library and museum	-	3	3	2
	RCP North	-	1,051	1,051	57
	RCP CQID	-	15	15	-
	Physicians' fund	-	80	80	31
		307	**1,931**	**2,238**	**594**
3	**Care quality improvement**				
	National Guideline Centre	71	2,761	2,832	3,222
	Core and Audit and Accreditation	2,190	2,115	4,305	5,063
	Invited Service Reviews	240	-	240	245
		2,501	**4,876**	**7,377**	**8,530**
4	**Education and Federation**				
	Education and conferences	1,659	159	1,818	4,206
	Continuing professional development	15	-	15	215
	MRCP(UK) examinations	6,413	-	6,413	11,809
	Physicians Training Board	1,732	-	1,732	1,626
		9,819	**159**	**9,978**	**17,982**
5	**Membership support and global engagement**				
	Membership	7,609	-	7,609	7,194
	UK regional offices	124	-	124	557
	International	79	2	81	333
	Medical Workforce Unit	6	-	6	12
		7,818	**2**	**7,820**	**8,096**
6	**Communications, policy and research**				
	Publications	30	-	30	47
	External communications	12	88	100	83
		42	**88**	**130**	**130**
7	**Heritage and investing in our future**				
	Library and museum services	71	-	71	73
		71	**-**	**71**	**73**
8	**Investment income**				
	Dividends	180	83	263	239
	Interest on investments	268	135	403	846
		448	**218**	**666**	**1,085**

Notes to the financial statements continued

Resources expended

		Unrestricted	Restricted/ Endowment	2020	2019
		£000	£000	£000	£000
9	**Care quality improvement**				
	National Guideline Centre	292	2,640	2,932	3,659
	Core and Audit and Accreditation	3,472	2,046	5,518	6,591
	Invited Service Reviews	417	-	417	355
		4,181	**4,686**	**8,867**	**10,605**
10	**Education and Federation**				
	Education and conferences	4,206	487	4,693	6,317
	Continuing professional development	118	-	118	175
	MRCP(UK) examinations	4,084	-	4,084	5,473
	Physicians Training Board	836	-	836	1,406
	Faculty of Medical Leadership and Management	-	-	-	767
		9,244	**487**	**9,731**	**14,138**
11	**Membership support and global engagement**				
	Membership	1,803	-	1,803	2,108
	UK regional offices	1,000	-	1,000	1,364
	International	496	157	653	848
	Medical Workforce Unit	303	-	303	348
		3,602	**157**	**3,759**	**4,668**
12	**Communications, policy and research**				
	Professional affairs	468	-	468	644
	Committees	402	-	402	423
	Publications	864	-	864	1,184
	External communications	1,477	75	1,552	1,765
		3,211	**75**	**3,286**	**4,016**
13	**Heritage and investing in our future**				
	Library and museum services	1,428	3	1,431	1,568
	RCP North	1,270	-	1,270	697
		2,698	**3**	**2,701**	**2,265**

Notes to the financial statements continued

14	Expenditure on	Direct costs	Staff costs	Other support costs	Total 2020	Total 2019
		£000	£000	£000	£000	£000
	Raising funds					
	Fundraising and publicity costs	16	257	73	346	253
	Investment management fees	165	-	-	165	159
	Meetings and events (non-medical)	464	-	569	1,033	1,713
	Charitable expenditure					
	Care quality improvement	1,701	5,249	1,917	8,867	10,605
	Education and Federation	2,586	5,645	1,500	9,731	14,138
	Membership support and global engagement	524	2,045	1,190	3,759	4,668
	Communications, policy and research	534	2,285	467	3,286	4,016
	Heritage and investing in our future	170	1,248	1,283	2,701	2,265
	Meetings and events (medical)	658	1,480	2,212	4,350	6,016
	Trusts and fellowships	63	-	6	69	66
	Total for 2020	**6,881**	**18,209**	**9,217**	**34,307**	**43,899**
	Total for 2019	**12,019**	**17,827**	**14,053**	**43,899**	

		2020	2019
	The analysis of other support costs is as follows:	**£000**	**£000**
	Administrative overheads	1,060	1,481
	Information technology costs	3,215	3,406
	Building overheads	2,202	2,372
	Travel, meetings, subscriptions and journals	178	705
	Governance costs*	127	62
	Other costs, including staff costs of central services	2,435	6,027
		9,217	**14,053**

*Governance costs include fees payable to the auditors from audit fees of £45.6k (2019: £41.5k) and non-audit services of £3k (2019: £2k).

Notes to the financial statements continued

15	Employees and trustees	2020	2019
	The total costs of salaries and wages were as follows:	£000	£000
	Salaries and wages	15,227	14,949
	Social security costs	1,575	1,544
	Pension Costs	1,407	1,334
		18,209	**17,827**

		2020	2019
	The average number of employees in the year was:	**413**	**414**
	The number of employees whose emoluments exceeded £60,000 were:		
	£60,001–£70,000	14	12
	£70,001–£80,000	9	5
	£80,001–£90,000	3	3
	£90,001–£100,000	5	6
	£100,001–£110,000	1	1
	£110,001–£120,000	1	-
	£120,001–£130,000	-	-
	£130,001–£140,000	-	-
	£140,001–£150,000	1	1

		2020	2019
15a	Key management personnel	**£000**	**£000**
	Total employee benefits paid to key management personnel (Including pension contributions)	1,161	1,156

		2020	2019
15b	Termination payments		
	No of payments	13	11
	Value of payments (£000)	103	90

15c	Payments to trustees	2020	2019
	No of payments made to trustees, this includes payments to officers supporting their defined roles as senior officers as well as their trustee roles. No other remuneration was paid to trustees from the RCP in the current or preceding years.	7	15
	Value of payments (£000)	8	48

Trustees are not remunerated and this is a reimbursement of costs.

Twenty-eight (2019: 25) of the above employees are members of the defined contribution pension scheme, six are members of the GPPP scheme (2019: 3) and three are also members of the defined benefit pension scheme (2019: 3), which is now closed. Contributions paid into the defined contribution pension scheme for the employees for the year was £1,415k (2019: £1,334k).

£59k of termination payments remained outstanding at year-end to be paid in 2021.

Notes to the financial statements continued

16a Intangible IT assets (Group and RCP)	Intangible IT assets in use	Intangible IT assets under construction	Total 2020
	£000	£000	£000
Cost at 1 January 2020*	**4,527**	**229**	**4,756**
Additions	58	238	**296**
Transfers/adjustments	104	(104)	**-**
Cost at 31 December 2020	**4,689**	**363**	**5,052**
Accumulated amortisation at 1 January 2020	(2,738)	-	**(2,738)**
Amortisation for the year	(897)	-	**(897)**
Accumulated amortisation at 31 December 2020	**(3,635)**	**-**	**(3,635)**
Net book value at 31 December 2020	**1,054**	**363**	**1,417**
Net book value at 31 December 2019	**1,789**	**229**	**2,018**

16b Tangible assets (Group and RCP)	Leasehold properties	Furniture and fixtures	IT & AV tangible assets	Assets under construction	Total 2020
	£000	£000	£000	£000	£000
Cost at 1 January 2020	**22,734**	**1,239**	**2,186**	**1,086**	**27,245**
Additions	146	22	606	11,259	12,033
Transfers/adjustments	-	-	33	(33)	-
Cost at 31 December 2020	**22,880**	**1,261**	**2,825**	**12,312**	**39,278**
Accumulated depreciation at 1 January 2020 (restated)*	**(12,506)**	**(499)**	**(1,477)**	**-**	**(14,482)**
Depreciation for the year	(1,036)	(111)	(325)	-	(1,472)
Accumulated depreciation at 31 December 2020	**(13,542)**	**(610)**	**(1,802)**	**-**	**(15,954)**
Net book value at 31 December 2020	**9,338**	**651**	**1,023**	**12,312**	**23,324**
Net book value at 31 December 2019	**10,228**	**483**	**965**	**1,086**	**12,762**

*Restatement relates to re-classification error from 2019 between furniture and fixtures and IT&AV tangible assets

The majority of the costs of tangible assets under construction relates to development fees and costs associated with RCP at The Spine.

17 Investments (Group and RCP)	|------Unrestricted-------|				Total	
	Designated for leasehold	General	Restricted	Endowment	2020	2019
	£000	£000	£000	£000	£000	£000
Market value at 1 January 2020	4,357	32,356	1,874	9,607	48,194	43,901
Additions at cost	1,710	68	-	1,275	3,053	5,419
Disposals	(6,014)	(12,602)	(1)	(1,158)	(19,775)	(4,838)
Loss/gains	19	1,045	15	381	1,460	3,712
Total investments at 31 December 2020	**72**	**20,867**	**1,888**	**10,105**	**32,932**	**48,194**
Historical cost as at 31 December 2020						34,597
The above investments are held as follows:					**2020**	**2019**
					£000	**£000**
Equities					18,462	23,455
Bonds					2,914	2,567
Multi-asset funds					3,064	4,333
Alternatives					4,722	6,249
Cash					3,770	11,590

Notes to the financial statements continued

18	Debtors (Group and RCP)	2020		2019	
		Group	RCP	Group	RCP
		£000	£000	£000	£000
	Current				
	Trade debtors	1,179	1,089	1,570	1,465
	Other debtors	998	998	731	648
	Prepayments	524	524	995	996
	Accrued income	3,401	3,401	951	952
		6,102	**6,012**	**4,247**	**4,061**
	Non-Current				
	Loans due from subsidiary	-	275	-	-
		6,102	**6,287**	**4,247**	**4,061**

19	Creditors and accrued expenses (Group and RCP)	2020		2019	
		Group	RCP	Group	RCP
		£000	£000	£000	£000
	Current				
	Trade creditors	912	871	4,737	4,158
	Other creditors	3,089	2,859	2,866	2,799
	Tax and social security creditors	421	421	413	413
	Accruals	5,809	5,803	3,154	3,140
	Amount due to subsidiary undertaking	-	214	-	388
	Obligations under finance lease	77	77	-	-
		10,308	**10,245**	**11,170**	**10,898**

	Examination and other income received in advance (Group and RCP)	Balance b/f 1 Jan 20	Released to SOFA	Received in year	Balance c/f 31 Dec 20
		£000	£000	£000	£000
	Examination income	4,700	4,700	4,523	4,523
	Other income	1,588	1,558	2,673	2,703
		6,288	**6,258**	**7,196**	**7,226**

	Non-Current				
		Group	RCP	Group	RCP
		£000	£000	£000	£000
	Bank loan	7,500	7,500	-	-
	Accruals	459	459	-	-
	Obligations under finance lease	274	274	-	-
		8,233	**8,233**	**-**	**-**

Notes to the financial statements continued

19b Provisions for liabilities (Group)	Other £000	2020 total	2019 total
Provisions at 1 January	-	-	-
Additional provisions made in the year	127	127	-
Provisions released from prior years	-	-	-
Provision for liabilities at 31 December	**127**	**127**	**-**

20 Financial assets and liabilities	2020	2019
	£000	**£000**
Financial assets held at fair value	32,932	48,194
Gains/(losses) on assets held at fair value	1,460	3,712

Notes to the financial statements continued

21 Unrestricted funds

	Balance as at 01/01/2020	Income	Expenditure	Gains/losses	Transfers	Balance as at 31/12/2020
	£000	£000	£000	£000	£000	£000
Unrestricted general	13,678	23,738	(28,778)	443	3,342	12,423
Unrestricted designated						
Leasehold Replacement Fund	4,357	-	-	19	(4,376)	-
Fixed and Intangible Assets Fund	14,780	-	-	-	2,461	17,241
Legacies Development Fund	147	-	-	-		147
Care quality improvement	179	-	-	-	(74)	105
	33,141	23,738	(28,778)	462	1,353	29,916

Leasehold replacement fund – identified in prior years as one source of funds for the fit-out of the RCP at The Spine in Liverpool. The fund has been released to the general fund in 2020.

Fixed and intangible assets fund – this represents the amounts set aside from the general fund to fund the net book value of the RCP's fixed and intangible assets, net of associated loan in respect of the Spine fit-out.

Legacies development fund – the fund will be utilised for appropriate and relevant projects for such purposes that the major donors can be recognised and remembered.

Care quality improvement – funds remaining on completed projects have been designated with the aim of expanding the work carried out by this department. It is expected that these funds will be used within the next year.

Notes to the financial statements continued

22 Restricted funds	Balance at 01/01/2020	Income	Expenses	Gains	Transfers	Balance at 31/12/2020
	£000	£000	£000	£000	£000	£000
Care quality improvement	620	2,122	(1,971)	-	23	794
National Guideline Centre	-	2,761	(2,640)	-	(2)	119
Education	962	163	(425)	-	-	700
Membership support and global engagement	178	2	(20)	-	4	164
Drabu MTI Programme	37	10	(6)	-	2	43
Physicians for Africa	24	127	(131)	-	-	20
Eric Watts donation	100	-	(33)	-	-	67
RCP North	100	1,051	-	-	(1,151)	-
Physicians' Fund	120	80	-	-	-	200
Dorothy Whitney Wood – Physicians' Fund	-	518	-	-	-	518
Fundraising RCP CQID	-	15	(15)	-	-	-
COVID-19 appeal	-	127	(89)	-	-	38
External communications	75	88	(75)	-	-	88
Dr Everley-Jones legacy	320	5	(2)	6	(227)	102
Harold Thomas Barten Trust	106	2	(1)	2	-	109
Frank Peacock Bequest	65	1	-	1	-	67
Catherine Mills Bequest	70	2	-	1	-	73
Queenie Louisa Higgins Bequest	47	-	-	1	-	48
Thomas Cotton Trust	73	-	-	-	-	73
The London Fever Hospital Fund	15	1	-	-	3	19
The Saltwell Will Trust Research Branch	124	-	-	-	14	138
Will Edmunds Clinical Research Trusts	24	-	-	-	3	27
17 other funds balances below £40,000	296	10	(7)	4	-	303
Total	**3,356**	**7,085**	**(5,415)**	**15**	**(1,331)**	**3,710**

Funds with closing balances over £100k are as follows:

The grants for Care quality improvement, Education, and Membership support and global engagement are received in respect for specific projects.

The Physicians' Fund awards grants to trainees and new consultants pursuing innovation in medicine. The grants enable recipients to take up to 12 months out of clinical practice to undertake research in a UK institution and are funded by donors to the RCP.

The Dorothy Whitney Wood Physicians' relates to a legacy received in 2020 to establish the "Whitney-Wood Scholarship" to be awarded for the purposes of research in the field of medicine preferably concerned with the understanding and management of cancer.

The Dr Everley-Jones legacy was received from the estate of Dr Everley-Jones, to be used in the field of communication in medicine in its broadest sense, encompassing all aspects of information technology.

The Harold Thomas Barten Trust is to be used for the purpose of scientific study of the human brain and mental disorder.

Notes to the financial statements continued

23 Endowment funds	Unapplied total return 01/01/2020	Income	Gains	Conversion to income	Transfers	Unapplied total return 31/12/2020	'Frozen' permanent capital 31/12/2020	Total endowment 31/12/2020
	£000	£000	£000	£000	£000	£000	£000	£000
Bradshaw Trust	203	7	6	(31)	-	185	143	328
Eden Fellowship in Paediatrics	1,102	26	23	(6)	-	1,145	142	1,287
John Rosser Scholarship	29	1	1	-	-	31	42	73
Joseph Senior White Trust	101	4	5	(1)	-	109	161	270
Lewis Thomas Gibbon Jenkins-Briton Ferry	1,297	50	47	(31)	-	1,363	1,250	2,613
ORL Wilson Bequest	105	3	3	(1)	-	110	44	154
James Maxwell Grant Prophit Bequest	433	19	18	(5)	-	465	539	1,004
Sadleir Trust	357	10	8	(2)	-	373	91	464
Samuel Leonard Simpson Fellowship	613	17	17	(4)	-	643	280	923
T K Stubbins bequest	40	3	3	(17)	-	29	104	133
Watson Smith Trust	522	20	18	(5)	-	555	470	1,025
William Withering Prize	134	4	3	(1)	-	140	38	178
Dr J D Ramsay Scholarship	46	1	1	-	-	48	30	78
Graham Bull Prize	51	-	1	-	-	52	25	77
Sir Michael Perrin Lecture	76	1	2	-	-	79	12	91
Lady Teale Lecture	95	3	3	(1)	-	100	44	144
John Glyn	95	4	3	(1)	-	101	80	181
Dame Sheila Kift Bequest	34	1	1	-	-	36	38	74
13 other funds with balances below £40,000	161	4	5	(2)	-	168	109	277
Subtotal	**5,494**	**178**	**168**	**(108)**	**-**	**5,732**	**3,642**	**9,374**

Funds not included in total return	Balance at 01/01/2020	Income	Gains	Conversion to income	Transfers	'Frozen' permanent capital	Balance at 31/12/2020
	£000	£000	£000	£000	£000	£000	£000
Thomas Cotton Fund	180	-	6	-	-	-	186
The London Fever Hospital Research Fund	168	3	8	(1)	(3)	-	175
Saltwell Will Trust Research Branch	924	14	155	(3)	(14)	-	1,076
Will Edmunds Clinical Research Fund	447	3	41	(1)	(3)	-	487
Drabu Fund	120	2	3	(1)	(2)	-	122
Subtotal	**1,839**	**22**	**213**	**(6)**	**(22)**	**-**	**2,046**
Total endowment	**7,333**	**200**	**381**	**(114)**	**(22)**	**3,642**	**11,420**

The Drabu Fund endowment was received from the Drabu family in year, to be used for the placement of trainees from India (State of Jammu and Kashmir) and Pakistan to work in the UK for 2 years within palliative care to enhance their skills and learning.

Notes to the financial statements continued

The RCP received a total return order from the Charity Commission, dated 6 February 2012, which enables the trustees to decide which part of the unapplied total return from the investment of the charity's permanent endowments should be held on trust for application for the purposes of the charity.

Funds with closing balances over £300k are as follows:

- The Bradshaw Trust was founded by a bequest from Mrs Sally Hall Bradshaw by her will of 1875, in memory of her husband Dr William Wood Bradshaw MRCP FRCS (1800–66): £1,000 to endow an annual lecture on a subject connected with medicine or surgery. The lecturer is appointed by the president: the honorarium is £20.
- The Eden Fellowship in Paediatrics was established in 1947 from the estate of Dr Thomas Watts Eden, to establish and maintain travelling fellowships for the study of childhood in health and disease.
- The Lewis Thomas Gibbon Jenkins of Briton Ferry Memorial Trust was received by the RCP in November 1998 from the executors of Mrs Nancy Crawshaw's will. The capital is to remain intact for a minimum of 21 years after her death. The income is to be applied for the promotion of medical research connected with a physical disorder prevalent in Wales.
- The James Maxwell Grant Prophit Trust was received in November 1998. The endowment is an addition to the Prophit Bequest and as with the original bequest the fund is to be devoted to the promotion and furthering of research work concerning the nature, causes, prevention, treatment and cure of tuberculosis.
- The Samuel Leonard Simpson Fellowship was founded in 1984 by a gift of shares/stocks from Mrs HM Simpson in memory of her husband Dr Samuel Leonard Simpson FRCP (1900–83) for a travelling scholarship in endocrinology.
- The Watson Smith Trust was a bequest from Dr Sydney Watson Smith FRCP in memory of his wife and himself, to endow an annual lecture and medical research fellowship.
- The Sadleir Trust was established by a bequest from Lady Sadleir, wife of Sir Edwin Sadleir Bt and widow of Dr William Croone (1633–84), fellow of the RCP, to provide for the two annual lectures Dr Croone had planned, but for which he had made no endowment: one to be read before the Royal College of Physicians by a fellow of the college, with a sermon to be preached at St Mary-le-Bow; the other on the nature and laws of muscular motion to be delivered before the Royal Society.
- The Cotton Trust was founded by a bequest from Dr Thomas Forrest Cotton FRCP (1884–1965), in memory of Sir William Osler Bt FRCP FRS (1849–1919). The legacy, received in 1968, is invested and managed by the trustees of The Royal Trust Corporation of Canada/The Royal Trust Company, and the income is paid to RCP.
- The London Fever Hospital Research Fund was established in 1947 for the trustees in the encouragement of or reward for advances in the prevention, treatment and housing of infectious diseases.
- Saltwell Will Trust Research Branch was established for the income generated to be used to aid research work in connection with and the cure and prevention of cancer, rheumatism, malaria and morbid conditions of the prostate gland.
- Will Edmunds Clinical Research Fund was established in 1925 to award a fellowship in clinical research in hospitals in the Metropolitan area of London. The research must concern diseases usually treated at a general hospital, excluding tropical and rare diseases.

Notes to the financial statements continued

24 Analysis of group net assets after pension scheme liability

						Total	
		Intangible and tangible assets	Loan	Investments	Net liabilities inc. pension liability	2020	2019
		£000		£000	£000	£000	£000
Unrestricted:							
Designated	Leasehold Replacement Fund		-	-	-	-	4,357
	Fixed Assets Fund	24,741	(7,500)	-	-	17,241	14,780
	Legacies Development Fund	-	-	-	147	147	147
	Care quality improvement	-	-	-	105	105	179
		24,741	**(7,500)**	**-**	**252**	**17,493**	**19,463**
General funds		-	-	20,939	(8,516)	12,423	13,678
		24,741	**(7,500)**	**20,939**	**(8,264)**	**29,916**	**33,141**
Restricted		-	-	1,888	1,822	3,710	3,356
Endowment		-	-	10,105	1,315	11,420	10,975
		24,741	**(7,500)**	**32,932**	**(5,127)**	**45,046**	**47,472**

Notes to the financial statements continued

25 Trading subsidiary – The RCP Regent's Park Limited

The trading results and balance sheet of the RCP subsidiary company as extracted from its audited accounts are set out below.

	2020	2019
Profit and loss account	**£000**	**£000**
Turnover	928	1,772
Cost of sales	(476)	(807)
Gross profit	**452**	**965**
Administrative expenses	(558)	(906)
Operating profit	(106)	59
Gift aid to Royal College of Physicians	-	(59)
Retained profit for the financial year	**(106)**	-

Included within operating costs is £530k (2019: £819k), which represents a reimbursement in respect of costs incurred by the RCP.

	2020	2019
Balance sheet	**£000**	**£000**
Debtors	90	187
Debtor – due from RCP	214	388
Balance at bank	142	87
Current and total assets	446	662
Creditors due within 1 year:	(277)	(661)
Creditors due more than 1 year:	(275)	
Total creditors	(552)	(661)
Net assets	**(106)**	**1**
Capital and reserves		
Accumulated deficit	(106)	-
Called up share capital	£1	£1
Shareholders' funds	**(106)**	**£1**

The RCP's wholly owned trading subsidiary, The RCP Regent's Park Limited, was incorporated on 17 September 2001, company registration 04288664.

The operating loss for the year ended 31 December 2020 was £(106k) (2019 profit: £59k).

The principal activity of the company is to organise, provide facilities for and hold conferences, seminars, and courses of instruction, demonstrations, lectures, exhibitions, private dinners and functions.

26 Pension schemes

Total pension costs charged for the year were £79k (2019: £76k) for the defined benefit pension scheme and employer pension contributions of £1,407k (2019: £1,334k) for the defined contribution pension scheme.

There are two defined contribution schemes. One scheme closed to new members in 2018 – employer contribution rates for this defined contribution scheme are determined by the members' age bands with incremental rates for older members. The new scheme opened for new membership has a flat employer contribution rate of 7%.

The defined benefit pension scheme is closed to new members and closed to future accrual. There is no further salary linkage. For the purposes of FRS 102 the valuation of the defined benefit scheme has been calculated under FRS 102 as at 31 December 2020 by a qualified actuary.

The valuation, details of which are given below, shows £20.29 million of assets and £24.53 million of liabilities. The deficit of £4.24 million remained broadly the same as 2019. Although there was an increase in scheme liabilities over the year due to a change in financial assumptions this was off-set by assets performing well over the period.

The scheme's assets and liabilities as at 31 December 2020, analysis of pension costs and details of the valuation were as follows:

Principal assumptions	2020	2019	2018	2017	2016
	% per annum	% per annum	% per annum	% per annum	% per annum
Discount rate	1.30	2.00	2.9	2.5	2.7
Aggregate long-term expected rate of return on assets	1.30	2.00	2.9	2.5	2.7
Rate of increase of salaries	n/a	n/a	n/a	n/a	n/a
RPI inflation assumption for pensions in payment	2.75	3.00	3.25	3.2	3.6
CPI inflation assumption for deferred pensions	2.15	2.00	2.25	2.2	2.6
Pension increases	2.75	2.95	3.15	3.1	3.4
Pension commencement lump sum taken at retirement	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value	18.75% of benefit value

Mortality tables: 90% of S2PMA tables for males and 80% of S2PFA tables for females using CMI 2018 projections with a 1.25% long-term rate of improvement based on year of birth.

The assets valued below are in the form of monies invested with Standard Life, Newton Investment Management and Legal and General Investment Management, together with the trustees' bank account. The assets in the scheme and the expected rate of return were:

Assets breakdown	2020	2019
	%	%
Real return and absolute return funds	-	-
Diversified Growth Fund	-	28.3
UK Government index-linked gilts	-	-
Corporate bonds	-	-
Multi asset credit	34.44	25.7
UK corporate bonds	14.12	14.4
Liability driven investments	27.33	22.8
Equities	14.91	-
Cash	9.20	8.8
Total market value of assets	**100**	**100**

Notes to the financial statements continued

The pension scheme has not invested in any of Royal College of Physicians' own financial instruments, nor in properties or other assets used by the Royal College of Physicians. The assets are all quoted in an active market.

Movement in deficit during the year	2020	2019
	£000	£000
Pension scheme liability at the beginning of the year	(4,243)	(2,978)
Actuarial losses and gains on present value of obligations	(2,315)	(2,470)
Experience gains and losses on defined benefit obligations	-	-
Gains/(losses) on return of scheme assets	1,713	596
Employer contributions	685	685
Net interest on the net defined benefit liability	(79)	(76)
	(4,239)	**(4,243)**

Reconciliation of the opening and closing balances of scheme liabilities	**2020**	**2019**
	£000	**£000**
Present value of scheme liabilities at beginning of the year	22,482	19,966
Interest cost	443	571
Actuarial (loss)/gain on scheme liability assumption changes	2,315	2,470
Benefits paid	(714)	(525)
Present value of scheme liabilities at the end of the year	**24,526**	**22,482**

Reconciliation of the opening and closing balances of the fair value of assets	**2020**	**2019**
	£000	**£000**
Fair value of scheme assets at beginning of the year	18,239	16,988
Interest income	364	495
Return on scheme assets	1,713	596
Employer contributions	685	685
Benefits paid	(714)	(525)
Fair value of scheme assets at the end of the year	**20,287**	**18,239**

Reconciliation of the present value of scheme liabilities and fair value of assets to the asset and liability recognised in the balance sheet	**2020**	**2019**
	£000	**£000**
Fair value of scheme assets	20,287	18,239
Value of liabilities (defined benefit obligation)	(24,526)	(22,482)
Funded status	(4,239)	(4,243)
Recognised pension scheme liability	**(4,239)**	**(4,243)**

Analysis of pension scheme assets and liabilities for the current and previous five financial periods	2020	2019	2018	2017	2016	2015
	£000	£000	£000	£000	£000	£000
Present value of scheme liability	(24,526)	(22,482)	(19,966)	(22,604)	(22,962)	(18,925)
Fair value of scheme assets	20,287	18,239	16,988	16,690	15,683	13,870
Deficit	(4,239)	(4,243)	(2,978)	(5,914)	(7,279)	(5,055)

At the date of the last triennial statutory actuarial assessment as at 1 January 2018, the market value of the scheme was £19.3 million and the actuarial value of those assets represented 83% of the value of the benefits which had accrued at that date, allowing for future pension increases.

27	Lease obligations	2020	2019
		£000	**£000**
	Operating leases on land and buildings, by expiry date:		
	Under 1 year	123	182
	1 to 5 years	58	71
	5 years plus	27,571	22
	Total future minimum operating lease commitments	**27,752**	**275**
	Operating leases on office equipment and computers, by expiry date:		
	Under 1 year	20	2
	1 to 5 years	11	2
	5 years plus	-	-
	Total future minimum operating lease commitments	**31**	**4**
	Finance leases on IT equipment by expiry date:		
	Under 1 year	91	-
	1 to 5 years	294	-
	5 years plus	-	-
	Total future minimum finance lease commitments	**385**	**-**

In August 2019 the RCP signed an agreement for lease for 69,890 square feet over seven floors of 'The Spine' with Liverpool City Council for 25 years. The rental for the total period is £27.5 million. The lease came into effect at the end of June 2020.

The new finance lease in year, relates to a 5 year agreement entered into for IT infrastructure.

28 Related party transactions

The Royal College of Physicians, a charity registered (charity number 210508) in England and Wales, is the ultimate controlling parent of its subsidiary undertaking, The RCP Regent's Park Limited, which is consolidated on a line-by-line basis in these group accounts. During the year the Royal College of Physicians received £530k income from The RCP Regent's Park Limited. At 31 December 2020 The RCP Regent's Park Limited owed the RCP £275k in relation to an inter-company loan and the RCP owed the trading company £214k in respect of inter-company transactions.
Mr Justin Smith is the executive director of Corporate Services for the RCP, during the year transactions worth £3k (2019: £16k) were incurred with Maya Blue Limited, as supplier to the RCP, of which the directors are Mr Justin Smith and Mrs Elizabeth Mullings-Smith, the spouse of Mr Justin Smith. There were no other related party transactions in the period.

29 Comparative notes from the prior year

a Consolidated statement of financial activities for the year ended 31 December 2019

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds 31 Dec 19	Total funds 31 Dec 18 restated
		£000	£000	£000	£000	£000
Income from:						
Fundraising	2	125	349	120	594	258
Charitable activities						
Care quality improvement	3	3,201	5,329	-	8,530	9,143
Education and Federation	4	16,948	1,034	-	17,982	18,009
Membership support and global engagement	5	8,061	35	-	8,096	8,436
Communications, policy and research*	6	47	83	-	130	175
Heritage and investing in our future	7	73	-	-	73	73
Meetings and events (medical)		4,269	-	-	4,269	4,115
Activities to generate funds						
Investment income	8	708	28	349	1,085	1,033
Meetings and events (non-medical) – trading	25	1,772	-	-	1,772	1,831
Other income		197	4	-	201	108
Total income		**35,401**	**6,862**	**469**	**42,732**	**43,181**
Expenditure on:						
Raising funds						
Fundraising costs		253	-	-	253	230
Investment management fees		123	3	33	159	135
Meetings and events (non-medical)	25	1,713	-	-	1,713	1,569
		2,089	**3**	**33**	**2,125**	**1,934**
Charitable activities						
Care quality improvement	9	5,237	5,368	-	10,605	11,356
Education and Federation	10	13,003	1,135	-	14,138	15,262
Membership support and global engagement	11	4,472	196	-	4,668	4,577
Communications, policy and research	12	3,953	63	-	4,016	4,096
Heritage and investing in our future	13	2,265	-	-	2,265	2,718
Meetings and events (medical)		6,016	-	-	6,016	5,265
Trusts and fellowships		-	5	61	66	115
Total expenditure	14/15	**37,035**	**6,770**	**94**	**43,899**	**45,323**
Net operating (loss)/gain		**(1,634)**	**92**	**375**	**(1,167)**	**(2,142)**
Net gains/(losses) on investment assets		2,617	73	1,022	**3,712**	**(3,007)**
Net income/(expenditure)		**983**	**165**	**1,397**	**2,545**	**(5,149)**
Transfers between funds	21/22	34	4	(38)	-	-
Actuarial (losses)/gains on defined benefit pension scheme	26	(1,874)	-	-	(1,874)	2,105
Net movement in funds for the year		**(857)**	**169**	**1,359**	**671**	**(3,044)**
Funds brought forward at 1/1/19	21/22/23	33,998	3,187	9,616	46,801	49,845
Funds carried forward at 31 December 2019		**33,141**	**3,356**	**10,975**	**47,472**	**46,801**

*formerly Strategy, communications and policy

Notes to the financial statements continued

b Restricted funds 2019

Restricted funds	Balance at 01/01/2019	Income	Expenses	Gains	Transfers	Balance at 31/12/2019
	£000	£000	£000	£000	£000	£000
Care quality improvement*	693	2,274	(2,311)	-	(36)	620
National Guideline Centre	-	3,055	(3,057)	-	2	-
Education	296	1,034	(368)	-	-	962
Faculty of Medical Leadership and Management	767	-	(767)	-	-	-
Membership support and global engagement***	187	35	(44)	-	-	178
Drabu MTI Programme	-	65	(28)			37
Physicians for Africa***	87	61	(124)			24
Eric Watts donation	-	100	-	-	-	100
RCP North**	43	57	-	-	-	100
Physicians' Fund**	89	31	-	-	-	120
External communications	55	83	(63)	-	-	75
Dr Everley-Jones legacy	281	11	(1)	29	-	320
Harold Thomas Barten Trust	93	4	-	9	-	106
Frank Peacock Bequest	57	2	-	6	-	65
Catherine Mills Bequest	62	2	-	6	-	70
Queenie Louisa Higgins Bequest	41	2	-	4	-	47
Thomas Cotton Trust	68	-	-	-	5	73
The London Fever Hospital Fund	12	-	-	-	3	15
The Saltwell Will Trust Research Branch	100	-	-	-	24	124
Will Edmunds Clinical Research Trusts	18	-	-	-	6	24
17 other funds balances below £40,000	238	46	(7)	19	-	296
Total	**3,187**	**6,862**	**(6,770)**	**73**	**4**	**3,356**

*formerly Clinical Standards
**formerly Fundraising
***formerly included in Membership support and global engagement

c Endowment funds 2019

Endowment funds	Unapplied total return 01/01/2019	Income	Gains	Conversion to income	Transfers	Unapplied total return 31/12/2019	'Frozen' permanent capital 31/12/2019	Total endowment 31/12/2019
	£000	£000	£000	£000	£000	£000	£000	£000
Bradshaw Trust	164	11	34	(6)	-	203	143	346
Eden Fellowship in Paediatrics	960	41	110	(9)	-	1,102	142	1,244
John Rosser Scholarship	20	3	6	-	-	29	42	71
Joseph Senior White Trust	69	10	23	(1)	-	101	161	262
Lewis Thomas Gibbon Jenkins-Briton Ferry	999	86	224	(12)	-	1,297	1,250	2,547
ORL Wilson Bequest	88	5	13	(1)	-	105	44	149
James Maxwell Grant Prophit Bequest	316	32	88	(3)	-	433	539	972
Sadleir Trust	305	15	39	(2)	-	357	91	448
Samuel Leonard Simpson Fellowship	513	30	79	(9)	-	613	280	893
T K Stubbins bequest	33	5	15	(13)	-	40	104	144
Watson Smith Trust	404	34	88	(4)	-	522	470	992
William Withering Prize	114	6	15	(1)	-	134	38	172
Dr J D Ramsay Scholarship	37	3	7	(1)	-	46	30	76
Graham Bull Prize	42	3	7	(1)	-	51	25	76
Sir Michael Perrin Lecture	64	4	8	0	-	76	12	88
Lady Teale Lecture	79	5	12	(1)	-	95	44	139
John Glyn	77	6	16	(4)	-	95	80	175
Dame Sheila Kift Bequest	26	2	6	-	-	34	38	72
17 other funds with balances below £40,000	152	10	25	(26)	-	161	109	270
Subtotal	**4,462**	**311**	**815**	**(94)**	**-**	**5,494**	**3,642**	**9,136**

Funds not included in total return	Balance at 01/01/2019	Income	Gains	Conversion to income	Transfers	'Frozen' permanent capital	Balance at 31/12/2019
	£000	£000	£000	£000	£000	£000	£000
Thomas Cotton Fund	140	5	40	-	(5)	-	180
The London Fever Hospital Research Fund	148	3	20	-	(3)	-	168
Saltwell Will Trust Research Branch	806	24	118	-	(24)	-	924
Will Edmunds Clinical Research Fund	418	6	29	-	(6)	-	447
Drabu Fund	-	120	-	-	-	-	120
Subtotal	**1,512**	**158**	**207**	**-**	**(38)**	**-**	**1,839**
Total endowment	**5,974**	**469**	**1,022**	**(94)**	**(38)**	**3,642**	**10,975**

d Analysis of group net assets after pension scheme liability 2019

Analysis of group net assets after pension scheme liability

					Total	
		Intangible and tangible assets	Investments	Net current assets inc. pension liability	2019	2018
		£000	£000	£000	£000	£000
Unrestricted:						
Designated	Leasehold Replacement Fund	-	4,357	-	4,357	4,283
	Fixed Assets Fund	14,780	-	-	14,780	14,485
	Legacies Development Fund	-	-	147	147	145
	Care quality improvement	-	-	179	179	115
		14,780	**4,357**	**326**	**19,463**	**19,028**
General funds		-	32,356	(18,678)	13,678	14,970
		14,780	**36,713**	**(18,352)**	**33,141**	**33,988**
Restricted		-	1,874	1,482	3,356	3,187
Endowment		-	9,607	1,368	10,975	9,616
		14,780	**48,194**	**(15,502)**	**47,472**	**46,801**

30 Capital commitments

The Royal College of Physicians had a capital commitment of £3,284k as at 31 December 2020 (2019: £430k), the majority of which relates to the development of The Spine building.

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