

ROYAL COLLEGE OF OCCUPATIONAL THERAPISTS

England & Wales · Charity number 275119

Details

Other names	COLLEGE OF OCCUPATIONAL THERAPISTS LIMITED, ROYAL COLLEGE OF OCCUPATIONAL THERAPISTS LIMITED
Status	Registered
Legal form	Charitable company
Company number	01347374
Registered	1978-01-20
Register	View on the Charity Commission register

Contact

Address	Royal College Of Occupational Therapists 106-114 Borough High Street London SE1 1LB
Phone	02031414600
Email	steve.ford@rcot.co.uk
Website	www.rcot.co.uk

Activities

Objects: THE PROMOTION OF THE SCIENCE OF OCCUPATIONAL THERAPY AND THE BETTER TRAINING AND EDUCATION OF PRACTITIONERS.

Activities: The college sets the professional and educational standards for occupational therapy. It provides leadership, guidance and information relating to research and development, education, practice and lifelong learning.

Classification

- **How:** Provides Advocacy/advice/information
- **What:** Other Charitable Purposes
- **Who:** Other Defined Groups

Geography

- Guernsey
- Isle Of Man
- Jersey
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£8,957,000	£11,123,000	£13,538,000	106
2023-09-30	£9,020,000	£11,043,000	£15,622,000	92
2022-09-30	£8,496,000	£9,156,000	£14,406,427	86
2021-09-30	£8,390,000	£8,705,000	£14,524,000	85
2020-09-30	£8,326,000	£7,767,000	£14,141,000	78

Trustees

Name	Role	Appointed
Aisling Durkin		2024-06-27
Cathryn Elizabeth Holding		2020-06-11
Daniel Lewis Nigel Cooper		2026-06-02
Dr Anita Atwal		2023-06-28
Dr Sureshkumar Kamalakannan		2024-06-27
Eric Matthew Sanders		2026-03-03
Jacqueline Gordon		2024-06-27
Janine Hackett		2024-06-27
Neil Carnegie		2024-06-27
Odeth Richardson		2022-06-30
Paul Dunning		2021-11-08

ROYAL COLLEGE OF OCCUPATIONAL THERAPISTS

England & Wales - Charity number 275119

Accounts



Annual Report of Board of Trustees



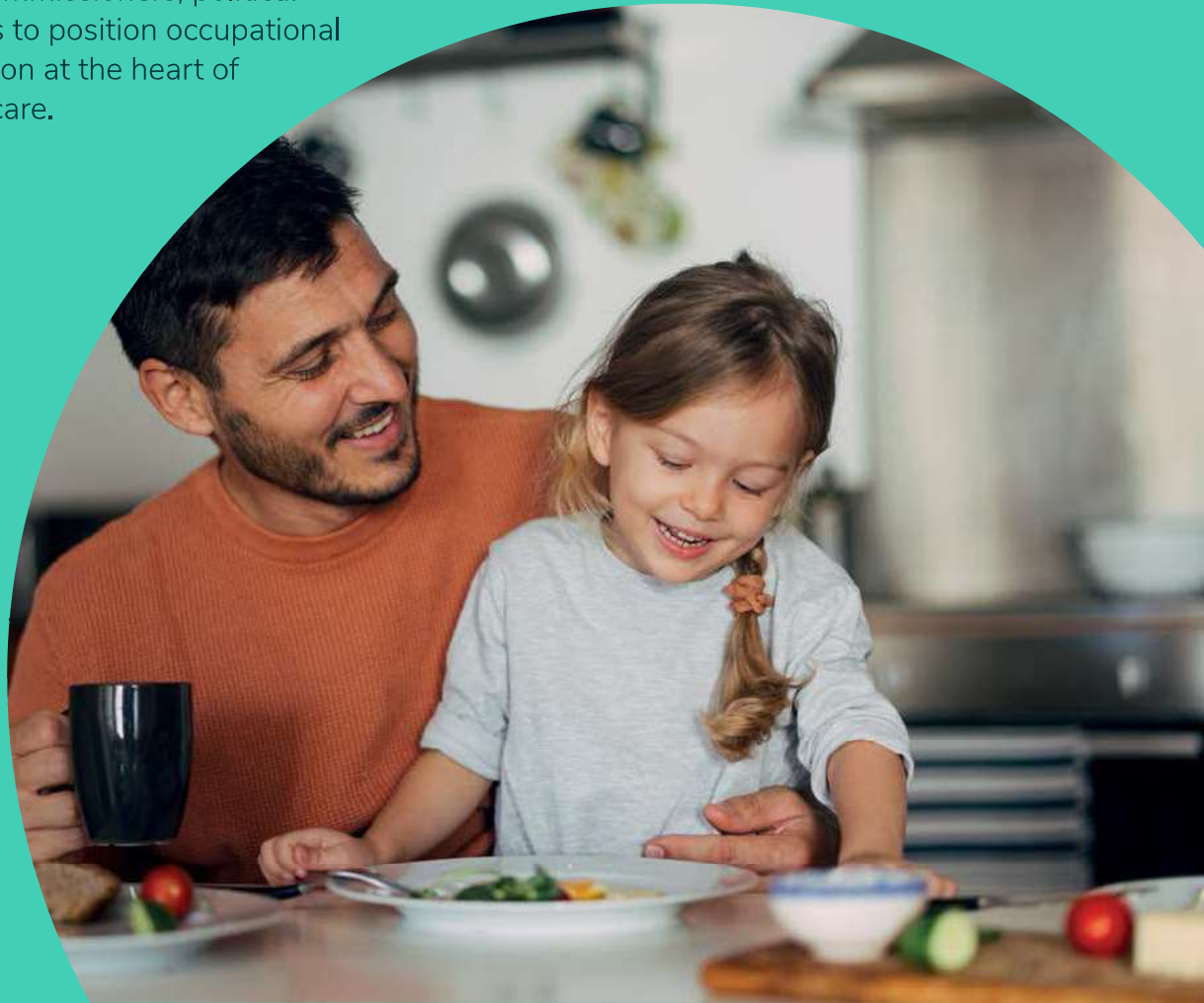
Contents

Introducing RCOT	4	What we'll do next	65
Trustees' report	5	Principal risks and uncertainties	66
Report of the Chair of Board of Trustees	6	Structure, governance and management	68
Report of the Chief Executive	8	Financial review	74
Our vision, strategy and values	11	Statement of trustees' responsibilities	79
<hr/>		Independent auditor's report to members	81
Strategic report	15	Financial statement	86
Our year in numbers	16	Notes to the financial statement	90
1. Rise Up	19	Legal and administrative information	108
2. Open Up	37		
3. Lift Up	45		
4. Build Up	55		

Introducing RCOT

We're RCOT, the Royal College of Occupational Therapists. We've championed the profession and the people behind it for over 90 years; and today, we are thriving with over 36,000 members.

We offer members opportunities to learn, research, teach, practice and continuously improve their occupational therapy knowledge and skills. We're the powerful advocate and high-profile champion that the UK's occupational therapists deserve. We work with healthcare commissioners, political leaders and others to position occupational therapy as a solution at the heart of health and social care.



Trustees' report¹

The trustees of the Royal College of Occupational Therapists (RCOT) present their annual report for the year ended 30 September 2024 under the Charities Act 2011 and the Companies Act 2006 (the '2006 Act').

This report has been prepared in accordance with our governing document and the Statement of Recommended Practice 'Accounting and Reporting by Charities'. Our legal status and governance structure is explained on page 68.



Our charitable objects (purposes) and public benefit

The principal object for which RCOT is established is the promotion of the science of occupational therapy and the training, education and continuing development of occupational therapists in the UK.

In setting and developing its strategic plan, RCOT has given careful consideration to the public benefit, as it relates to its charitable purposes. Our vision is that at RCOT, everything we do is so that people everywhere value the life-changing power of occupational therapy. Our five-year strategy, launched in 2022, is designed to grow understanding and enhance the profile of occupational therapy, attract more people to work in the profession, and help more people throughout society get the life-changing therapy they need.

In particular, the trustees believe that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance, as published by the Charity Commission.

The trustees are driven by the charity's objects when setting the strategic direction of the charity and actively monitor the impact of the charity's activities. The charity's impact is set out in the strategic report.

We want people everywhere to value the life-changing power of occupational therapy.

¹Royal College of Occupational Therapists; a charitable company limited by shares registered in England and Wales (company no. 01347374); a charity registered in England and Wales (no. 275119) and in Scotland (no. SC039573); registered office Phoenix House, 106–114 Borough High Street, London, SE1 1LB

Occupational therapy holds the key to addressing many of the UK's health and care challenges. It has been inspiring to see so many members collaborate with RCOT, to reclaim our narrative, share experiences and expertise, and grow the evidence and data needed to drive change and innovate solutions that truly matter.



Odeth Richardson (she/her)
Chair of Board of Trustees

Occupational therapy holds the key to addressing many of the UK's health and care challenges. However, those of us in the profession are all too aware of the hurdles we face. High vacancy rates, staff retention issues and a lack of investment often hinder our ability to provide high-quality, impactful services.

This year, the launch of our Workforce Strategy marked a significant milestone for us. It showcased the incredible power we can harness when we unite with our members, volunteers and stakeholders. Our collective leadership is crucial in advocating for an expanded workforce that can make a real difference in people's lives.

We are committed to reflecting the unique political, social, economic and health environments our four nations face, and working together to achieve the necessary changes by 2035.

The leadership demonstrated by our members has been evident throughout our progress this year. It has been inspiring to see so many members collaborate with RCOT, to reclaim our narrative, share experiences and expertise, and grow the evidence and data needed to drive change and innovate solutions that truly matter.

Our members and volunteers remain at the heart of our organisation. This year, we transformed our long-standing Boards and Specialist Sections. While this process was challenging both personally and professionally for some, I have been heartened to see our passionate members and volunteers rise to the occasion, working with us to push our organisation forward. Your dedication ensures we can represent our rich and

diverse membership and the professional lives we lead. Whether you have supported us, engaged with us, or challenged us – we are grateful for your input.

This year, we also took a significant step towards strengthening our governance. Renaming the Council to a Board of Trustees underscores our commitment to delivering public benefit through our charitable purpose at RCOT and our trade union activities through BAOT.

Together, my trustee colleagues and the Senior Leadership Team will continue to strive to grow our organisation, enhance our offer and experiences for members and build an ambitious, high-performing and financially resilient body that occupational therapists can be proud of.

DocuSigned by:

 CCEB502A90AD476...

Odeth Richardson (she/her)
 Chair of Board of Trustees



Reflecting on our journey this year fills me with optimism. We're embracing our role as changemakers, tackling challenges in health and care services, and leading the way for other allied health professionals.



Steve Ford
Chief Executive
RCOT

With our members, we bring together a wealth of experience and expertise, providing the professional leadership needed to make a significant impact through occupational therapy services.

Reflecting on our journey this year fills me with optimism. We're embracing our role as changemakers, tackling challenges in health and care services, and leading the way for other allied health professionals.

Many members tell me that RCOT feels different now. Our advocacy is louder, our message about our role and impact is stronger, and our relationships and partnerships are more influential. RCOT is where occupational therapists can unite to develop bold solutions, with membership designed to support and encourage you at every stage of your career.

We're also deepening our commitment to equity, diversity and belonging. Our ChooseOT campaign is encouraging more people from different backgrounds to consider the profession, helping occupational therapy better reflect the communities we serve.

We're addressing early career pressures by improving practice-based placements for learners and fostering a greater sense of community within our membership, focusing on specialisms, innovation, knowledge sharing and peer support.

Despite the cost-of-living crisis and rising costs, we've shielded our members from these financial burdens for the third year in a row. At the same time, we've continued to invest in new member benefits by offering a suite of new and improved services, ensuring our membership supports your personal and professional development and offers great value for money.

Together with our members, we're stepping up for occupational therapy and I'm excited for what lies ahead.

Signed by:

 264A8A778DC2424...

Steve Ford
 Chief Executive
 RCOT





Our vision, strategy and values

We want people everywhere to value the life-changing power of occupational therapy.

This bold and simple vision is at the heart of our five-year strategy (2022–2026) and guides everything we do. We focus on making the biggest impacts, based on our strengths and our members' needs. Our four strategic priorities drive our work and you can see our achievements during the reporting year from page 15 onwards.

Stepping
up for
occupational
therapy



Strategic priorities

Rise Up

We will rise up to be bold, progressive advocates and champions – raising our profile and voice so that more people understand the power of what occupational therapists do.

Open Up

We will open up to new opportunities and people – joining forces, forming alliances, and getting more people to see occupational therapy as the solution to their needs.

Lift Up

We will lift up every occupational therapist and support them to be the best they can be throughout their entire career – by offering them the best community, resources and tools that help them to succeed.

Build Up

We will build up our organisation and culture to be dynamic, high performing and values-led – using insights and data to inform and drive us to achieve our purpose.

Occupational therapy helps people live their best life at home, at work – and everywhere else. It's about being able to do the 'occupations' you need, want and have to do. Occupational therapists see beyond diagnoses and limitations to hopes and aspirations.



Our values

Our values drive us to reach our goals

We live and breathe our values. They describe what matters to us and guide how everyone at RCOT acts and makes decisions as individuals and as one team.

We Impact

- We make meaningful differences with all our work.
- We prioritise work that achieves our shared purpose and strategy.
- We go above and beyond for the people who need us.

We Challenge

- We find new and better ways to make things happen.
- We are brave and bold in our ideas and actions.
- We challenge ourselves, each other and the status quo.

We Elevate

- We lift up and support others to be and do their best.
- We are accessible and collaborative.
- We are united and move forward together, even if we sometimes disagree.

We Respect

- We value each other and celebrate our differences.
- We are approachable, genuine and trustworthy.
- We listen to others and believe everyone's views should be heard.



Strategic report

The trustees present the strategic report of RCOT for the year ended 30 September 2024.



Strategic report

Our year in numbers 2023-2024

Hosted

527

members across five thought-provoking and informative Equity, Diversity and Belonging Insights and Reflection sessions.

Published our first

Workforce Strategy



and engaged key decision-makers from across government, the NHS and Allied Health Professions at our UK-wide roundtable launch event.



Supported

8,892

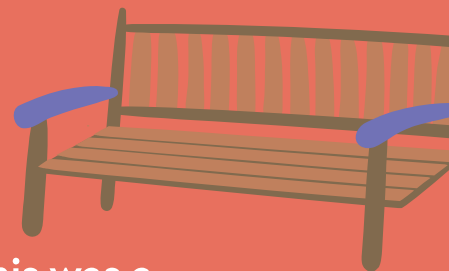
members to record their Continuing Professional Development activities through our new member benefit – an online CPD recording tool.



Advised

2,738

members and the public through our Professional Advisory Service.



This was a

51%

increase on the previous year.

Surveyed

2,676

members to understand what they want from their professional body and to identify improvements.



#ChooseOT

Amplified the diverse stories and experiences of members' journeys into the profession through our ChooseOT campaign that received 68,311,518 social media impressions.



Welcomed

1,108

new learners to our membership.



Growing our occupational therapy community and supporting the next generation of occupational therapists to thrive in their profession.

Invested in high-quality occupational therapy education by supporting

54

pre-registration education providers.



Supported

96

members to stay connected with their profession through our Hardship Fund.



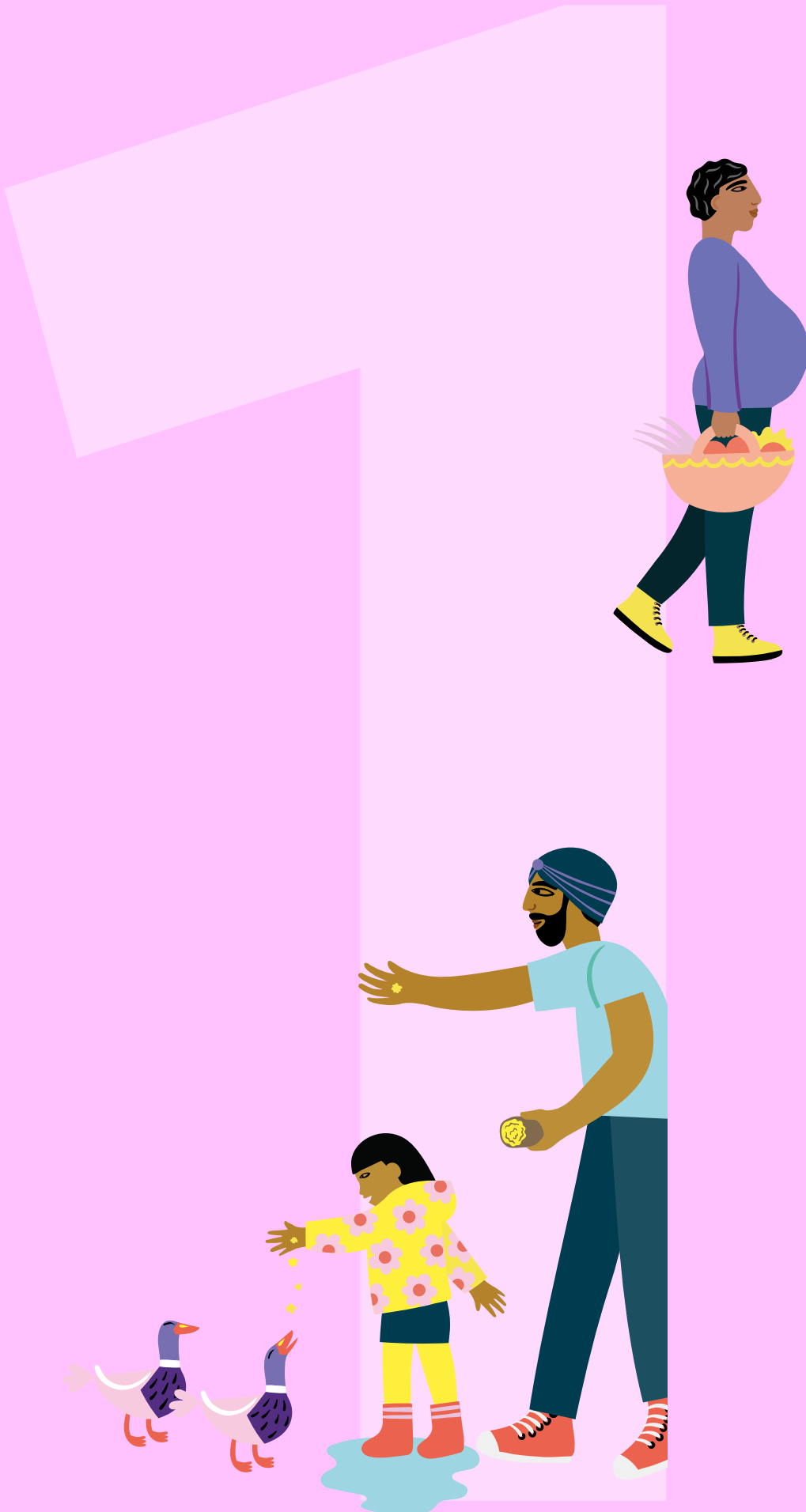
Increased our social media reach across all platforms by almost

50%

rising to 900,000 followers

and unlocking a thriving community of occupational therapists.





1. Rise Up

We will rise up to be bold, progressive advocates and champions – raising our profile and voice so that more people understand the power of what occupational therapists do.

“

Occupational therapists have the power to transform lives. As allied health professionals, they play a critical role in shaping the future of health and social care. The Royal College of Occupational Therapists leads this charge – championing collaboration, influencing policy and empowering its members to step into leadership. By unleashing the full potential of occupational therapy, we can drive positive change for the public, our communities and our future health and care services.”

Beverley Harden MBE FCSP
Deputy Chief Allied Health Professions Officer
NHS England

What we did 2023–2024

Leadership for our profession

We provide the leadership our profession needs to strengthen, advance and support occupational therapy and its impact on people’s lives, and ensure we have the workforce needed to respond to growing demand for occupational therapy services and support.

With projected population growth and more people living with multiple health conditions, we need to improve access to advice and expertise so people can continue to contribute to society and fulfil their roles and responsibilities while managing their health and wellbeing. That combined expertise already exists in a registered health and care profession – occupational therapy.

A workforce under pressure

A series of summits and our workforce survey conducted in 2022 found clear evidence of a workforce under pressure and a profession in crisis.



Our first Workforce Strategy

We published our [Workforce Strategy](#) in March 2024, setting a vision of an expanded occupational therapy workforce – positioned to have maximum impact in improving people's health and quality of life. By 2035, we will have a workforce that is:

- **confident and skilled in championing inclusion** and advocating for occupational justice, focusing on the right of every person to have the choice and opportunity to engage in a diverse range of activities and roles
- **based primarily within communities**, working closely with local populations to meet their health and care needs and ensuring that services are accessible to everyone
- **positioned to focus on prevention and early interventions**, minimising the need for crisis interventions and dependency on care services
- **putting occupations at the forefront of their practice**, empowering people to do the occupations that they value, manage their health and care needs and contribute to society.

The strategy was informed by national policies, the occupational therapy workforce and stakeholders such as the World Federation of Occupational Therapists, national and regional Allied Health Profession leads and government representatives.

“

With this strategy, our occupational therapy workforce will become a powerful movement – boldly negotiating where we should be positioned to have the maximum impact for the UK's communities, armed with robust evidence about what occupational therapy brings to health and social care.”

Odeth Richardson (she/her)
Chair of Board of Trustees



Workforce Strategy priorities

Optimising occupational therapy

We will:

- support occupational therapy practitioners to be changemakers, using their skills and knowledge to lead and co-design innovative products, interventions and services that improve people’s lives and wellbeing
- champion innovative service delivery models that improve access to occupational therapy and achieve health equity for all.

Retention and career development

We will:

- support and promote the development of all occupational therapy practitioners, especially those from historically marginalised and underrepresented communities, to be where they want to be, at each stage in their career
- build our profession’s capacity, confidence and capability to incorporate leadership, learning, research and innovation into practice.

Demonstrating value and impact

We will:

- build our real-world and research evidence for occupational therapy and justify investment in the occupational therapy workforce by quantifying the impact
- work with our leaders to put the case for how and where to deploy our expertise to add the most value for people and their families and the wider health and care system, to avoid critical shortages within the occupational therapy workforce.

Effective workforce planning

We will empower the occupational therapy workforce to:

- contribute to, access and use the workforce planning data and intelligence available to them
- use the data and intelligence to make informed decisions about their positioning within the health and care system.

Launching our Workforce Strategy

Brought together senior leaders representing government, the NHS, Allied Health Professions, the Royal College of General Practitioners, think tanks, foundations and UNISON at a roundtable event to launch the UK-wide Workforce Strategy.

We discussed how we can transition the occupational therapy workforce into community settings to support people where they live and work and how we can empower employers to grow a workforce that reflects our projected population.

Attracted widespread coverage across sector press reaching key stakeholders and audiences including a thought-provoking leadership article in the influential *Health Service Journal*.

Recognised the different political, social, economic and health environments across our four nations and committed to developing nation-specific action plans for each of our nations with the support of our new Workforce Strategy Advisory Groups. (More on page 24).

Co-produced and launched our **Workforce Action Plan for Wales** in the Senedd in June 2024. We showcased the experiences of occupational therapists and their work to members of Welsh parliament and Welsh Government including the Health Minister and Chair of the Health Committee.



Spotlight

From Boards to Advisory Groups

RCOT Boards served our occupational therapy community over many years, contributing to our profession.

Yet they had limited representation from support workers, learners and apprentices, meaning these groups' perspectives were not fully representative of the occupational therapy workforce at different career stages or from more diverse backgrounds. This also led to a heavy workload placed on a few members.

In March 2024, and as part of our strategic ambition to create more flexible, accessible and inclusive ways for members to engage and lead their profession, we stepped down the five boards and introduced new advisory groups.

Advisory groups are more inclusive and allow members from across career levels and diverse backgrounds to take part. They are more agile, with clear terms of reference aligned to strategic outcomes, and allow for focused and timebound engagement to reflect members' capacity and expertise.

“

We're grateful for and thank all our current and past Board members for their valuable contributions towards our profession over the years. Our new Advisory Groups represent a significant step forward in how we work with members, with better representation and more opportunities for members to provide valuable leadership in shaping our approach."

Karin Orman

Director of Practice and Innovation
RCOT



We recruited 83 members across our Workforce Strategy Advisory Groups for our four nations to ensure our action plans reflect local needs and opportunities and are shared with key decision-makers and stakeholders. Representatives spanned across our membership categories included from our Board of Trustees, leaders in health and social care services, UNISON representatives and learners.



“

I see this as an opportunity to widen access to the occupational therapy community and all levels to have influence and be part of decision making. I know some people are intimidated at the thought of being part of a national board, but I've already had interest from clinicians keen to be involved in the advisory groups where they can share their skills and knowledge. This will be a fantastic development opportunity for so many."

Robert Workman
Chair of the RCOT Board in Wales
2022–2024

Equity, Diversity and Belonging.

The occupational therapy workforce will only be able to deliver maximum impact in improving people's health and quality of life if everyone in the profession feels welcome, seen and heard and if we are truly representative of the people and communities we serve.

Our strategy

Launched our first ever **Equity, Diversity and Belonging (EDB) Strategy** in November 2023 following an extensive development process and consultation that brought together the views, insight and experiences of members, stakeholders, people with lived experiences from minoritised and racialised backgrounds, underrepresented groups and those with protected characteristics, into a set of recommendations.

Co-produced with members, the strategy and accompanying action plan identifies our EDB priorities and a set of 44 actions that we committed to deliver by 2027 to achieve our vision of being a bold, progressive advocate of equity and social justice and to create a culture of authenticity and belonging, where everyone is welcomed, celebrated, supported, recognised and valued as part of our organisation.



“

Our Equity, Diversity and Belonging Strategy guides us on our journey to creating a culture where everyone in the occupational therapy profession feels truly valued and supported as their authentic selves. ”

Steve Ford
Chief Executive
RCOT

EDB strategic priorities

Accountability and commitment

Our members, staff and volunteers understand that EDB is all of our responsibility, and that words and good intentions are not enough.

Learning, development and confidence

Our members, staff and volunteers are confident and skilled in championing EDB and challenging inequity, injustice, and discrimination.

Effective leadership

RCOT leadership team and trustees visibly champion EDB and this strategy, role model anti-racism and anti-discrimination, consistently demonstrating effective allyship.

Safe and inclusive culture

RCOT has an inclusive culture, with health and wellbeing at the heart, that is truly reflective of our organisational and professional values.

Diverse and thriving profession

RCOT understands and works to remove barriers to entry, to open up occupational therapy as a profession to better reflect the diversity of the UK.

Transparency

RCOT is critically self-reflective, transparent and intentional in communicating our commitment to and progress with EDB, to build trust in our organisation.

Our EDB progress

Spearheaded several EDB Insights sessions, creating a space where members could come together with colleagues to explore different aspects of EDB and discuss how it affects occupational therapy, our members and our working lives. These sessions – on

timely subjects – are designed to be spaces for members to develop their understanding, explore complex issues and identify learnings to continue their personal and professional development. Members reported how much they valued us creating safe spaces for them.

Introduced EDB reflection sessions. The first, in response to the far-right riots that deeply affected many members personally and professionally, brought together affected members with RCOT to reflect, share their experiences, fears and concerns, and foster solidarity within the occupational therapy community.

“

It was a real privilege to be part of the session and I thank every speaker for being so open and honest and sharing their most vulnerable self (selves). The power of human connection is so important, and I could feel the speaker's suffering and that of their significant others when describing their experiences."

EDB Insights session participant

Shared an **EDB Critical Self-Awareness toolkit** in September 2024, supporting members and wider stakeholders to embed EDB activity in their working practice and across their professional lives. Complete with handy, easy to use prompts, and questions to support reflections, the toolkit enables people to map their own understanding of EDB and their journey to building their awareness, understanding and confidence to actively oppose discrimination.

1,124
people

have downloaded the EDB toolkit

“

Thanks for sharing the toolkit – I love how straightforward this is to pick up and use, and how it gives a very safe structure for exploration and learning."

EDB toolkit user



Collaborated with 32 members who form our Expert Advisory Groups (EAGs) enabling the rich knowledge, lived experiences and insights from members of the communities they represent to both inform and guide our work.

Over a series of 36 engagement meetings, EAG members contributed to the development of our Career Development Framework and Research and Innovation Strategy, and shared views and perspectives on our approach to improve accessibility through the new website. EAGs continue to offer us robust challenges to drive us forward, ensuring our collective work is inclusive and accessible and delivers on our collective EDB goals.

Offered the EAGs a dedicated and safe space to manage their networks and further their discussions on RCOT Communities, our new online communities engagement platform. They used the interactive features, providing us valuable feedback to ensure this will be an inclusive and accessible space for all when it launches. Read more about RCOT Communities on page 58.

32
members

form our Expert
Advisory Groups

RCOT ABLE OT

RCOT B.A.M.E OTUK

RCOT LGBTQIA+

RCOT Carers*

*established in 2024.



Spotlight

Celebrating Pride

Pride month is a celebration for LGBTQIA+ communities and allies.

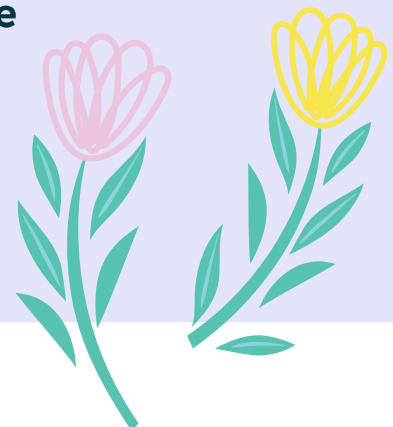
For the first time, members of the LGBTQIA+ Expert Advisory Group came together with staff from the LGBTQIA+ colleague network and invited all members to an informal meet up at London Pride; showing visible solidarity within and for the profession.

The meet up was the result of shared work between the groups, exploring what the occupational therapy community needs from its professional body. Whilst representing different stakeholders, they share a purpose to promote visibility, community and belonging and allyship and accountability. The groups also expressed a desire to be at future regional Pride events.

“

Having RCOT representation at events like this is essential – to demonstrate the inclusivity of the profession to both the public, prospective occupational therapists and existing occupational therapists – LGBTQIA+ or not.”

RCOT member





A stronger voice for our profession

Influenced policy and practice together with our members across our four nations, establishing a stronger voice for occupational therapy and advocating for our members and the profession. We engaged with senior policy and decision-makers, provided briefings and shared evidence and insight to ensure occupational therapy receives the profile it deserves.

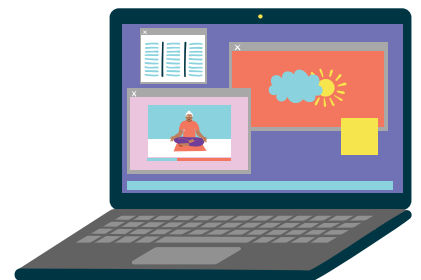
Advocated for improvements in entry routes and career progression into the health system by extending apprenticeships beyond nursing to include occupational therapy. We tabled a motion in Stormont in March 2024, following the return of power sharing in Northern Ireland, and engaged with senior leaders from each of the five health and social care trusts, convening with local members and the occupational therapy workforce to promote awareness and visibility of our profession.

Positioned the unique value and contribution of occupational therapy in discussions and debates around the development of a nationalised social care service in Scotland, ensuring government and stakeholders were sighted on the significant role and impact the occupational therapy workforce could have on plans to improve community health, social work and social care.

Responded to several UK-wide/ nation-specific government consultations on subjects including creating a smoke-free generation, Health and Care Professions Council fees, Work Capability Assessments, fit note reforms, pay spines for nurses and more, making a compelling case for occupational therapists in wider health and social care reform.

Empowered members to be more politically active by supporting them with resources to write to prospective parliamentary candidates, advocating for occupational therapy and how it can be part of the solution to health and social care challenges.

Raised awareness of our responses to general election manifestos through sector press coverage including *Care Management Matters*, *The Carer*, *Independent Living* and *Caring Times*, with a collective circulation and reach of over 80,000.



80,000 reach

Our press coverage reached 80,000 people

Spotlight

Voting as an occupation

When the general election was called, we quickly developed and introduced a new theme for our Lift Up Your Everyday campaign, to support people to vote confidently.

Voting is both an occupation and a right. But our survey found millions of people are put off voting because of their health, citing exclusions or obstacles they face such as transport issues, lack of information, language barriers and the complexities of the voting process itself.

We provided expert advice from and for occupational therapists which we shared with our membership and the wider public to encourage and support people to take part in our democratic processes.

9 million

people are put off voting because of their health.

RCOT survey¹

71,000
people

saw our social media posts



¹This nationally representative survey of 2,000 adults was commissioned by RCOT and conducted by OnePoll.

Our national campaign

Occupational Therapy Week (OT Week) is our national awareness-raising campaign dedicated to celebrating the life-changing power of occupational therapy.

Our members told us they have to explain what occupations are and why they are important in people’s health and wellbeing. Our 2023 award-winning campaign focused on occupations and why they matter – building a strong foundation for future awareness of the profession amongst a wide range of public stakeholders.

Shaped the campaign together with members, developing a theme, narrative and resources that enable the occupational therapy community to overcome the barriers they face when talking about occupation and building confidence to share their expertise with target audiences.

Invited 11 occupational therapists from a broad range of experiences and career stages to share how they help people to understand what occupations are – and to share their advice for how fellow occupational therapists can own it as their superpower through a dedicated engagement event that was attended by 338 members.

The campaign won three communication awards and 68% of members surveyed said it helped them to own occupation and talk more confidently about it. A selection of members² reported that their confidence in talking about occupation with people they support increased from 44% to 91%.



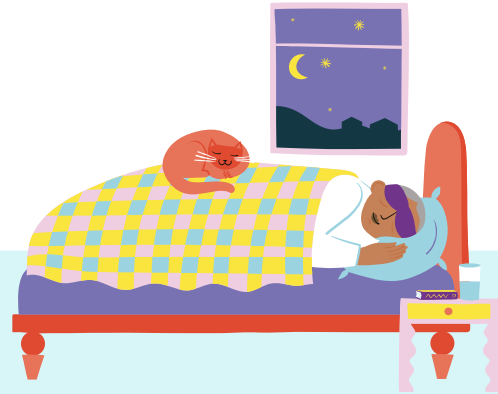
5,700
times

The digital campaign resources were accessed over 5,700 times.

²Our benchmark group of 200 members.

Lift Up Your Everyday

Supported people to overcome the challenges they face and get the most out of life through our public facing campaign, Lift Up Your Everyday. With the bite-sized expert advice co-designed with members, the campaign enables us to demonstrate what occupational therapists do and raise awareness of our profession and practitioners.



We launched two new Lift Up Your Everyday themes:

Relationships and intimacy

Timed with Valentine's Day, we shared advice about relationships and intimacy in response to our survey which showed the impact health problems have on people's sex lives, intimacy and relationships.

Our social media posts were seen by over 92,000 people and featured in *MailOnline*, *Daily Mirror* and *Metro*.

Better sleep

With poor sleep affecting physical health, mental wellbeing, mood, concentration and stress, we shared advice about how to sleep better on World Sleep Day.

These social media posts were seen by over 100,400 people and were covered by *Daily Mirror*, *Daily Express* and a large feature in *Chat* magazine.

Increasing visibility

Engaged with audiences across social media, unlocking a thriving community of occupational therapists and keeping members informed about their profession.

Exceeded our targets, achieving 580,000 social media engagements and increased opportunities for people to see our content and messages across channels by almost 50%, reaching 900,000.

Comments on posts are an excellent indicator of meaningful engagement, and we saw an 18% growth in comments compared to the previous year. We also extended our followers across all platforms by 8%. By working with high-profile supporters who have shared our OT Week and Lift Up campaign messages, we've expanded our reach and connected with new audiences.



2. Open Up

We will open up to new opportunities and people – joining forces, forming alliances and getting more people to see occupational therapy as the solution to their needs.



“

It probably sounds quite cliché, but I think RCOT provides a soil for your OT roots to evolve from. It gives you the foundations of knowledge, a team to work with professionally and personally and keeps you safe. I don't think I would be able to practice as well as I can and be as informed as I am without RCOT behind me.”

Sarah (she/her)
RCOT member

What we did 2023–2024

We need more people to consider occupational therapy as their career and ensure the next generation of occupational therapists have the skills and support they need to deliver expert and high-quality care and take the lead in innovating and improving our profession to further our impact.

Encouraging more diversity into the profession

In line with our Workforce and EDB strategies, we need more people from all walks of life to consider occupational therapy as a career and ensure our future workforce represents and reflects the people and communities we serve.

Amplified the personal stories and experiences of members from different backgrounds and journeys into the profession through ChooseOT, a vibrant and engaging social

media campaign that received 68,311,518 impressions and translated into 531,714 visits to our website for more information to support them on their journey into the profession.



“

I didn't have a healthcare background, but here I am studying occupational therapy. English is my second language and I thought it would have been a barrier. But because I've been able to integrate and interact with different people in my placement and volunteering, I've been able to bridge that gap."

Blessing
RCOT member



Supporting the next generation

We set the professional and educational standards for occupational therapy, robustly assessing the quality and delivery of pre-registration education programmes.

Across 19 accreditation events, we used the Learning and Development standards to review 29 pre-registration programmes, ensuring learners are set for success. This included supporting eight new education providers to deliver 10 new Master's, Bachelor's and degree apprenticeship programmes – expanding the number of pre-registration places available for learners.

Our accreditation safeguards the quality of education future graduates receive across the UK and globally.

Relaunched the **AHP principles of practice-based learning** originally developed with the Chartered Society of Physiotherapy and now co-badged with eight additional professional bodies. The principles act as a catalyst and framework for our professions to come together to enhance the quality and capacity of practice-based learning opportunities for our future workforce.

Hosted 11 monthly Placement Cafés, with 453 registrations of members and non-members across the year. These bring together practice educators and those involved in supporting occupational therapy placements, offering them the chance to network and share ideas and innovations of how to create quality, sustainable opportunities for learners and problem solve challenges with their peers.



Spotlight

Collaborating with partners

Workforce reform 2024 programme

Following our successful collaboration with NHS England during 2022–2023, we successfully bid for and received further funding from NHS England’s Workforce Training and Education Directorate to deliver education reform for occupational therapy through a year-long workforce reform programme.

Aligned with our own desire for workforce reform (see Workforce Strategy page 23), we will deliver the programme through four key projects:

1. Using research, workshops and surveys from both students and practitioners to gain valuable data on career trends, to develop into a marketing strategy that inspires future generations of occupational therapists and increases and diversifies university applications.
2. Reviewing the Career Development Framework in collaboration with The Creative Health Alliance to support occupational therapists’ personal and professional growth. In partnership with our Expert Advisory Groups, Leadership Forum, Council of Occupational Therapy Education Directors and other stakeholders, we’ve collected feedback on how the framework is being used, its strengths and limitations, inclusiveness and relevance to identify gaps and inform recommendations for a new and improved version to be launched in 2026.
3. Reimagining advancing practice for occupational therapists, in partnership with the Royal College of Speech and Language Therapists, Coventry University and the University of Salford to apply national frameworks consistently across all occupational therapy roles and settings.
4. Publishing powerful stories that use the personal experiences of occupational therapists to showcase how occupational therapy is transforming lives across social care and the justice system.

Community for Allied Health Professions Research

On behalf of the 14 Allied Health Professional (AHP) bodies that form the Community for Allied Health Professions Research (CAHPR), we received £100,000 funding from NHS England to support research and innovation to:

Increase research capacity building across all AHP disciplines

Map our UK AHP clinical academic workforce

Strengthen AHP research leadership communities

Since its launch in May 2024, we have:

- launched a research resource bank to provide vital information and support to AHPs at any career stage with an interest in research and innovation
- begun developing an influencing plan and resources to support CAHPR and the 14 AHP bodies' lobby funders for equitable access to UK research funding
- established a robust set of metrics and methodology to map UK AHP clinical workforce including developing and piloting a survey for national rollout in 2025
- created a map of leaders across the UK with strategic influence in AHP research and held a series of stakeholder sessions to explore strategic engagement plans.



Nurturing research and promoting innovation

Occupational therapy should be at the forefront of health and social care transformation.

To support this, we foster a culture of continuous improvement. By nurturing research and promoting innovation, we can use real-world data, experiences and insight to elevate the impact occupational therapy has on people’s lives.

Our Research Foundation supports the development of occupational therapy research capability and capacity within the profession.



In 2024, we awarded three research grants:

- 1** **Dr Fiona Maclean**
Research Priority Grant

Co-creating the future: the use of multifunctional robots in occupational therapy and dementia.
- 2** **Dr Brightlin Dhas**
Research Career Development Grant

Practice Readiness of Newly Qualified Occupational Therapists in United Kingdom.
- 3** **Julian Jeyasingh-Jacob**
Scoping Review Grant

What is the use of Artificial Intelligence in Occupational Therapy Practice, Education, and Research?



“

RCOT is at the forefront of research and innovation. We’re constantly trying to strive for evidence-based practice and new knowledge to raise the profile of occupational therapy and the quality of the work that our OTs are doing.”

Mary (she/her)
RCOT member

Innovation Hub

Our Innovation Hub brings together occupational therapists passionate about leading change to share their service challenges and ideas for improvement. Members submitted 57 examples of innovative projects for inclusion, showcasing key innovative features and the steps they took to overcome challenges; enabling others to implement changes in their own services or practice.

Piloted an Innovation Seed Fund inviting members to apply for up to £5,000 funding to advance occupational therapy practice through innovation and real-world evidence gathering to build our evidence base and to support further funding bids.

Innovation Seed Fund recipients

- Deploying the new Skills for Care (Delegated Healthcare Activities) principles in adult social care practice - **Alicia Ridout, Director and Founder of Involve Me Digital Research Ltd**
- Stocking occupation-focused resource boxes for the Integrated Master's programme at Robert Gordon University - **Alison Gillespie, Practice-based Learning Lecturer in Occupational Therapy, Robert Gordon University**
- Offering a rolling group programme in Nottingham West Primary Care Network - **Catherine Seals, Mental Health Team Lead, Nottinghamshire West Primary Care Network**
- Tai Chi and Qigong as part of a falls prevention and long term conditions strategy - **Lucy McNeill, Advanced Practitioner Primary Care Occupational Therapist**
- Using Virtual Reality to support students to access the curriculum - **Philip Wade, Lead Occupational Therapist, Hedley's College**





3. Lift Up

We will lift up every occupational therapist and support them to be the best they can be throughout their entire career – by offering them the best community, resources and tools that help them to succeed.



“

As a newly qualified occupational therapist, it can be quite daunting, but it's great to know that I've got a membership that will help me and support me, and I have a huge network of people that I can communicate with.”

Farhat
RCOT member

What we did 2023–2024

An RCOT membership means joining over a 36,000 thriving community of people passionate about improving lives through occupational therapy. We continuously improve our membership offer and benefits to meet members’ changing personal and professional lives. In 2023–2024, we introduced a range of new benefits for our members.

Support for life-long learning

Offered members access to their very own online CPD portfolio as a new member benefit in December 2023, in response to feedback from members who found it challenging to stay on top of recording their continuing professional development (CPD) – an essential requirement to meet Health and Care Professions Council (HCPC) standards.

The CPD portfolio makes it easy for members to record and store CPD activities in one place, enter CPD diary entries and record reflections to improve the quality of occupational therapy practice and service delivery. In 10 months, 8,892 members signed up for the platform.

We also automated CPD diary entries for our larger scale RCOT events making it easier for members who attended the 2024 Elizabeth Casson Memorial Lecture or our Annual Conference to quickly and easily log their learnings, saving them time.



“

As a member of RCOT, I get access to the CPD portfolio, which I am finding incredibly useful. Before I would collect information in a shoe box and now it's on an app. It's so easy to take a photograph to capture evidence or put in a title of what you've just done and you automatically get feedback in each section. It's been life enhancing and a massive time saver. I now worry less about CPD and a potential HCPC audit."

Alison (she/her)
RCOT member



Easy access to our Digital Library

Introduced a new OpenAthens technology connection for members in June 2024, enabling a simple, safe and secure sign-in process to our Digital Library. Members have access to an increasing range of online resources, e-books, journals and databases and can use this rich evidence base to support their practice, learning, research and CPD. 1,321 members have now registered for an OpenAthens active account.



I really enjoy having access to the library. My university didn't have access to a lot of the journals, so being able to access them through RCOT was invaluable for my essay writing. The membership is value for money when you realise all the benefits that you can get."

Orla (she/her)
RCOT member



I am a student and new to RCOT. This session was brilliant, I had no idea of the extent of support and resources available to us, and I am looking forward to exploring in more detail."

RCOT member

Maximise your membership

Delivered 16 webinars for members, showcasing the full spectrum of our support and services available, enabling members to discover the full potential of their membership. These tailored, expert-led sessions focused on member benefits like the CPD portfolio and special interests such as Research and Development. They also offered practical tips and strategies tailored to different career stages and milestones such as newly registered occupational therapists, those considering a return to practice or approaching retirement. 3,710 members signed up for the webinars, almost 10% of our membership.

Those who attended have a greater understanding of the support available, better access to their peers and community and are more likely to stay connected with us in the future. 458 non-members also participated, finding out more about how an RCOT membership can support their career.

Fitness to practice

Launched a fitness to practice support group bringing together 30 members who were going through the stigmatising and challenging process of a Health and Care Professions Council (HCPC) investigation. With a 35% increase in the number of members needing support through their investigation, this group shared best practice and offered advice and peer-to-peer support in a safe space. Members valued the sense of community these fostered, felt more encouraged, less isolated and more engaged with us.

“

It's good to feel supported by people who are going through the same process and not feel lonely."

Fitness to practice support group member

Support at every career stage

Advised 2,738 people through our Professional Advisory Service, offering one-to-one advice for members tailored to their career stage, issue or future plans.

Supported 96 members who were struggling with the cost-of-living crisis through our hardship fund, enabling them to stay connected with their profession and receive their RCOT benefits and services.

Delivered a powerful and inspiring showcase for the profession through Annual Conference 2024. This flagship event brings together the occupational therapy profession to share the latest insight, innovation, knowledge and leadership. Over 1,200 people registered to attend the online conference and more than 6,000 visits were made to the new bite-sized learning sessions.

Networking flourished with more than 11,000 interactions between attendees and the conference hashtag #RCOT2024 reached 1.2 million people on social media – more than double the 2023 figure.





Spotlight

Recognising the exceptional contribution of our members



Every year we invite members to nominate their peers and colleagues for a prestigious Fellowship or a Merit Award in recognition of their special contribution to our profession.

A Fellowship is the highest honour we can present to our members to recognise exceptional service and outstanding

contribution to the profession and RCOT over many years. Merit Awards recognise the significant achievements made by our members at any stage of their career, whether locally or regionally, in a specialist field or diverse area of practice.

Nominations are considered by the Fellowship and Merit Awards Committee against their respective criteria and standards who then make a recommendation to the Board of Trustees for approval.

In 2024 we awarded two Fellowships to:

- **Dr Carolyn Dunford**, Reader in Occupational Therapy at Brunel University London
- **Professor Nicola Spalding**, Professor Emeritus at the University of East Anglia and visiting Professor at Birmingham Newman University

In 2024, we awarded 12 Merit Awards to:

- **Adam Ferry**, Director of The OT Service and curator of The OT Show conference programme since 2013
- **Alison Keir**, Occupational Therapy Team Lead, Older Adults Mental Health Team NHS Forth Valley
- **Dr Blaine Robin**, Senior Lecturer at Leeds Beckett University and founder of the International Caribbean Writers Group
- **Dr Charlie Chung**, Allied Health Professions Stroke Strategic Lead and consultant occupational therapist in stroke, NHS Lothian
- **Elizabeth Doherty**, Occupational Therapist and Co-ordinator of the Condition Management Programme in the Western Health and Social Care Trust
- **Helen Rushton**, Occupational Therapist and founding member of #OTalk
- **Janet Nicholson**, Advanced Paediatric Occupational Therapist, Ronnie MacKeith Centre, Derbyshire Healthcare NHS Foundation Trust
- **Associate Professor Kalimah Ibrahiim***, Associate Professor of Occupational Therapy and Programme Director at Buckinghamshire New University
- **Kathryn Leigh Smith**, Consultant Occupational Therapist and Director at ASI Wise and the Merlin Neuro Therapy Centre in Cornwall, where she specialises in Sensory Integration and Neurodevelopmental Therapy
- **Odeth Richardson***, Head Occupational Therapist at Newcastle Upon Tyne Hospitals and Chair of RCOT Board of Trustees
- **Penny Wosahlo**, Managing Director, Think Therapy 1st
- **Robert Workman**, Deputy Head of Occupational Therapy/Dirprwy Bennaeth Therapi Galwedigae-thol, Swansea Bay University Health Board/Bwrdd Iechyd Prifysgol Bae Abertawe and RCOT Workforce Strategy UK Advisory Group member

**Whilst independently nominated, as trustees, these recipients were not involved in approving recommendations from the Fellowship and Merit Awards Committee to avoid issues of conflict.*



Elizabeth Casson Memorial Lecture

Professor Katrina Bannigan delivered the 2024 Elizabeth Casson Memorial Lecture ‘The time is now’ in April 2024.

With over 26 years of expertise, Katrina is an internationally renowned occupational therapist researcher and educator whose impactful leadership has fuelled the growth of evidence-based practice in occupational therapy.

Professor Bannigan shared individual examples of occupation-based practice in public health. She used her prestigious platform to encourage our profession to use the tools of the social age to create a social movement for change and take collective action to promote our impact.

2,222 people registered to attend the lecture and 734 people joined the live stream.

Speakers are nominated by members and reviewed by a member committee, with a final decision made by the Board of Trustees.







4. Build Up

We will build up our organisation and culture to be dynamic, high performing and values-led – using insights and data to inform and drive us to achieve our purpose.

“



Being a member of RCOT is being part of a community and having contact with occupational therapists in different settings means that you've got access to lots of different resources, lots of information and expertise from different professions. As I go into practice, having the member benefits and the security and support of the organisation is going to make it an invaluable asset."

Dan
RCOT member

Responsive to our membership

In December 2023, we conducted in-depth research to learn more about what members and prospective members are looking for from their professional body.

It helped us understand whether our member categories, benefits and services are delivering impact and identified opportunities for improvement.

Member research

2,276 responses to our membership survey

29 in-depth interviews with members and non-members across location, ethnic background, work setting and career stage

Market research and external benchmarking



Members' engagement level

66%
are highly engaged

a connection within the past month

24%
medium engagement

a connection within the past six months

10%
low engagement rates

one connection within the past year

Improvements to member benefits and experiences

Our research showed members want access to more tailored resources, information, events and networks relevant to their location, professional development needs, specialism and areas of interest.

With younger demographics preferring to engage online – and learners and early career occupational therapists representing our fastest growth in membership – investing in digital content and systems will enable us to better meet their needs.

Digital tools can work better with assistive technology, enable us to personalise content for members and provide us with data and insight about their needs and engagement levels. They also support evidence-based decisions about future improvements.

Our digital transformation

The trustees approved a programme of activity and investment into digital transformation to modernise the way we communicate and connect with members and to improve access to their benefits and services.

In spring 2025, we will start to introduce member benefits and improved digital experiences including:

- a new and more user-friendly website making it easier to find information and resources
- RCOT Communities, an online communities engagement platform to support learning and networking
- an enhanced member portal and database so we can create more personalised experiences in the future
- improved customer service making it quicker and easier for members to get the help and support when they need it.



Spotlight

Celebrating Specialist Sections as we reimagine communities

In December 2023, we embarked on an ambitious project to reimagine our communities.

Our 10 Specialist Sections were driven by dedicated volunteers and offered valuable networking opportunities for the wider membership. Yet only 20% of members joined them and many members told us the additional fees were a barrier.

Following extensive stakeholder engagement, surveys and workshops with members and volunteers, we've developed a more inclusive communities' model with professional, practice and regional networks that reflect the professional lives of occupational therapists. These networks will be led by volunteers – building dynamic and thriving communities for our members.



“

I loved my time with the Specialist Section. We would come together as a committee, sharing, networking, creating learning opportunities and improving the experience for our members. We talked about RCOT needing to move with the times and be more digitally advanced too. The formal constructs of executive committees also alienated some members who felt they needed to be very senior to get involved. We knew we needed to widen access into something new and exciting, with different volunteering opportunities.”

Amy Howard

Former Chair of Specialist Section:
Older People

“

On behalf of everyone at RCOT and our membership past and present, I'd like to say an enormous thank you to everyone who has supported our Specialist Sections over the years. Our communities only succeed thanks to dedicated members who step up to volunteer their time, knowledge and expertise. We have an excellent foundation to build on and many members have been part of our journey to create new opportunities for our communities and volunteers."

Odeth Richardson (she/her)
Chair of Board of Trustees

Introducing RCOT Communities

The new networks will be hosted on RCOT Communities, a new online communities engagement platform that will be more accessible for our diverse membership. A pilot with established groups and Specialist Section and regional volunteers tested its features and functionality with the platform due to launch as part of our wider digital transformation (see page 57). With new communities emerging from the foundations of our Specialist Sections, we concluded their activity in September 2024.

“

It struck me that through this platform, I could connect with occupational therapy practitioners that I wouldn't usually come across in my everyday work, or that wouldn't have been part of the Specialist Sections I was part of."

Lisa Westhorpe
RCOT member

What we did 2023–2024

A modern, forward-facing organisation

Adopted more sophisticated organisational practices, developed new policies and introduced change projects to improve the way we work. We're now becoming a more modern, forward-facing organisation that is agile and responsive to changing needs and opportunities and building a supportive culture that can adapt, embrace change and strive for continuous improvement.

Harnessed data to put more evidence and insight behind our decisions, enabling us to deliver a better experience for our members and the profession. We also improved operational performance reporting to track progress and identify challenges, ensuring our operational activity delivers our strategic priorities.

Invested in a reimplementation of our Customer Relationship Management database, to deepen our relationship with members and improve their membership journey and experience with us. We'll be able to use every touchpoint members have with us, to learn about their interests and preferences and continuously improve our member offer in response to changing needs.

Introduced a new learning management system for staff, bringing together over 40 courses on cyber security, general data protection regulation, equity, diversity and belonging and health and safety.

The easy-to-use online system enables us to monitor and review progress, support staff development and ensure our working practices are compliant. We also organised focused development days for team leaders, improving collaboration and effective delivery of our priorities.





Completed the refurbishment of Phoenix House and secured tenants for three floors, bringing in rental income to recoup our initial costs and significant revenue for RCOT that we can invest in developing and improving the services and support offered to members. We are still actively marketing and attracting interest from prospective tenants for the fourth floor.

Recognised Unite as the union for RCOT staff and signed a voluntary recognition agreement. This set out our commitment for Unite to consult and negotiate with the RCOT Senior Leadership Team, on behalf of RCOT staff, on issues including pay, working hours, holiday and other employment issues. Unite members are represented by staff who've been elected as workplace representatives and who work closely with the established internal network, the RCOT Colleague Forum.

Our commitment to sustainability

We commissioned and shared resources supporting occupational therapists to consider their impact on climate change and installed energy efficiency measures including new lighting, solar panels and boilers during the refurbishment of Phoenix House, achieving an energy efficiency rating of B. Our hybrid-working approach has reduced our impact on climate change through a reduction in staff travel and printing levels.

We adopted an environmental, social and governance investment policy to ensure our financial investments do not conflict with our vision, purpose or values.

This restricts our investments in companies deriving revenues from harmful business activity such as gambling, adult entertainment, fossil fuels, armaments or any business involved in animal testing.

Spotlight

Strengthening our governance

With big ambitions for us and the occupational therapy profession, we set out to review our governance to make it fit for purpose so we can deliver the greatest impact.

As two related but separate organisations, the British Association of Occupational Therapists (BAOT) and the Royal College of Occupational Therapists (RCOT), our governance is complex and had not been reviewed for some time.

This meant some aspects were out of date, over complicated or not compliant across company, charity and trade union law.

“

In order to safeguard our future, we need to make changes to our governance. Good governance is essential. It is the way an organisation runs, decisions are made and leaders are held accountable for outcomes.”

Cathryn Holding
RCOT Trustee, Industrial Relations



Working with legal advisers, Council identified ways we could strengthen our governance through a series of recommendations including:

- updating the RCOT Articles of Association
- renaming the RCOT Council to the RCOT Board of Trustees
- extending the RCOT Board by up to four lay trustees to bring in subject matter experts to support and complement the majority elected occupational therapist trustees
- introducing a People and Nominations Committee to oversee trustee recruitment, succession planning and election processes.

To help members understand the recommended changes, we ran a series of informal drop-in events that were attended by 27 members and shared focused communications explaining the changes.

“

In the same way that we as OTs continually strive to develop our services to make sure they meet the needs of our service users and patients, so the same is true for our professional governance at RCOT. We want to ensure our governance structure is responsive and focused and able to have the greatest impact for our members and the wider profession.”

Paul Dunning
RCOT Trustee, Wales



Spotlight

Building our financial resilience

We are committed to growing our membership and making it more diverse and representative of our population, in line with our EDB Strategy goals and desire for a larger occupational therapy workforce.

This year our membership grew overall by 1%. This includes the 1,108 new learner members who joined us.

Like many membership organisations, we saw lower levels of growth than we had forecast. With retention of health and social care professionals a wider issue and many leaving the NHS, there is a risk that members are more likely to lapse their professional membership than before.

Challenging market conditions have affected both our income generation opportunities and costs. Print advertising is in decline and sector recruitment freezes have affected job advertising income. Inflationary pressures continue to rise and whilst we have shielded members from these rising costs by keeping fees the same for the third consecutive year, this is not sustainable in the long term.

Despite pressures in commercial lettings, repurposing the office space as an income generation asset has already created guaranteed income until 2026 to recoup our initial investment and enable us to invest in member services.



We've taken tough decisions to realign our costs, spend prudently and build financial resilience through better forecasting and targets so we can continue our ambitious plans for growth, champion the profession and deliver impactful services and experiences for our members."

Satvinder Reyatt

Director of People, Finance and Governance
RCOT

What we'll do next – 2024–2025

As we step up for occupational therapy, we'll focus on the following priorities for the year ahead:

- Together with our nation-specific advisory groups, launch dedicated Workforce Strategy action plans for England, Northern Ireland and Scotland, reflecting local needs, priorities, influences and opportunities in these nations.
- Build a strong and vibrant community of occupational therapists who actively support the growth of our membership. We'll work with our members to promote and encourage people to consider occupational therapy as a career, ensuring we have a strong pipeline of future occupational therapists who can deliver high quality health and care services.
- Advocate for more occupational therapists to hold senior roles and contribute to the national movement to bring more care into communities; improving access to preventative care, so more people are supported to stay healthy for longer.
- Deliver on our digital transformation for members through high-quality, seamless, integrated and personalised digital tools and features.
- Continue our EDB journey by recruiting volunteer members to lead EDB integration in our new practice and regional networks to deepen our impact. We'll develop new learning resources for members to improve cultural competency, so occupational therapists can support people and patients from all backgrounds to achieve comparable health outcomes and publish comprehensive occupational therapy-specific guidance for HCPC Standards.
- Strengthen our governance by improving the RCOT operating rules (Articles of Association) and ensuring our trustees have optimal terms of office to represent our membership.

Principal risks and uncertainties

Delivering our strategy involves risk. Some of these risks come from the external environment we operate in.

Other risks are those that we consider part of a ‘positive risk-taking’ culture, which means we’ll consciously engage with some risks so we can embrace change or embark on new opportunities that will help us successfully achieve our ambitions.

We incorporate the management of risk into our decision-making processes, including functional management and project management.

We view effective risk management as an opportunity to improve the way we work and something that is vital to achieving our vision for members and the wider profession.

The Audit, Investment and Risk Committee (AIR Committee) has lead responsibility for monitoring the major risks across RCOT, assessing their likely impact, likelihood and the mitigations employed to manage such risks. The following reflects the key risks facing the organisation at this moment, all of which are under regular review at AIR Committee and Board of Trustee (Board) meetings.

Risk description	Rating	Measures/mitigations
<p>Income and financial sustainability Overall income (primarily from fees) does not increase in line with projections. We have invested in the repurposing of Phoenix House but were unable to fully occupy the space in line with projected timescales, leaving a shortfall in our budget.</p>	<p>High</p>	<ul style="list-style-type: none"> • Financial recovery plan to increase income and align spend approved by the Board – monitored monthly by the AIR Committee and the Board. • Established four key priority programmes focused on delivering growth and maximising impact, including commercial and membership growth, professional leadership and digital transformation. • Appointed new investment managers for our investment portfolio and agreed a new investment target return of CPI (Consumer Price Index) +3%.

Risk description	Rating	Measures/mitigations
<p>Meeting the needs of members Our members’ needs are changing and the value provided by our membership offer is at a higher risk during a cost-of-living crisis and when faced with high inflationary pressures.</p>	<p>Moderate</p>	<ul style="list-style-type: none"> • Launched new benefits for members, increasing the value of their membership, including an online CPD reporting tool, improved access to the digital library and resources, a fitness to practice support group and webinars to showcase the full range of support on offer for members. • Robustly monitored membership data. • Planned new retention initiatives. • No increase in member fees for third year in a row. • Diversified our income to reduce our reliance on membership income.
<p>Governance/compliance Our governance arrangements had not been reviewed and updated for many years, and we lack diversity of expertise across the functions of the charity at the top level of our governance.</p>	<p>Moderate</p>	<ul style="list-style-type: none"> • Initiated a multi-year governance review. • Update to charity Articles enabling recruitment of lay trustees to enhance skills across the Board. • New governance policies in place. • Changes to meeting structures and minutes. • Improved internal understanding of charitable duties. • Further details can be found on page 68.
<p>Retention and capacity As part of our financial recovery plan, a cost control approach is being applied which includes a vacancy freeze. There is a risk that capacity challenges could lead to high attrition in key roles, including losing specialist expertise and high potential talent.</p>	<p>Moderate</p>	<ul style="list-style-type: none"> • Monthly review of resourcing requirements by RCOT Senior Leadership Team. • Talent and succession strategy and plan regularly reviewed. • Quarterly priorities set and reviewed regularly to ensure considerations are given to work that can be paused or stopped.
<p>Data protection and cyber security Risk of cyber security or data protection incident may affect financial position and could harm members and our reputation.</p>	<p>Moderate – High</p>	<ul style="list-style-type: none"> • Ongoing data protection improvement programme with support of specialist advice. • Policies, procedures and training in place. • Implementation of Multifactor Authentication measures. • Review of security permissions. • New email filtering system. • New business continuity plans.
<p>Threats to the profession The current environment is very tough, with massive cuts to the NHS and social care services. There are high vacancy rates in parts of the UK, and in inpatient acute care and mental health services, with significant numbers of occupational therapists leaving the NHS.</p>	<p>Moderate</p>	<ul style="list-style-type: none"> • Published a Workforce Strategy action plan for England alongside the previously published Welsh plan. • Established advisory workforce groups in each country to support the delivery of these national plans and workforce reform workshops. • Developed a new leadership programme to address professional development, career progression and policy and public affairs activities by and for occupational therapists.
<p>Reputational Failure to protect our reputation could negatively impact the delivery of our strategy and achievement of our vision.</p>	<p>Moderate</p>	<ul style="list-style-type: none"> • Processes and systems in place to allow for rapid response to any emerging reputational issue. • Clear position statement agreed on geopolitical events.

Structure, governance and management

Legal status

The Royal College of Occupational Therapists (RCOT) is a private company limited by shares registered in England and Wales (company no. 01347374) and a charity registered in England and Wales (no. 275119) and in Scotland (no. SC039573). The company's registered office is Phoenix House, 106–114 Borough High Street, London SE1 1LB.

The British Association of Occupational Therapists Limited (BAOT) (company no. 00392350) is the holding company for RCOT. BAOT is the professional association and trade union for occupational therapists in the United Kingdom (UK).

The Board of Trustees

Role and responsibilities

The Board of Trustees (formerly named the RCOT Council) is RCOT's governing body, with trustees being both company directors and trustees. It is responsible for the charity's mission, values and overall governance and strategic direction. The Board meets a minimum of four times a year and is responsible for ensuring that the charity meets its legal and regulatory obligations in the course of fulfilling its charitable purpose. In 2023–24, the Board met five times.

The strategic report covers the performance and impact of the organisation in 2023–24, for which the Board is responsible.

The Board is committed to transparency and accountability in decision making. The minutes of each meeting are published on RCOT's website (behind the member paywall), as is a video interview between the Chair and Chief Executive reflecting on the most recent meetings of both the BAOT Council and RCOT Board. Trustees are volunteers and are not paid for their work but may claim reasonable expenses incurred through attending meetings or carrying out other duties.

Recruitment, appointment and induction

The composition, appointment, election and retirement of trustees are governed by the charity's Articles of Association and the Rules. Under the Articles of Association, the Board may comprise nine 'association trustees' and up to four lay trustees. Trustees can join the Board in two ways:

1. **Association trustees** must be professional members of BAOT and are elected via the BAOT Council elections, run by an independent scrutineer. BAOT (and RCOT) members elect nine Council members

from the BAOT membership to the BAOT Council. These Council members are then automatically appointed to the RCOT Board. Trustees are elected for an initial three-year term, starting from the Annual General Meeting date, and may serve an additional two years, up to a maximum of five years in total.

2. **Lay trustees** are recruited to the RCOT Board via a recruitment and selection process overseen by the People and Nominations Committee on behalf of the Board. At the time of writing and publishing this report, the Charity had no lay trustees in post, although recruitment was underway – the power to appoint lay trustees was a recent change to the charity’s constitution as part of the governance review.

All trustees are elected or appointed for an initial three-year term, starting from the date of the Annual General Meeting, except for the international trustee who is elected for an initial four-year term to align with serving as the RCOT representative on the World Federation of Occupational Therapists. Trustees may be appointed or elected for an additional term of up to two years, provided this does not exceed the five-year maximum term.

The current membership of the Board is set out on page 109. Further details can be found on our [website](#).

We provide an induction for all new trustees, which includes all of the formal documents about the governance of RCOT, together with relevant Charity Commission publications and other general guidance about the management and administration of the organisation. They also attend one-to-one meetings with the Chair, Chief Executive and Senior Leadership Team to learn more about the organisation, its management and governance.

Trustees attend an annual development day

and ongoing training as needed. The planned People and Nominations Committee will have oversight of ensuring trustees’ induction and ongoing training needs are met.

Audit, Investment and Risk Committee

The Audit, Investment and Risk Committee (AIR Committee) has lead responsibility from the RCOT Board for: ensuring that there is a framework for accountability; implementing the investment policy and overseeing the charity’s investments; and reviewing all systems and methods of control, compliance and risk management. The Committee comprises a mix of trustees and other serving independent members who are recruited because of their professional and functional expertise. The AIR Committee met four times in 2023–24.

During 2023–24, the significant work of the Committee included oversight of:

- tender and recommendation of new investment managers to the Board, and the subsequent transition to new managers
- arrangements for securing tenants for Phoenix House, including receiving presentations from contracted partner Knowlmore
- arrangements for the statutory audit, the relationship with the auditor and the production of the annual report
- risk reporting and risk management
- financial reporting and the budget process
- a review of the organisation’s data protection framework.

People and Nominations Committee

The BAOT Council and RCOT Board of Trustees (Board) have approved the terms of reference for a People and Nominations Committee to support both governing bodies. The Committee will:

- provide strategic leadership and governance oversight on the RCOT people strategy, ensuring that it is consistent with the organisation's values and prescribed culture and supports its long-term sustainable success, including being an employer of choice for talent, development and retention of that talent
- oversee specific activities on behalf of the BAOT Council and RCOT Board regarding Chief Executive appointment and Senior Leadership Team remuneration
- lead the process for elections and appointments to the BAOT Council and RCOT Board, including ensuring plans are in place for succession to Council and the Board.

Appointments to the Committee were still being finalised at the end of the reporting year.

Fundraising

RCOT does not actively fundraise but does periodically bid for research funding on a modest scale. No donations were received during the year.

Key management personnel

The Board delegates operational planning and day-to-day management of the charity to the Chief Executive, supported by the Senior Leadership Team and staff. The Board oversees the Chief Executive's performance through reports and briefings.

The Chair of the Board carries out the Chief Executive's formal appraisal annually, on behalf of the Board. The Board approves proposals regarding the salary and benefits of the Chief Executive and Senior Leadership Team.

On an annual basis, we externally market assess our Chief Executive and Senior Leadership Team salaries using reward specialists who carry out this review using a number of data insight tools (personalised salary benchmarking, best practice reward insights and candidate trend analysis). The roles are benchmarked against the not-for-profit market in and around London, and the transformational skills and expertise required to deliver RCOT's strategy.

The People and Nominations Committee will have responsibility for reviewing the Chief Executive and Senior Leadership Team salaries in future. The Senior Leadership Team regularly review their effectiveness as a successful cohesive team and build on opportunities to continuously evolve and improve.

Investment policy

Under the terms of the Memorandum of Association, RCOT has the power to invest funds not immediately required to support charitable activities. During the year, Trustees approved an updated Investment Policy, which now outlines our parameters for ethical, social and governance investing, as well as guidelines on risk and return.

The policy targets returns of Consumer Price Inflation (CPI) +3% (previously CPI +2%) from the investment portfolio over a seven-year timeframe.

In the revised investment policy, RCOT has adopted an ESG (Environmental, social and governance) investment policy to ensure that its investments do not conflict with its aims and the overall values of the occupational therapy profession, which are important to our members.

The charity prioritises ethical investment practices which form the guiding principals set out in the policy. These principles are adhered to by the investment manager when taking investment decisions on behalf of the charity.

The policy includes restrictions on investments in companies deriving revenues from harmful business activities such as gambling, adult entertainment, fossil fuels and armaments, including any business involved in animal testing.

In addition to this, and as part of the Board's commitment to ensuring that our investments are ethical and non-harmful, an additional layer of screening is now required. All investments will be subject to the Morgan Stanley Capital International (MSCI) controversial business screening criteria and screening of investments to remove any business that fails to comply with the UN's Global Compact principal 2, which covers human rights, labour standards, the environment and anti-corruption.

Investment portfolio performance and achievements

RCOT's primary investments portfolio during the year was managed by Close Brothers LLP. The portfolio is a diversified portfolio of investments, typically including fixed-term income products and equities. The returns from the investments were reinvested back into the portfolio during the year.

The portfolio under Close Brothers performed better than its bespoke Strategic Asset Allocation (SAA) and the ARC Peer Group since its inception. Primarily, performance was strong in periods between 2019 and 2020. The portfolio has been mostly in line with its benchmarks in the period as the market has been in recovery during the period. However, on average, performance falls below benchmark over the past three years. Against the target return of CPI +2% in the period, performance fell behind expectation, mostly due to high inflation rate in early 2023 and decline of CPI in 2024.

See table below for further analysis of the portfolio performance against the agreed benchmark.

Portfolio performance vs benchmark	%	Differential
Year to date (to June 2024)		
RCOT	1.8%	
Bespoke SAA Benchmark	1.1%	+0.7%
ARC Charity Balanced	1.8%	0.0%
Since Inception (2018) to 30 June 2024		
RCOT	34.4%	
Bespoke SAA Benchmark	24.1%	+10.3%
ARC Charity Composite	30.1%	+4.3%
3 years to June 2024		
RCOT	1.0%	
Bespoke SAA Benchmark	0.7%	+0.3%
ARC Charity Composite	4.0%	-3.0%

Note: During the year, trustees appointed Barclays Private Bank as the investment manager for the charity's portfolio. This decision follows a competitive process where Barclays were able to demonstrate a compelling ESG approach to investment which is in line with our ethical investments and sustainability values as well as a rigorous investment strategy. The transfer of the investment portfolio from Close Brothers to Barclays was completed early June 2024 with Barclays commencing management of the portfolio from 14 July 2024. The performance of the Barclays portfolio will be monitored and reported against our investment objectives (a target return of CPI +3%) and against the agreed ESG requirements.

Reserves policy

At RCOT, maintaining a healthy reserve plays a vital role in continuing to meet our charitable objectives and for futureproofing of our long-term plans. The reserves policy aims to safeguard the charity's sustainability and financial resilience. During the year, the policy was updated to retain sufficient general reserves (excluding the building asset - Phoenix House) within a target range of £5m–£8m to fund strategic objectives.

In recent years, we have been using our reserves to invest in delivering improvements for our members and the profession. We have continued advocating and influencing on behalf of our members and continued delivering valuable member services. We have started our plans to introduce new exciting member benefits through our digital transformation initiatives. See page 46 for more information.

These activities are central to achieving our ambitious long-term growth strategy; however, we are cautious of the mounting pressure on our finances. See page 64 for more information.

The impact of the investing activities and the increasing financial pressures referenced above means that our free reserves at c.£4m is currently outside of our desired target policy range of £5–£8m. We are focused on addressing this challenge through our revised financial strategy, which aims to gradually grow our income and brings our cost base in line with our income levels, creating a road map to building up our reserves from 2025–26.

Key performance indicators

The performance of RCOT is measured against the plans set out in its long term financial strategy to grow the membership and deliver for the profession. The progress is monitored using financial and non financial performance indicators, the key of which are highlighted below.

Financial performance is monitored against delivery of either an operating surplus or a deficit in the year against the agreed plan for the period and in the context of the long term financial strategy. Despite the deficit (£2.08m) in the year, we are still on track with our financial strategy to deliver surplus from the 2025–26 financial period.

We monitor our ongoing market share of HCPC registrants against our ambitious plans to grow the profession. At the 30 September 2024, we maintained a market share of approx 69%, comparable to the previous year.





Financial review

The Board of Trustees present the results for RCOT for the year 2023–24. The financial statements covering the period 1 October 2023–30 September 2024 are presented on pages 86 to 106.

Despite seeing our operating activities impacted by the difficult challenging economic environment during the year, we have continued to manage the impact of low income growth combined with ongoing inflationary pressures on the delivery of valued member services.

Our income for the year totalled £8.96m, a slight decrease of 1% on the prior year's total of £9m. Whilst expenditure on charitable activities reached £10.7m (2023: £10.1m), an increase of £0.6m. This was offset by a reduction of the same amount in activities on raising funds which totalled £0.41m (2023: £0.97m).

The above results were bolstered by an improved performance from our investments portfolio which started to make a recovery on the prior year's results, producing a surplus of £0.38m on the previous year's breakeven position. However, a further reduction in funds of £0.3m relates to an adjustment to the additions made to the investment property in the year.

Overall, we recognised a net reduction in funds of £2.08m in the period.

Financial performance (snapshot):

	Unrestricted £'000	Designated £'000	Restricted £'000	2024 £'000	2023 £'000
Total income	8,410	318	229	8,957	9,020
Total charitable expenditure	(9,808)	(676)	(229)	(10,713)	(10,074)
Raising funds	(410)	-	-	(410)	(969)
Gain on investment assets	381	-	-	381	-
Losses) / Gains on investment property	(299)	-	-	(299)	3,239
Transfer between funds	353	(381)	28	-	-
Net movement in funds for the year	(1,373)	(739)	28	(2,084)	1,216



Income

Total income for the year was £8.96m (2023: £9m) and income overall fell by £0.06m. The make-up of the income achieved for the year is illustrated in the chart below:

Total income in 2024



During the year, RCOT continued to receive the bulk of its funding from BAOT, its parent company, in order to deliver charitable services to the occupational therapy profession. The funding from BAOT remained consistent with prior year levels at £7.5m. We continue to see a trend of low increase in membership. This is due to a combination of ongoing challenges in the profession, particularly in recruiting and retaining occupational therapists across the sector and the financial effects of the ongoing cost-of-living pressures. These factors have a direct effect on membership uptake during the year and is evidenced by low member growth and retention in recent years. They continue to directly impact the level of resource made available to RCOT by BAOT for the delivery of charitable objects.

In addition to the above performance, income derived from other sources declined during this period. This includes income generated through the delivery of charitable activities and investments. Income from other charitable

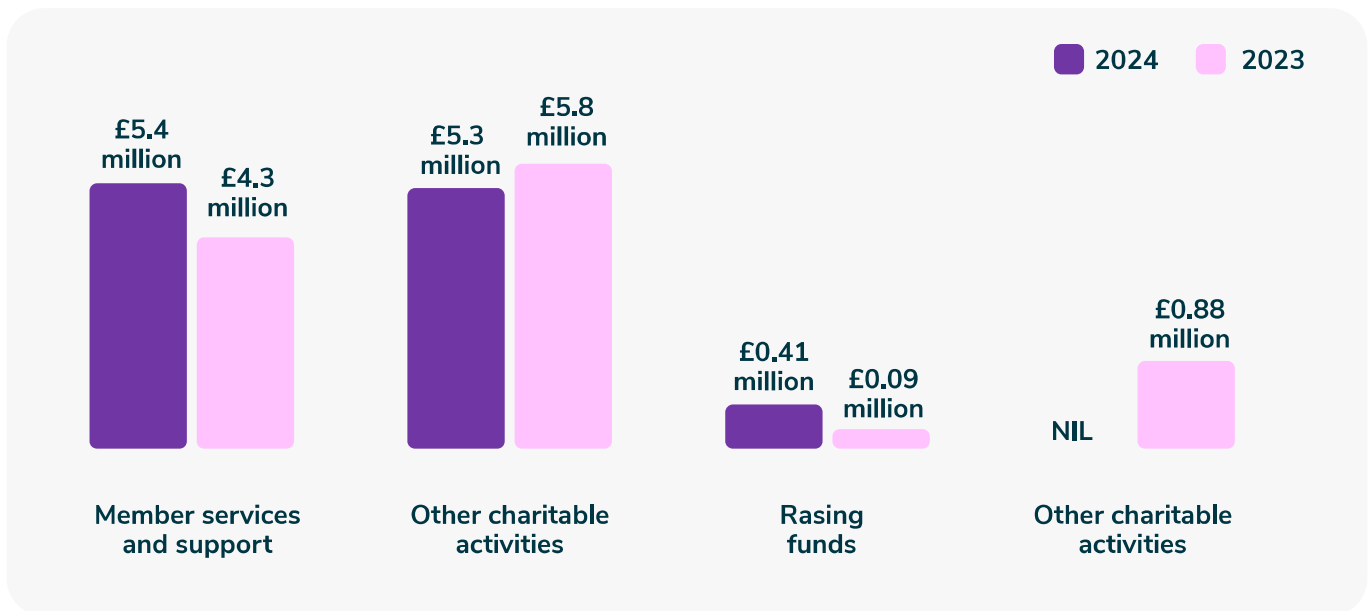
activities fell by £0.3m to £1.0m (2023: £1.3m), due to a market decline in publication and advertising during the period. Royalties from the *British Journal of Occupational Therapy* and print and digital advertising revenue from OTnews underperformed against the previous year levels. Whilst income from continuing professional development events and Annual Conference also fell in the period.

Investments income grew by £0.2m to £0.44m (2023: £0.21m). During the year, we started to deliver on our ambitions to re-purpose our building (Phoenix House) for commercial purposes. Whilst progress had been slower than anticipated, income in this area totalled £0.31m (2023: £0.03m), delivering a surplus of £0.3m on the prior year. A further £0.13m was generated from the listed investment portfolio held in the year.

Expenditure

Total expenditure in the year amounted to £11.1m in line with the prior year total (2023: £11m). This performance is made up of the following:

Total expenditure in 2024



During the year, we invested £5.4m (2023: £4.3m) in the delivery of member services and support, an increase of £1m on the prior year. With this resource, we continued to provide advisory services and support to members, introducing some new initiatives such as our award-winning Maximise Your Membership webinars, aimed at promoting the benefits of membership to members during the year. We also started to implement our digital transformation projects, starting with the launch of a new online continuing professional development recording tool (CPD portfolio), which makes it easy for members to record and store their CPD activities. By 30 September 2024, 8,892 members had signed up to the platform.

Other charitable activities which include journals and publications, conferences and events, as well as professional practice and innovation services, combined totalled £5.3m (2023: £5.8m). There has been a reduction of £0.5m in the period, due to fewer events

taking place in the year. We also made editorial decisions to streamline OTnews, our member magazine, which reduced production costs. Despite this, our publications continue to see strong reach and engagement across the membership.

Our professional practice and innovation activities produced a net increase in spend as we prioritised activities which raise the profile of the profession. We continue to provide professional leadership through our accreditation service and during this period, also launched our Workforce Strategy and began the NHS England funded workforce reform project. We continued our influencing activities during the election year, including promoting the occupational therapy profession to prospective candidates during the campaign season.

Our charitable activities also includes support costs which are apportioned across the various charitable activities (see note 3).

These costs, which increased to £3.1m (2023: £2.9m) during the year, support the delivery and management of charitable activities and projects. It is worth noting that this increase is mostly due to the impact of inflationary pressure on cost of delivering our services in the year.

Spending on raising funds allows us to deliver our strategic priority to diversify our income. The activities in this area, mostly investment and property management fees, contributed to a net spend of £0.41m (2023: £0.97m).

The reduction on the previous year was mostly due to provision for the pension scheme liability which settled in the period.

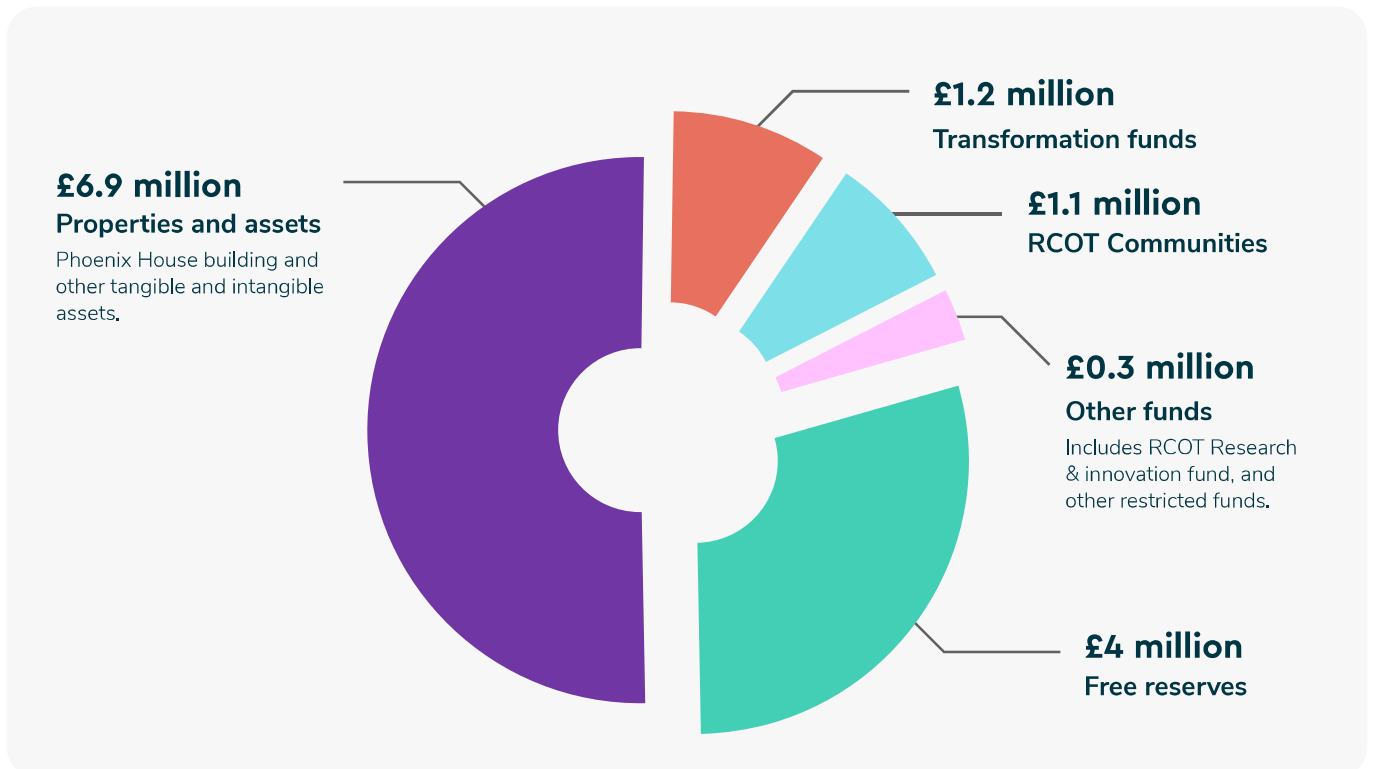
Reserves

Overall reserves at the end of the year totalled £13.5m (2023: £15.6m). This reduction in funds relates mostly to net expenditure of

£2.17m in operating activities (2023: £2.02m), coupled with a further reduction in investment property of £0.3m (2022: £3.2m). This performance is offset by gain on investments of £0.38m in the year – see notes 18 to 20 for full details of movement in reserves.

The make-up of our £13.5m in total reserves for the 2024 period is illustrated below:

Our charitable funds in 2024



Statement of trustees' responsibilities

The Board of Trustees are also the company directors of Royal College of Occupational Therapists and are responsible for preparing the Trustees' Report, strategic report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

- select suitable accountancy policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are both prudent and reasonable.
- state whether applicable UK Accounting

Standards have been followed, subject to any 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 will continue in business.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charitable company at any time and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution.

The trustees are also responsible for safeguarding the assets of the charitable company and hence take all reasonable steps for the prevention and detection of fraud and any other irregularities.

Financial statements are published on the charity's website in accordance with

legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees responsibility also extends to the ongoing integrity of the financial statements contained therein.

This report has been prepared in accordance with the special provisions of Part 15 of Companies Act 2006.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

A) there is no relevant audit information of which the charitable company's Auditor is unaware.

B) the trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the Auditor is aware of such information.

The Trustees' Report and the Strategic Report was approved and authorised for issue by the Board of Trustees on 10 April 2025.



Odeth Richardson (she/her)
Chair of Board of Trustees



Independent auditor's report

To the members and trustees of Royal College of Occupational Therapists

Opinion

We have audited the financial statements of Royal College of Occupational Therapists for the year ended 30 September 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2024 and of the 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.

- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our

other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements,

we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements. The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or

the charitable company's financial statements are not in agreement with the accounting records and returns; or certain disclosures of trustees' remuneration specified by law are not made; or we have not received all the information and explanations we require for our audit; or the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

We obtained an understanding of how the charitable company complies with these requirements by discussions with management.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.

We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006; and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body for our audit work, for this report, or for the opinion we have formed.



Jonathan Aikens

(Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith
LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

23 June 2025

Financial statement

Statement of financial activities (incorporating the income and expenditure account) for the year ended 30 September 2024

Income and endowments from:	Note	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Charitable activities						
Member services and support		7,192	273	-	7,465	7,471
Journals and publications		434	-	-	434	694
Conferences and events		74	24	-	98	141
Professional practice and innovation		267	21	229	517	501
		7,967	318	229	8,514	8,807
Investment income		443	-	-	443	179
Other income		-	-	-	-	34
Total		8,410	318	229	8,957	9,020

Expenditure on:	Note	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total 2024 £'000	Total 2023 £'000
Charitable activities						
Member services and support		4,876	568	-	5,444	4,298
Journals and publications		881	-	-	881	1,016
Conferences and events		803	45	-	848	1,283
Professional practice and innovation		3,248	63	229	3,540	3,477
	2	9,808	676	229	10,713	10,074
Raising Funds						
Investment management fee		30	-	-	30	28
Rental activities		380	-	-	380	60
Other expenditure						
Pensions buyout cost	8	-	-	-	-	881
Total		10,218	676	229	11,123	11,043
Gain on investments assets	13	381	-	-	381	-
(Loss)/Gain on investment property	14	(299)	-	-	(299)	3,239
Net (expenditure)/income		(1,726)	(358)	-	(2,084)	1,216
Transfer between funds	18	353	(381)	28	-	-
Net movement in funds		(1,373)	(739)	28	(2,084)	1,216
Reconciliation of funds						
Total funds brought forward at 1 October		12,127	3,467	28	15,622	14,406
Total funds carried forward at 30 September	20	10,754	2,728	56	13,538	15,622

All amounts derive from continuing activities. All gains and losses in the year were recognised in the statement of financial activities.


Balance sheet as at 30 September 2024

	Note	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Fixed assets					
Tangible assets	10	-	1,661	-	1,548
Intangible assets	11	-	263	-	-
Investments	13	-	4,998	-	4,908
Investment property	14	-	5,000	-	5,000
			11,922		11,456
Current assets					
Debtors	15	2,575	-	2,062	-
Cash held as liquid investment	22	-	-	1,771	-
Cash at bank and in hand	22	552	-	2,119	-
		3,127	-	5,952	-
Creditors					
Amount falling due within one year	16	(1,511)	-	(1,786)	-
Net current assets		-	1,616	-	4,166
Net assets	20	-	13,538	-	15,622
Share Capital	17		-		-
Funds					
Restricted	18	-	56	-	28
Unrestricted					
Designated	19	-	2,728	-	3,467
Others		-	10,754	-	12,127
Capital and reserves		-	13,538	-	15,622

Approved by Council and authorised for issue on 10 April 2025.

DocuSigned by:

 CCEB502A90AD476...
Odeth Richardson
 Chair of Board of Trustees

Signed by:

 FD931D45B8EA427...
Cathryn Holding
 Vice Chair of Board of Trustees

Cash flow statement for the year ended 30 September 2024

	Note	2024 £'000	2023 £'000
Net cash (outflow)/inflow used in operating activities		(3,252)	(561)
Cash flows from investing activities:			
Investment income		443	179
Amounts paid to acquire investments		(5,104)	(6,350)
Amounts received from disposal of investments		5,128	5,939
Amounts paid to acquire tangible fixed assets		(254)	(2,060)
Amounts paid to acquire intangible fixed assets		(267)	-
Additions to Investment Property		(299)	(24)
Net cash from investment activities		(353)	(2,316)
Change in cash and cash equivalents for the year ended 30 September		(3,605)	(2,877)
Cash and cash equivalents at the beginning of the reporting period		4,266	7,143
Cash and cash equivalents for the year ended 30 September	20	661	4,266
Reconciliation of net income to net cash flow from operating activities			
Net surplus/(loss) at 30 September as per the SOFA		(2,084)	1,216
Adjustments for:			
Depreciation/Amortisation		145	117
Loss on disposal of fixed assets		-	8
Investment income		(443)	(179)
(Increase)/decrease in debtors		(513)	1,045
Increase/(decrease) in creditors		(275)	471
Gain on investments		(381)	-
Loss/(Gain) on investment property		299	(3,239)
Net cash used in operating activities		(3,252)	(561)

Notes to the financial statement

1. Principal accounting policies

Royal College of Occupational Therapists is a charitable company limited by shares registered in England and Wales (company no. 01347374); the charity is registered in England and Wales (charity no. 275119) and in Scotland (charity no. SC039573).

The charity is a public benefit entity and its operations including details of its registered office and principal activities are set out in the Trustees' Annual report.

In the opinion of the Board, these financial statements comply with Financial Reporting Standard 102 (FRS 102).

a) Basis of accounting

The financial statements of RCOT have been prepared on the going concern basis under the historical cost convention, as modified by the valuation of fixed asset investments and in accordance with applicable Accounting Standards having regard to the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1st January 2019, Companies Act 2006 and Charity and Trustees Investment (Scotland) Act 2005.

The financial statements are prepared in Sterling, which is the functional currency of the company and the reported amounts have been rounded to the nearest £'000.

b) Going concern

The RCOT continues to benefit from funding received from its parent company BAOT. The transfer, which is for the funding of charitable activities, remains the main source of funding for RCOT. In the year, this accounted for 83% of income. During the 2023–24 financial period, the funding at £7.47m was the funding received in the previous year. BAOT membership growth has remained consistent in recent times and is expected to continue to grow in coming years.

RCOT financial strategy aims to diversify its income and over time, reduce the reliance on funding from BAOT. During the year we set out to maintain existing commercial activities whilst developing new income streams. The financial strategy also focuses on maintaining the investment portfolio to achieve long-term returns and realigning the cost base with income levels. Taking this approach, the trustees are confident that the charity can start to build up its reserves in the future.

During the year, the charity settled its only significant liability, which is the defined benefit scheme (closed in 2014). There is therefore no significant financial obligation to settle in the nearest future, see note 8.

The Board of Trustees confirm that there are no material uncertainties about the company's ability to continue as going concern. The Board also confirms that there are adequate levels of resources available to continue in operational existence for at least 12 months from the signing of the financial statements.

c) Income

All income is derived from activities within the United Kingdom and is accounted for on a receivable basis, with the exception of donations, which are accounted for when received.

Where entitlement to income is dependent upon fulfilment of conditions within RCOT's control, the income is recognised when there is sufficient evidence that conditions have been met. Where there is uncertainty as to whether RCOT has met such conditions, or the funder clearly states that the funding is for next financial year, then the income is deferred.

d) Expenditure

The cost of RCOT's charitable activities have been grouped under the following main headings:

- Membership services and support - these are costs associated with providing member engagement and insights, member communities, including collection and administration of membership subscriptions.
- Journals and publications - these are costs associated with communicating with members, whether centrally or regionally, in hard copy or electronic format. These costs largely represents the production and editorial costs of *BJOT* and *OTnews magazine*.
- Conferences and events - these costs relate to the organisation, promotion and administration of events.
- Professional practice and innovation - these are costs within the areas of research and development, education and for provision of professional practice activities.

Direct expenditure is allocated to each of these categories of activity. Where expenditure cannot be directly allocated, it represents support costs and is apportioned on a basis consistent with the use of resources – by reference to the number of full-time equivalent members of staff.

Governance and general administration costs represent any costs associated with delivering RCOT's governance. It includes strategic management costs (not operational ones). These costs are also included in support costs and apportioned as above.

Costs attributed to Raising funds relates to expenditure associated with other income generating activities outside of charitable activities and membership subscriptions. This currently includes investment management and property management fees and overheads.

e) Tangible fixed assets and depreciation

Tangible fixed assets with a cost of £1,000 or greater are capitalised (capitalisation threshold) and are stated in the balance sheet at net book value, being cost less accumulated depreciation and any related impairment.

Depreciation is provided at rates that are calculated to write off the cost of each asset, on a straight-line basis (evenly), over its estimated useful life. Rates for the different categories are as follows:

- RCOT premises
2% per annum on cost
- Fixtures and fittings
10% per annum on cost
- Office equipment
20% per annum on cost
- IT equipment
33.33% per annum on cost
- Freehold land is not depreciated.

Phoenix House, the headquarters of RCOT is located at 106–114 Borough High Street, London. The building is now primarily held for the purpose of carrying out rental activities and partly for RCOT charitable activities. The building is represented in the balance sheet between fixed asset (RCOT premises), held at cost less depreciation and investment property (see note h), held at fair value.

RCOT premises represents the floor area used to carry out RCOT activities and its shared communal area.

f) Intangible assets and amortisation

All intangible assets with a cost of £1,000 or more are capitalised and recognised, when future economic benefits are probable, and the cost or value of the asset can be measured reliably. All costs incurred in developing and bringing the intangible assets into its intended working condition are included in the measurement of the cost. Intangible assets that are not readily available for use, such as still being developed are classified as 'Assets Under Construction' until the asset becomes available for use.

Amortisation is carried out on a systematic basis over the useful life of the asset, and only from when the intangible asset becomes available for use.

Useful life of the intangible assets is based on the pattern in which the business intends for the future economic benefits of the asset to be consumed.

Each intangible assets' useful life will be reviewed annually and may be shortened, and the relevant amortisation accelerated and recognised as a cost as required.

The different categories of intangible assets recognised during the year and their estimated useful life are as follows:

- Member systems and database
5 years.
- Website and member portal
5 years.
- Assets under construction
(not available for use) not amortised.

g) Investments

Investments are included in the balance sheet at latest market value at the post balance sheet date. Any unrealised gains or losses are included in the Income and Expenditure Account. The investment portfolio is professionally managed on the Group's behalf by professional fund managers in accordance with the Group Investment Policy.

h) Investment property

The investment property is recognised in the balance sheet as at fair value. The valuation method used to determine fair value of the investment property will be stated in the notes to the financial statements and any gains and losses are included in the income and expenditure account.

i) Funds

Restricted funds are grants or donations given by a grant provider or donor with performance conditions attached that must be met, before income can be recognised in the Income and Expenditure Account. They are held in the balance sheet as Restricted Fund Reserves until the performance conditions are met.

Unrestricted funds are available for use by the company to further its objects. Certain unrestricted funds are designated by Council to be used for particular purposes. The categories of designated reserves and the values designated can be changed by Council at a later date.

j) Liquid assets

Liquid assets are cash, or assets that can be converted into cash very quickly, generally because there is an enduring demand from buyers and because their realisable value is known with a high level of reliability.

k) Pensions

RCOT operates a defined contribution scheme for staff as part of its employee benefits package. This includes ongoing contractual obligations for the employer to contribute

towards the staff members' pension pots until they cease being an employee. By definition, the employer has no contractual obligation to create or maintain the pension pot values, but does have an obligation for the employer contribution rates payable.

In the past, the company provided a defined benefits scheme for employees. This scheme was closed to employees in June 2014. The final settlement of the liability of £881,167 was settled during the year (see note 8).

l) Recognition of liabilities

For the financial year being reported, where goods and services were provided to the company by agreement, or contractual obligations otherwise arise and invoice processing has not yet occurred, accrued expenses are recognised in the Income and Expenditure Account. VAT costs are also accrued for to the extent they cannot be recovered.

m) Grants

Where the company makes grants to an external party, such grants are recognised in the year in which they are paid. In addition, it also administers a number of restricted funds which make grants each year. These restricted fund grants are charged in the year in which they are paid. Details of grants paid are available on the company website.

n) Accounting estimates and areas of judgement

The trustees recognise that in fulfilling their obligations, they are required to ensure that estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. During the year there were no accounting estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The following estimates and assumptions including their effect on the carrying value of

relevant assets and or liabilities have been considered in preparing the financial statements:

Useful economic lives – the annual depreciation charge for tangible fixed assets and intangible assets is sensitive to change in the estimated useful economic lives and residual value of assets. These are re-assessed annually and amended where necessary to reflect current circumstances.

Investment property – the Charity's only investment property is the portion of its building (Phoenix House) that is use for non commercial lettings purposes. This asset has been recognised in the Balance Sheet at market value of £5m. The property had been valued based on the valuation carried by Cluttons LLP late 2023. The trustees have assessed this valuation taking into consideration the current property market prices for similar properties in the same area and have decided to retain the valuation in 2023 for reporting purpose in the current period.

o) Cash & cash equivalent

Cash and cash equivalents include cash in hand and current and fixed term bank deposits maturing in less than 30 days.

p) Financial instruments

The trustees have elected to apply the provision of Section 11 'Basic Financial Instrument's and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. With the exceptions of prepayments and deferred income all other debtor and creditor balances which are considered to be basic financial instruments under FRS 102. (See notes 15 and 16 for details).

2. Charitable activities

	Direct costs £'000	Support costs (see note 3) £'000	Total 2024 £'000	Total 2023 £'000
Unrestricted funds				
Member services and support	3,734	1,142	4,876	4,030
Journals and publications	670	211	881	1,016
Conferences and events	576	227	803	1,249
Professional practice and innovation	1,755	1,493	3,248	3,171
Total unrestricted	6,735	3,073	9,808	9,466
Designated funds				
Member services and support	568	-	568	268
Journals and publications	-	-	-	-
Conferences and events	45	-	45	34
Professional practice and innovation	63	-	63	40
Total designated	676	-	676	342
Restricted funds				
Professional practice and innovation	229	-	229	266
Total restricted	229	-	229	266
Total charitable activities	7,411	3,073	10,713	10,074

Raising funds

During the year, costs associated with raising funds amounted to £0.41m (2023: £0.97m) and relate primarily to the operational costs incurred in carrying out rental activities and management fees charged by investment portfolio managers.



3. Support cost

	2024 £'000	2023 £'000
Support staff	896	1,004
Facilities and infrastructure	1,289	1,090
Depreciation	145	116
General administration	535	581
Governance cost (see note 4)	208	127
Total support costs	3,073	2,918

4. Auditor's fees

Governance costs include the RCOT auditors fee of £21,450 (2023: £20,450) for audit work.

5. Staff cost

	2024 £'000	2023 £'000
Salaries	5,368	4,550
Social security costs	560	502
Pension costs	449	372
Employee benefits	137	130
Sub total cost of staff employed	6,514	5,554
Temporary staff	81	310
Recruitment	145	318
Training	57	10
Total staffing costs	6,797	6,192

Included in staffing costs are ex-gratia and redundancy payments of £20,737 relating to a staffing change in the period, (2023: £169,817).

The average monthly numbers employed in the year were as follows:

	2024 numbers	2023 numbers
Charitable activities	84	56
Support activities	22	36
	106	92

The remuneration of the higher paid employees fell within the bands:

	2024 numbers	2023 numbers
£60,001 - £70,000	17	18
£70,001 - £80,000	4	4
£80,001 - £90,000	-	-
£90,001 - £100,000	2	2
£100,001 - £110,000	2	3
£110,001 - £120,000	1	-
£130,001 - 140,000	1	1

Remuneration and benefits paid to key management personnel during the year:

	2024 £'000	2023 £'000
Salaries	638	586
Social security costs	79	76
Pension costs	48	46
Employee benefits	4	5
Total remuneration and benefits	769	713

During the year, key management personnel comprised of the Chief Executive and five directors who manage key business areas. Collectively they represent the senior leadership team.

6. Trustees expenses

All trustees can claim for travel, subsistence and other expenses. The total amount of expenses reimbursed to nine trustees during the year was £4,006 (2023: nine trustees reimbursed £5,806). Trustees did not receive any remuneration for carrying out their duties.

RCOT paid £6,272 (2023: £5,600) to provide Charity Trustee insurance cover.

7. Taxation

RCOT is a registered charity and is not subject to Corporation Tax on income arising from its charitable activities.

8. Pensions buyout

In the year, the buy-out of the pensions scheme was completed by transferring the final salary pensions scheme liabilities of £0.88m to Aviva. The winding up of the pensions scheme is now in its final stages, subject to the agreement of the deed of termination; final arrangements for the pensions scheme trustees indemnity and notices to be provided to the Pensions Regulator as legally required. These outstanding activities are expected to be completed early 2025.

9. Pension costs

RCOT operated a defined benefit pension scheme for qualifying employees in the UK. This scheme closed in June 2014 to all new entrants and further accrual. The disclosures set out below are based on calculations carried

out as at 30 September 2024 by a qualified independent actuary.

The main assumptions used for the purposes of FRS102 are (in nominal terms):

	30/09/2024	30/09/2023
Discount rate	5.25%	5.40%
Expected return on scheme assets	1.25%	1.25%
Pension increases in payment at the 5% LPI rate based on RPI	2.50%	2.50%
Pension increases in payment at the 2.5% LPI rate based on RPI	2.25%	2.30%
RPI	3.45%	3.55%
CPI	2.95%	3.00%

Expected return on assets

The assets of the scheme and the net expected long-term return on these assets are:

	At 30/09/2024 £'000	At 30/09/2023 £'000
Insured annuity contracts	-	8,963
Cash/other	-	18
Total fair value of assets	-	8,981

Reconciliation of the present value of scheme liabilities and fair value of assets to the assets and liability recognised in the balance sheet:

	At 30/09/2024 £'000	At 30/09/2023 £'000
Fair value of assets	-	8,981
Value of liabilities (defined benefit obligation)	-	(8,964)
Funded status	-	17
Surplus restriction	-	(17)
Recognised pension liability	-	-

The excess ('surplus') of the fair value of scheme assets over the present value of the scheme liabilities can be recognised as an asset of the employer in the employer's balance sheet only in so far as the employer is able to recover this surplus (either through reduced contributions in the future or through refunds from the scheme).

Where the employer cannot recover the surplus, then the employer cannot recognise any of the surplus as an asset. In these circumstances, the pension scheme is shown as 'nil' value on the employer's balance sheet.

The company's defined benefit scheme was closed to new entrants and to future accrual with effect from 30 June 2014.

Total expense recognised in the statement of financial activities (SOFA):

	At 30/09/2024 £'000	At 30/09/2023 £'000
Interest cost on obligation	-	(1)
Restriction on expected return on assets	-	1
Total SOFA Charge	-	-

Changes in the present value of the defined benefit obligation:

	At 30/09/2024 £'000	At 30/09/2023 £'000
Opening defined benefit obligation	8,964	9,857
Interest cost on obligation	277	482
Remeasurement (gains) and losses - actuarial (gains) and losses	64	(922)
Benefits paid	(145)	(453)
Settlements	(9,160)	-
Closing defined benefit obligation	-	8,964

Changes in the fair value of scheme assets:

	At 30/09/2024 £'000	At 30/09/2023 £'000
Opening fair value of scheme assets	8,981	9,883
Interest income	278	483
Remeasurement (losses)/gains - return on scheme assets excluding interest income	74	(932)
Refund to employer	(28)	-
Benefits paid	(145)	(453)
Settlements	(9,160)	-
Closing fair value of scheme assets	-	8,981

Total amount taken to other comprehensive income:

	At 30/09/2024 £'000	At 30/09/2023 £'000
Actuarial return on scheme assets - (losses)/gains	352	(449)
Less: amounts included in the net interest on the defined benefit liability	(278)	(483)
Remeasurement (losses)/gains - Return on scheme assets excluding interest income	74	(932)
Remeasurement gains/(losses) - actuarial gains and (losses)	(92)	922
Surplus restriction	18	10
Remeasurement (losses)/gains recognised in other comprehensive income	-	-

10. Tangible fixed assets

	RCOT premises £'000	Fixtures & fittings £'000	Office equipment £'000	IT equipment £'000	Total £'000
Cost					
At 1 October 2023	2,007	137	22	322	2,488
Additions during year	11	172	-	71	254
At 30 September 2024	2,018	309	22	393	2,742
Depreciation					
At 1 October 2023	667	136	21	116	940
Charge for the year	40	7	1	93	141
At 30 September 2024	707	143	22	209	1,081
Net Book Value					
At 30 September 2024	1,311	166	-	184	1,661
At 30 September 2023	1,300	7	15	29	1,351

All assets are used for the charitable activities of RCOT.

11. Intangible fixed assets

	Member systems and database £'000	Asset under construction £'000	Total £'000
Cost			
At 1 October 2023	-	-	-
Additions during year	20	247	267
At 30 September 2024	20	247	267
Amortisation			
At 1 October 2023	-	-	-
Charge for the year	4	-	4
At 30 September 2024	4	-	4
Net Book Value			
At 30 September 2024	16	247	263
At 30 September 2023	-	-	-

All assets are used for the charitable activities of RCOT.

12. Capital commitments

Capital commitments at period end amounts to £0.71m (2023: £Nil). This relates to the contractual cost of the digital transformation projects expected to conclude in 2025.

13. Fixed assets investments

	Market value 01/10/2023 £'000	Additions £'000	Disposal proceeds £'000	Net Gain/ (losses) £'000	Market value 30/09/2024 £'000
UK equities	552	2,577	(602)	25	2,552
Alternatives	280	182	(280)	11	193
Fixed income	2,076	1,841	(2,127)	44	1,834
Overseas equities	1,624	504	(2,119)	301	310
Sub total	4,532	5,104	(5,128)	381	4,889
Cash held in investment portfolio	376	-	-	-	109
Total	4,908	-	-	-	4,998

The total cost of investments held by RCOT at 30 September 2024 was £4,738,351 (2023: £4,861,304).

14. Investment property

	£'000
Valuation	
At 1 October 2023	5,000
Additions/(disposal)	299
Loss on valuation	(299)
At 30 September 2024	5,000

The value of the freehold property (Phoenix House) located at 106-114 Borough High Street at 30 September 2024 was valued at £7m of which £5m of the valuation relates to the portion of the property held for the purpose of carrying out rental activities. This valuation was conducted by Cluttons, external valuers, as defined in RICS Valuation - Global Standards 2020 (The Red Book).

The trustees have considered the assessment of the valuation of the property obtained in the previous financial year, and are satisfied that this valuation is appropriate for reporting purposes in the current period.

The valuation of the investment property produced an unrealised loss of £0.3m; this represents the additions being fit-outs and development costs incurred during the year.

15. Debtors

	2024 £'000	2023 £'000
Amounts due within one year		
Trade debtors	207	121
Other debtors	2	2
VAT debtor	101	310
Prepayments and accrued Income	480	340
Amount due from BAOT	1,785	1,289
	2,575	2,062

16. Creditors

	2024 £'000	2023 £'000
Amounts due within one year		
Trade creditors	221	230
Taxes & social security	151	157
Pensions buyout liability	-	881
Other creditors	93	57
Accrued & deferred income	1,046	461
	1,511	1,786

The amount of Deferred Income at the beginning of the year was £92,965. During the year, the whole of this amount was released to the SOFA, while a further £297,740 of income

was created. The balance of Deferred Income at 30 September 2024 was £297,740. The income mainly relates to RCOT's obligation to deliver services and advertising.

17. Share capital

	2024 £'000	2023 £'000
Authorised ordinary shares of £1 each	100	100
Allotted and fully paid ordinary shares of £1 each	3	3



18. Restricted funds

	Balance 01/10/2023 £'000	Income £'000	Expenditure £'000	Transfers (out)/in £'000	Balance 30/09/2024 £'000
ISP Annual Award	18	-	-	-	18
ISP Scholarship	1	-	-	-	1
Elizabeth Casson	1	-	-	-	1
Elizabeth Casson PD	2	-	-	-	2
Health Education England - Neonatal	6	-	-	-	6
Sheila May Eden Legacy	-	-	-	18	18
Ann Carnduff Legacy	-	-	-	10	10
NHSE Workforce reform	-	229	229	-	-
	28	229	229	28	56

All of the grants paid under resources expended were awarded to individuals. The purpose of each restricted fund held is as follows:

- **ISP Annual Award:** provides support for individual occupational therapists towards a research activity in a topic relevant to occupational therapy, mental health and social psychiatry.
- **ISP Scholarship:** provides support for doctoral or early post-doctoral research activity which is relevant to occupational therapy and social psychiatry.
- **Elizabeth Casson:** provides a contribution towards the digitisation of back copies of the *British Journal of Occupational Therapy*.
- **Elizabeth Casson PD:** the Elizabeth Casson Trust in collaboration with RCOT's UK Occupational Therapy Research Foundation provides an annual grant of up to £10,000 for three years to support BAOT members who are early stage post-doctoral researchers.

- **Health Education England - Neonatal:** this project is for developing resources for member's learning.
- ****Sheila May Eden Legacy:** legacy donation towards travel costs for students.
- ****Ann Carnduff Legacy:** legacy donation towards the learner forum.
- **NHSE Workforce reform:** funding awarded to deliver specific project work to help shape the future of the NHSE Workforce.

** During the year, transfer to restricted funds from general reserves of £28,000 is in recognition of restricted donations of £18,000 from the Sheila May Eden Legacy and £10,000 from the Ann Carnduff Legacy. This transfers aligns with the requirements of the funders.



19. Designated funds

	Balance 01/10/2023 £'000	Incoming resources £'000	Resources expended £'000	Transfers (out)/in £'000	Balance 30/09/2024 £'000
College branches	1,056	318	(215)	-	1,159
RCOT Research Foundation	364	-	(63)	-	301
Transformation project	1,766	-	(398)	(100)	1,268
Building project	281	-	-	(281)	-
	3,467	318	(676)	(381)	2,728

The College branches funds are held for specific activities relating to geographical and clinical specialism groups. During the year the plan to introduce new ways of working for branches was announced:

- Specialist Sections and regional groups will transition from the existing way of working to a new Communities model which will be adopted from 2024–25.
- RCOT members will not incur additional subscriptions charges to access the new communities model.
- A digital communities platform is being developed, alongside a new structure for volunteers and a detailed plan of activities, events and resources which will be developed and communicated in the future.
- Council has agreed that the existing fund will be renamed – RCOT Communities, to reflect the new way of working and for the balance of the fund at 30 September 2024 c.£1.16m to be ring-fenced and re-purposed for the delivery of future communities activities for the collective benefit of all RCOT members.
- The RCOT Research Foundation provides grants to build an evidence base for occupational therapy by supporting research into the effectiveness and cost-effectiveness of occupation-focused interventions.
- The aim of this fund is to increase research capacity and capability within the profession and advance building the evidence base for occupational therapy by supporting the development of the next generation of occupational therapy researchers and research leaders and creating a community of occupational therapy researchers to support members to learn with and from each other.
- The Transformation project fund is to support our five year strategic plan, focused around separate transformation projects as identified within RCOT strategic priorities.
- The building project fund was designated to support our project to transform our building into viable commercial space with the view to generating commercial rental income.
- During the year, £0.28m was transferred from the Building project fund towards the fit-outs and development of the office space in line with tenancy agreements signed during the year.
- A further £100,000 was transferred from the Transformation project fund towards the ongoing development intangible assets under construction.

20. Analysis of net assets between funds

	Intangible assets £'000	Tangible fixed assets £'000	Investments £'000	Net current assets £'000	Total £'000
Restricted funds		-	-	56	56
Designated funds		-	-	2,728	2,728
Unrestricted funds	263	6,661	4,998	(1,168)	10,754
Net assets between funds at 30 September 2024	263	6,661	4,998	1,616	13,538

Prior year:

	Tangible fixed assets £'000	Investments £'000	Net current assets £'000	Total £'000
Restricted funds	-	-	28	28
Designated funds	-	-	3,467	3,467
Unrestricted funds	6,548	4,908	671	12,127
Net assets between funds at 30 September 2023	6,548	4,908	4,166	15,622

21. Reconciliation of movement in share capital and charitable funds

	2024 £'000	2023 £'000
(Loss)/gain for the financial year	(2,084)	1,216
Shareholders' funds at 1 October	15,622	14,406
	13,538	15,622

22. Analysis of changes in net funds

	At 01/10/2023 £'000	Cashflows £'000	At 30/09/2024 £'000
Cash at bank and in hand	2,119	(1,567)	552
Cash held as liquid investment	1,771	(1,771)	-
Cash held in investment portfolio	376	(267)	109
	4,266	(3,605)	661

23. Parent undertaking and ultimate controlling party

The parent undertaking and ultimate controlling party of the company is the British Association of Occupational Therapists Limited ('BAOT').

Registered office: 106–114 Borough High Street, London SE1 1LB

Company number: 00392350

The principal activity of BAOT is that of a Professional Association in the field of rehabilitation medicine. BAOT aims to promote occupational therapy education and honourable practice; to provide facilities for the advancement of the science of occupational therapy by the widest possible distribution of information through meetings, discussions and debate; and to issue relevant papers and periodicals on occupational therapy. BAOT is a registered Trade Union.

24. Related party transactions

All members of the Board of Trustees are also members of BAOT Council, the parent undertaking of RCOT. BAOT exercise control of RCOT by holding the whole of the share capital, see note 17.

The Trustees pay their individual member subscriptions at the nominal rates and carry no special rights or privileges. In addition, as part of their work, Trustees may attend courses provided and receive journals produced by RCOT. These services are all provided on an arm's length basis at normal rates.

The total amount of expenses reimbursed to nine Trustees during the year was £4,006. (2023: £5,126).

During the period, RCOT agreed with Newcastle upon Tyne Hospitals NHS

Foundation Trust for the secondment of Odeth Richardson for the role of Chair of RCOT Board of Trustees and BAOT Council. The secondment charges amounted to £15,000 and are back dated to 2022. They are reported as governance costs.

Occupational therapists employed by RCOT have their subscriptions paid to BAOT by RCOT. These subscriptions, which were paid at normal rates totalled £4,141 for the year, (2023: £5,126).

The balance of income over expenditure is paid to RCOT, a wholly owned subsidiary. This is in line with Council decision. The amount to be transferred for the year ended 30 September 2024 is £7,495,607 (2023 owed to RCOT – £7,658,968). The outstanding balance owed from RCOT at the year end is £1,785,162 (2023: £1,289,556).

25. Contingent liability

The RCOT Research Foundation fund is used to award grants for research projects and other similar purposes (see note 18). These grants constitute a contingent liability as they are subject to agreed performance related conditions being met such as a specific service and/or output to be delivered. The grant

is settled and therefore recognised in the SOFA only when satisfactory evidence of the conditions being met has been provided by the recipient. At 30 September 2024, the value of grant commitments (being grants awarded which represents contingent liability) at the reporting date amounts to £225,037.



Legal and administrative information

Company details

Royal College of Occupational Therapists

A charitable company limited by shares registered in England and Wales (company no. 01347374), incorporated on 10 January 1978. A charity registered in England and Wales (no. 275119) and in Scotland (no. SC039573).

The organisation is governed under its Articles of Association (last amended June 2024) which establish the objects and powers of the organisation.

Registered office

Phoenix House, 106–114 Borough High Street, London, SE1 1LB

Patron

HRH The Princess Royal, GCVO

Professional advisors

Auditors

Moore Kingston Smith LLP, 6th Floor, 9 Appold Street, London, EC2A 2AP

Bankers

HSBC Bank PLC, 15–17 Praed Street, Paddington, London, W2 1NJ

Bank of Scotland, 75 George Street, Edinburgh, EH2 3EW

Solicitors

DAC Beachcroft LLP, 25 Walbrook, London, EC4N 8AF

Bates Wells (Governance Review), 10 Queen Street Place, London, EC4R 1BE

Fund managers

Close Brothers Asset Management (part of Close Brothers Group plc), 10 Crown Place, London, EC2A 4FT. (Until 30 June 2024)

Barclays Private Bank, 1 Churchill Place, London, E14 5HP. (From 1 July 2024)

Rathbones, 8 Finsbury Circus, London, EC2M 7AZ

Insurance brokers

Towergate Underwriting Group Ltd, 2 Minster Court, Mincing Lane, London, EC3R 7PD

AON UK Ltd, 122 Leadenhall Street, London, EC3V 4AN

Pension provider – defined contribution scheme

Legal and General Pensions Ltd (part of Legal & General Group plc), 1 Coleman Street, London, EC2R 5AA

RCOT Board of Trustees

Name	Council role	Changes in reporting period
Dr Anita Atwal	Research and Development	N/A
Neil Carnegie	Scotland	Elected – 27 June 2024
Paul Dunning	Wales	N/A
Aisling Durkin	Northern Ireland	Elected – 27 June 2024
Samantha Flower	Scotland	Retired – 27 June 2024
Jacqueline Gordon	England	Elected – 27 June 2024
Janine Hackett	Learning and Development	Elected – 27 June 2024
Cathryn Holding	Industrial Relations	N/A
Kalimah Ibrahiim	England	Retired – 27 June 2024
Dr Sureshkumar Kamalakannan	International Affairs	Elected – 27 June 2024
Dr Kee Hean Lim	Vice Chair, International Affairs	Retired – 27 June 2024
Andrea Lothian	Learning and Development	Retired – 23 February 2024
Odeth Richardson	Chair	Elected – 27 June 2024

RCOT Chief Executive and Senior Leadership Team members

Name	Council role	Changes in reporting period
Steve Ford	Chief Executive and Company Secretary	N/A
Karin Bishop	Director of Movement Building and Membership	N/A
Clare Cochrane	Director of Brand and Marketing	N/A
Karin Orman	Director of Practice and Innovation	N/A
Satvinder Reyatt	Director of People, Finance and Governance	N/A
Rob Smyth	Director of Strategy, Technology and Transformation	N/A



We're RCOT, the Royal College of Occupational Therapists. We've championed the profession and the people behind it for over 90 years; and today, we are thriving with 36,000 members.

Then and now, we're here to help achieve life-changing breakthroughs for our members, for the people they support and for society as a whole.



rcot.co.uk

© 2025 Royal College of Occupational Therapists.
A registered charity in England and Wales (No. 275119)
and in Scotland (No. SC039573) and a company registered
in England and Wales (No. 01347374)

ROYAL COLLEGE OF OCCUPATIONAL THERAPISTS

England & Wales - Charity number 275119

Accounts

R



T

Annual Report of Council



Contents

Trustees' report	5	Structure, governance and management	60
Report of the Chair of Council	6	Financial review	64
Report of the Chief Executive	8	Statement of Council members' (trustees') responsibilities	72
Equity, Diversity and Belonging	10	Independent auditor's report to members	74
Strategic report	16	Financial statement	80
Our year in numbers – 2022–2023	18	Notes to the financial statements	84
Our vision, our strategy	20	Legal and administrative information	100
1. Rise up	22		
2. Open up	34		
3. Lift up	42		
4. Build up	50		
What we'll do next – 2023–2024	56		
Principal risks and uncertainties	58		

Introducing RCOT

We're RCOT, the Royal College of Occupational Therapists. We've championed the profession and the people behind it for over 90 years; today, we're thriving with 36,000 members.

We're here to help achieve life-changing breakthroughs – for our members, for the people they support and for society as a whole.

This includes giving members opportunities to learn, research, teach, practice and continuously improve their knowledge and skills. We also work with healthcare commissioners, political leaders and others to position occupational therapy as a solution at the heart of health and social care.

We're the powerful advocate and high-profile champion that the UK's occupational therapists deserve. Proudly inclusive, we also welcome and support new generations of occupational therapists and are working to create a profession that reflects our diverse society.



Trustees' report¹

The trustees* of the Royal College of Occupational Therapists (RCOT) present their annual report for the year ended 30 September 2023 under the Charities Act 2011 and the Companies Act 2006 (the "2006 Act").

This report has been prepared in accordance with our governing document and the Statement of Recommended Practice (SORP 2019) 'Accounting and Reporting by Charities'. Our legal status and governance structure is explained in the 'Structure, governance and management' section of this report on pages 60-63.

*The trustees of RCOT are the Council members and will be referred to as Council members.



Our charitable objects (purposes) and public benefit

The principal object for which RCOT is established is the promotion of the science of occupational therapy and the training, education and continuing development of occupational therapists in the UK.

In setting and developing its five-year strategic plan, RCOT has given careful consideration to the public benefit, as it relates to its charitable purposes. In particular, Council members (as the charity trustees) believe that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance, as published by the Charity Commission.

Council is driven by the charity's objects when setting the strategic direction of the charity and actively monitors the impact of the charity's activities. The charity's impact is set out in the strategic report.

We want people everywhere to value the life-changing power of occupational therapy.

¹ Royal College of Occupational Therapists; a charitable company limited by shares registered in England and Wales (company no. 01347374); a charity registered in England and Wales (no. 275119) and in Scotland (no. SC039573); registered office Phoenix House, 106-114 Borough High Street, London, SE1 1LB

I'm proud to be an occupational therapist and to be playing a part in RCOT and our profession's transformation. We want to grow the understanding and enhance the profile of occupational therapy – our activity over the past year has created a stronger foundation towards achieving this.



Odeth Richardson
BAOT/RCOT Chair of Council

Our profession needs to be one where everyone feels welcome, seen and heard. Seeing the co-creation of our draft Equity, Diversity and Belonging (EDB) Strategy this year has been wonderful. My thanks to all RCOT members, public contributors and staff who took part in the consultation. This is a bold step towards making sure that equality and inclusion is at the heart of all the work we do – and not shying away from the challenge of being an anti-discriminatory and anti-racist organisation.

The EDB Strategy is just one example of how we're involving our members. Our member experience survey in Autumn 2023 was part of an extensive project to guide us in revitalising our offer for members. This, together with a review of our governance structure will make sure we're best set up to meet current and future challenges.

Members have been sharing their experiences with us – high vacancy rates are putting escalating pressure on teams to meet the increase in demand for occupational therapy services. Despite the difficulties they're facing, occupational therapists are overwhelmingly proud to be part of the profession and want to continue delivering life-changing breakthroughs for the public. It's absolutely vital that we're provided with the support and resources we need to allow us to do this, for the health of the profession and the people we serve.

Together with my colleagues on Council, as Chair, I'll continue to support the Senior Leadership Team and provide robust challenge to make sure we remain financially secure and well respected and fulfil what we've set out to do in our strategy.

Odeth Richardson (she/her)
BAOT/RCOT Chair of Council

“

Our profession needs to be one where everyone feels welcome, seen and heard. Seeing the co-creation of our draft Equity, Diversity and Belonging (EDB) Strategy this year has been wonderful.”

Odeth Richardson
BAOT/RCOT Chair of Council

Following a year in which we launched our new strategy, brand and values, the focus for 2022/23 was building up our organisation – and being ready to deliver. We've now got the right teams in place and, together with our volunteers and the wider membership, we're making change happen and better supporting our members and the profession.



Steve Ford
RCOT Chief Executive

Our voice is getting stronger. We've created new ways – through our Leadership Forum and Workforce Summits – to listen to occupational therapy leaders and understand the challenges and opportunities for the profession. These conversations, together with insights from our first workforce survey shaped our Workforce Strategy, which we launched in March 2024. The Workforce Strategy addresses how we'll lift up the occupational therapy workforce and be in the right place at the right time to make a real difference across society.

You'll hear many examples in this year's report of how we've opened up to new opportunities. From joining forces with NHS England on the Allied Health Professions Workforce Reform project to supporting and advising our members on workplace challenges, by enhancing our relationship with UNISON.

We're attracting new people to the profession through our Choose OT

campaign, and we have big ambitions to grow our membership further. We'll use data and insights to focus on areas that will make the biggest impact.

We're developing a commercial strategy to rely less on membership fees to do the things we need to do. We committed to not increasing membership fees for 2023/24 we've done that while still enhancing our offer. We've delivered a CPD portfolio for our members, and projects are happening now to reimagine our communities, redevelop our website and offer a high-quality member experience.

Our members continue to support our shared ambitions, by getting involved and making the most of the opportunities we offer. Together, we'll stay focused on reaching our ambitious vision – people everywhere value the life-changing power of occupational therapy.

Steve Ford
RCOT Chief Executive





Equity, Diversity and Belonging

Our vision is to put equity, diversity and belonging (EDB) at the heart of everything we do and be recognised as a bold, progressive advocate of equity and social justice by 2027. We intend to actively oppose discrimination, demonstrate effective allyship and be transparent and accountable.

We will work with members, volunteers, learners, staff, partners, stakeholders and the wider profession to create a sense of belonging in the diverse, authentic and empowering culture we're building together. Our work will support the wellbeing of people accessing occupational therapy and contribute to health equity for all.

“

Equity, diversity and belonging is crucial in creating and sustaining a positive, inclusive, and productive work environment. It's important that each one of us feels empowered, represented, and heard; and that opportunities are made available in a fair and equitable way so that, irrespective of our background, we're supported to make the most of them.”

Ketan Davé (he/him)
RCOT EDB Lead

What we did 2022–2023

Prepared

to launch our bold and ambitious EDB Strategy in November 2023.

Involved

members, learners and staff through seven focus groups and three working groups while drafting our strategy from June to December 2022. We also held five in-depth interviews to help us co-create a draft strategy that we shared with all our members and staff for review between June and August 2023. Almost 1,500 members fed their views into the consultation.

Ensured

the responses to our draft strategy were incorporated into our final strategy. Guided by the feedback we condensed the number of aims into a single prioritised list. The feedback also directed us to use clear, direct, simple language that avoided jargon and buzzwords, provide more detail, transparency and accountability about our delivery plan and include a timeframe.

Chose

and defined clearly the terminology of the three concepts – Equity, Diversity and Belonging – we use. While ‘EDB’ is a useful short form, we don’t want it to become a meaningless acronym or minimise the individual elements’ importance. Our full definitions appear in the ‘What EDB means to us’ box on page 15.

Embedded

the challenge of becoming an anti-discriminatory and anti-racist organisation into our strategy. We’re determined to not only meet but exceed our legal obligations.

Agreed

through our strategy work to advocate for and challenge inequity on behalf of staff, members and the public. Only through this approach can we truly fulfil our life-changing work and vision.

Worked

closely with our three Expert Advisory Groups (EAGs) established last year:

RCOT ABLE OT

For practitioners, students, researchers, educators and people with disabilities/long term health conditions.

RCOT B.A.M.E OTUK

For occupational therapy staff, students and educators of Black, Asian and minoritised heritages based in the UK.

RCOT LGBTQIA+

For anyone in the occupational therapy community who wants to connect, share, learn about and celebrate all things LGBTQIA+.

These member groups challenge and support us to make sure we’re meeting our EDB commitments and guide us on what we can do better. In 2024, we’ll be launching the Carers Expert Advisory Group for occupational therapy students, apprentices, researchers, educators, practitioners, retired practitioners, return-to-practice OTs and assistants who are also carers, or who have been carers in the past.

Created

five staff networks to provide a safe space for conversation, support and allyship. Cultural diversity is an asset to RCOT, and everyone should be able to bring their best self to work. To do this, we’re committed to developing greater understanding of others and their cultures and differences in beliefs and opinions.

These internal networks are:

Ethnos

for Black, Asian and minoritised ethnic communities

LGBTQIA+

Disability

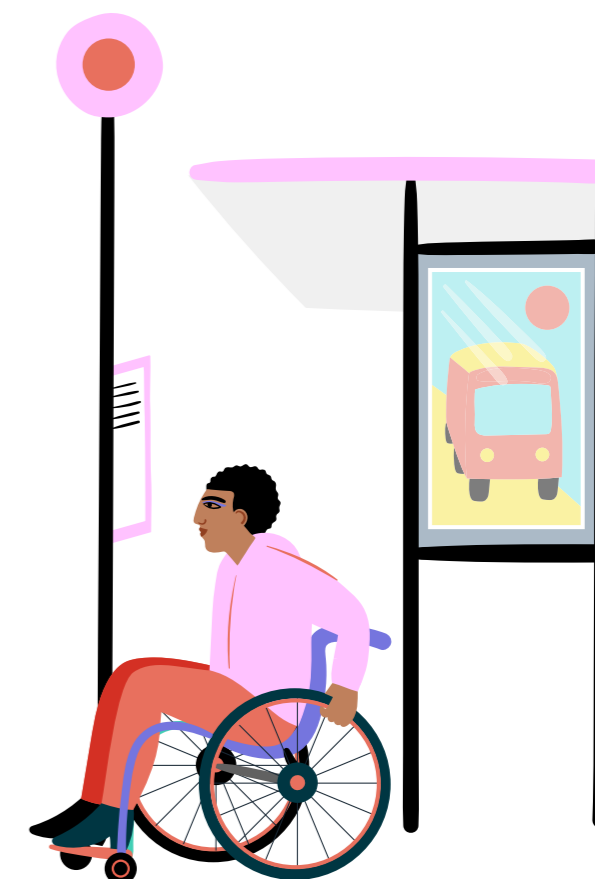
Parents

Menopause

Planned

the first UK Black History month issue of OTnews – our membership magazine – published in October 2023. In this issue we celebrated Black history through occupations, cultural education and Black literature.

These member groups challenge and support us to make sure we’re meeting our EDB commitments and guide us on what we can do better.



Celebrating OTs of Caribbean heritage

Author, former locally elected politician and occupational therapist, Dr Blaine Robin, and our Chair, Odeth Richardson, have brought together occupational therapists of Caribbean heritage from across the UK. This is to

commemorate the 75th anniversary of the Windrush generation coming to Britain. The initial aim of the Caribbean Network of Occupational Therapists is to co-author a textbook that will assist the current and next generation of occupational therapists to learn about the occupational needs of people of Caribbean heritage.

“

Authenticity, particularly with respect to LGBTQIA+ identity, can be a vulnerable place, but I think it is reiterated that integrity and staying true to our values and who we are liberates others and gives folks permission to do the same. In being who we are, we can influence change, even if it's a small conversation and momentary shared insight. Its impact will ripple and shouldn't be underestimated.”

Hannah Spencer (they/them)

Lecturer in Occupational Therapy, University of Derby
LGBTQIA+ EAG member
OTnews June 2023



What EDB means to us

Equity

Equity recognises differences and complexity in circumstances, experiences and needs. It means treating people differently to achieve fairness by being flexible and responsive to access, opportunities and resources. Like occupational therapy, equity is about understanding and recognising individual needs. It's about everyone having what they need, to make the most of life.

Diversity

We're all unique. Diversity means recognising, respecting, valuing and celebrating differences and intersections in needs, identities, backgrounds, experiences and perspectives. It's the key to breaking down cultural and institutional barriers and fostering a culture of creativity and innovation.

Belonging

For us, belonging is about much more than simply including people. It means proactively welcoming, celebrating, supporting, and empowering every voice, so we're all properly recognised, valued and free to be our authentic selves.





Strategic report

The Trustees present the Strategic report of RCOT for the year ended 30 September 2023.



Strategic report

Our year in numbers

2022-2023

14 of our members adversely affected by the COVID pandemic were each supported with grants of

£2,500

We were supported by over

350

volunteers.



We supported

1,803

members through our Professional Advisory Service (PAS).

We supported more than

500



members to prepare for the Health and Care Professions Council's (HCPC) CPD audit – through webinars and drop in sessions.



On average our website, rcot.co.uk, had

62,000

visitors each month.



We welcomed

319

members to Research Connect – our member community for researchers at all levels and practice areas of occupational therapy. It's supported by our RCOT Research Champions who volunteer through a self-nomination process.



We worked with

50

higher education institutions to provide accreditation services for pre-registration learners, giving future occupational therapists the best chance of success.



To inform our Workforce Strategy,

2,600

occupational therapists completed our survey about the workplace issues they face – 86% reported increased demand for their services.

Our award-winning Lift Up Your Everyday campaign reached more than

15.3

million people

sharing the life-changing power of occupational therapy.



Our vision. Our strategy.

We want people everywhere to value the life-changing power of occupational therapy.

We focus on making the biggest impacts, based on our strengths and our members' needs.

This bold and simple vision is at the heart of our five-year strategy (2022–2026) and guides everything we do.

Four clear strategic priorities drive our work and we have a strategic delivery plan for each of them. Pages 22 to 55 highlight our achievements under each strategic priority during the reporting year.

Rise Up

We'll rise up to be bold, progressive advocates and champions – raising our profile and voice so that more people understand the power of what occupational therapists do.

Open Up

We'll open up to new opportunities and people – joining forces, forming alliances and getting more people to see occupational therapy as the solution to their needs.

Lift Up

We'll lift up every occupational therapist and support them to be the best they can be throughout their entire career – by offering them the best community, resources and tools that help them to succeed.

Build Up

We'll build up our organisation and culture to be dynamic, high performing and values-led – using insights and data to inform and drive us to achieve our purpose.

We deliver our strategy while living our values

We Impact

We Challenge

We Elevate

& We Respect





1. Rise Up

We'll rise up to be bold, progressive advocates and champions – raising our profile and voice so that more people understand the power of what occupational therapists do.

“

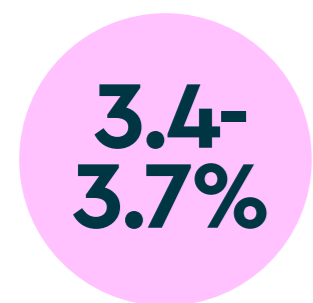
It's time for the UK government to recognise and value everything that occupational therapists and other allied health professionals do and invest in occupational therapy to improve people's health and overall wellbeing, helping people live well for longer.”

Karin Orman
RCOT Director of Practice and Innovation

What we did 2022–2023

Focused

our policy and public affairs work on meeting and influencing government and industry contacts, across all four nations of the UK. This involved driving home our key messages at in person meetings, attendance at conferences and awards events and in our member surveys. Throughout the year we also responded to policy and practice consultations ensuring our input into professional practice and policy guidelines.



expected growth in occupational therapists by 2036–2037

Highlighted

the inadequacy of the NHS England Long Term Workforce Plan. This long-awaited plan estimated a 3.4–3.7% growth in occupational therapists by 2036–2037. We pointed out this growth will not provide enough occupational therapists to meet the ongoing health and care needs of people with long-term health conditions. We estimate a shortfall of 2,000 OTs in primary care alone by 2036. Disappointingly the report included no plans for occupational therapist prescribing rights. Our conversations continue with NHS

England and the Department for Health and Social Care to make sure the interests of our profession are heard.

Pressed

the Scottish National Party (SNP) leadership election contenders to commit to supporting the occupational therapy workforce. We believe Scotland’s First Minister must improve health and social care in Scotland. Our demands included a Once For Scotland approach to rehabilitation. This would support universal access to high quality, person-centred rehabilitation as a right. We said it should be reflected in the National Health Services constitution and the National Care Service legislation.

Welcomed

the Welsh Government’s decision to invest £5 million to increase the number of Allied Health Professionals (AHPs) across Wales and improve access to community-based care from April 2023. An increase in the number of occupational therapists and other AHPs in the community will enable people to recover at home with rehabilitation, spend less time in a hospital bed and improve the independence and confidence of those receiving care.

Commented

on the Office for National Statistics (ONS) statistical bulletin about self-reported Long Covid symptoms in the

UK, highlighting the need for support and appearing on the BBC Radio 4 Woman’s Hour to discuss this. We also highlighted the availability to the public of our new publication *How to manage your energy levels*.

Presented

the UK Government with the outcome of our workforce survey report and put pressure on the government to start making changes – we’ll expand our campaigning on this when we release our Workforce Strategy in 2024. The report showed how a lack of capacity in health and care systems drives huge increase in demand for occupational therapy. Of the 2,600 occupational therapists who responded to our workforce survey, almost 9 in 10 (86%) reported an increase in demand for their services between November 2021 and November 2022. (More in Spotlight on page 26).

Spoke out

against the UK Government’s plans to recruit an ‘army’ of social care volunteers to support people being discharged from hospital. We highlighted that although volunteers play an important role in the care system, they’re not a solution to the 165,000 vacancies in social care in England. We called for a Social Care People Plan to address the crisis in the sector.

Ran

our third children and young people’s occupational therapy survey looking into children’s access to occupational therapy across the UK. Our previous surveys have shown increased

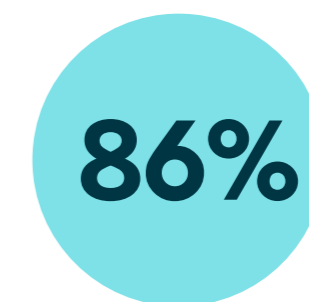
demand for OT services for children and young people and a shrinking, poorly utilised workforce. We’ve called on the governments in all four nations to act to protect our young people by providing them with the occupational therapy they need. The results were released in October 2023.

Launched

our new guideline on why children’s play is important and how it can be incorporated into occupational therapy practice. Our evidence-based practice guideline *Occupational therapy and play* followed our gold standard NICE accredited process, and the practice recommendations are based on contemporary research evidence. Due to its importance, we made *Occupational therapy and play* available to all for free, at rcot.co.uk/playguideline.

Ensured

that our monthly publication OTnews remains a highly-valued member benefit. Throughout the year it delivered a lively mix of news and policy, the latest professional developments, features and opinions. This included in-depth coverage of the inspiring speakers at Equity in Action – BAMEOTUK’s first symposium – and features dedicated to our advisory pilot groups LGBTQIA+ and ABLEOTUK.



OTs reported an increase in demand for their services

Spotlight

Survey shows workforce under pressure

In November 2022 we surveyed occupational therapists across the UK about the workplace issues they face and how these affect the services they deliver to the public. We also asked how practitioners are affected personally, including whether they intend to continue working as occupational therapists.

More than 2,600 people responded and we included our findings in our report, *Occupational therapy under pressure: Workforce survey findings 2022–2023*.



“

I've worked in the NHS for 40 years, 37 years of those as a qualified OT working mostly in acute hospitals and have loved my job. However, the wider health system feels broken and there are not the community/social care resources to support patients outside hospital. We're churning patients out faster and faster, older, frailer and more complex, but given no time to rehab or improve them, knowing that they will likely get readmitted again in a few days. That is disheartening when there is so much we could do if we were given a day or two, or there were more services in the community.”

Anonymous survey respondent



The workforce survey's topline results

86%

reported an increased demand for OT services within the previous 12 months.

78%

said that their team wasn't large enough to meet the demand.

59%

rated their work-related stress as 7 or above on a scale of 1 to 10, with 10 being the highest level of stress.

79%

stated that people were presenting more complex needs due to delayed interventions.

63%

felt they were too busy to provide the level of care they'd like.

93%

said that occupational therapy is a rewarding career.

86%

would recommend it as a career to others.

Worryingly, a third of respondents said they intend to leave their current role within the next two years. The most common reasons are related to a lack of satisfaction with their role or setting. Despite the significant challenges reported by respondents, most still felt positive about the profession:



Our recommendations include:

- **Ensuring** that future public service workforce planning prioritises the shortages in occupational therapy.
- **Addressing** the challenges around recruitment and retention which are causing occupational therapists to leave the profession early.
- **Focusing** on staff development and wellbeing to reduce the risk of occupational therapists burning out and leaving the profession.
- **Securing** greater leadership opportunities for occupational therapists.
- **Understanding** the concerns and experiences of workers who have dealt with workplace bullying, harassment and discrimination to ensure staff safety and can report issues without hesitation.
- **Recognising** investment in the NHS and social care is critical to a healthy population and therefore economic growth.

What we did next



1

Developed

a Workforce Strategy, that draws on the survey findings, to influence the planning and delivery of occupational therapy services nationally and locally. We published our Workforce Strategy in March 2024.



2

Presented

our findings to ministers, health leaders and policymakers in all UK nations throughout 2023. We called on them to increase investment in the training of occupational therapists and the funding of occupational therapy services.



3

Collaborated

with NHS England to develop resources to address workforce challenges, including inclusive engagement, recruitment and retention, career development and leadership opportunities.

Alongside our survey we held a series of workforce summits across the UK exploring the current challenges for occupational therapy and where and how we can have maximum impact to benefit the populations we serve. An optimally positioned and skilled health and social care workforce is central to enabling the NHS and local authorities to make best use of public money.



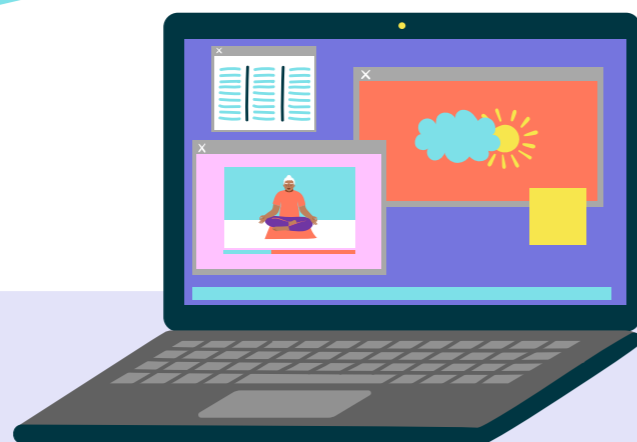
“

Reducing the pressures on our inpatient services through improved access to occupational therapy in primary and community settings and working in partnership with providers in the charity, social enterprise and independent sectors will ensure timely access to the right advice and support. We are also advocating for better data on occupational therapy, as data-driven workforce planning has helped many employers develop their workforce to meet growing demand.”

Suhailah Mohamed (she/her)
RCOT Head of Practice and Workforce

Spotlight

Raising our profile



Lift Up Your Everyday

Our Lift Up Your Everyday campaign raises awareness of occupational therapy with the general public. It does this by sharing expert advice from occupational therapists on how to overcome everyday challenges and draws people into finding out more about the profession.

We achieved outstanding results – the launch of the campaign during OT Week 2022 saw our hashtag appear in the social media feeds of 15.3 million people, get over 67,200 interactions and over 4,200 mentions. And our advice videos achieved more than 1 million views.

The campaign launch was recognised by industry experts and received two Communicqué awards which celebrate excellence within the healthcare

communications industry. It was also highly commended at the CorpComms awards in the communications industry and short listed for a Memcom Excellence award within the membership sector.

Since its launch, the campaign has focused on different themes to capture the public's attention. These have included advice on how to make the most of playtime with children and advice on energy management. We also joined forces with Toyota to share advice for people with mobility issues using cars.

We reached an estimated six million people through media coverage for our energy management and play themes. Coverage included an interview on BBC Radio 4 Woman's Hour and an article in HuffPostUK.

Choose OT

Our careers campaign, Choose OT, inspires people to become occupational therapists and is targeted at school students and their influencers, graduates, and adults considering a career change. The campaign is linked to our dedicated careers website, ChooseOT.co.uk, which features inspiring stories and information about becoming an occupational therapist. The campaign was seen over eight million times on social media platforms and drove over 49,000 click-throughs to the website.



I welcome increased visibility of RCOT on social media. It's fantastic to see RCOT engaging with members and the public."

Samantha Flower (she/her)
NHS Greater Glasgow and Clyde (NHSGGC) Occupational Therapy Lead for Partnerships and RCOT Council member





2. Open Up

We'll open up to new opportunities and people – joining forces, forming alliances, and getting more people to see occupational therapy as the solution to their needs.

“

The innovation hub is a collaboration space that will enable members to search for occupational therapy focused improvement ideas and network with others looking to address similar service challenges”.

Suzy England
RCOT Service Innovation Manager

What we did 2022–2023

Launched

our Innovation Hub pilot in October 2022 – offering members a place to share service challenges, ideas for improvement and their own case study improvement journeys. By the pilot’s end (31 March 2023) 26 occupational therapy service innovation projects were on our database. These projects ranged from making the move to a seven-day service to designing a health information coaching tool.

We’ve published a pilot report which is available on our website: rcot.co.uk/innovation-hub. We used the insights from the pilot to design and build our real-world change evidence database launching in April 2024.

Celebrated

Volunteers’ Week in June. Over 350 people volunteer with us to support our community and raise the profile of our profession. Volunteer opportunities range from being a board member, regional committee member, to being part of an advisory group. We advertise our volunteer roles on our website and in OTnews.

Supported

more than 500 members to prepare for the Health and Care Professions Council’s (HCPC) CPD audit. The audit runs every two years and 2.5% of occupational therapists are contacted to take part. The process, which can be worrying for members, involves submitting a written

profile explaining how they’ve met the standards.

We held a series of HCPC CPD audit webinars including one jointly with HCPC. We offered drop-in support sessions for both members who had been selected for audit and those members supporting colleagues selected for audit.

Achieved

the largest audience to date of members and non-members at our annual Elizabeth Casson Memorial Lecture delivered by, Keir Harding, a member and CEO and Clinical Lead at Beam Consulting. More than 3,700 people booked to attend the April event. Keir is renowned for being one of the most visible and forthright occupational therapists practising today and is passionate about our profession. His lecture, *Nothing grows in toxic environments*, was well received. A recording of the lecture can be found on our website: rcot.co.uk/2023-elizabeth-casson-memorial-lecture.



people volunteer with us to support our community



people booked to attend our annual Elizabeth Casson Memorial Lecture



Spotlight interview

Paul Wilkinson

My volunteering journey

Meet Paul Wilkinson, one of our many valued RCOT volunteers and Vice Chair for the RCOT Northern and Yorkshire region.

Tell us about your day job and what attracted you to a career in occupational therapy.

I'm a senior occupational therapist currently working on a regional hyper acute stroke unit. This involves holistically assessing and providing interventions for individuals who have been diagnosed with a stroke. Occupational therapy attracted me as it involves problem solving, creativity and thinking outside the box to achieve the best outcomes for individuals.

Please describe your volunteering role with RCOT.

I am currently the Vice Chair and Co-Social Media Lead for the Northern and Yorkshire Region. I have volunteered for RCOT for two years. These positions

attracted me as I wanted to give more to my region and further develop my leadership skills.

My role involves monitoring and maintaining the region's social media accounts promoting events via social media and helping the committee organise events too. I also deputise for the Chair when they are absent, represent the region at twice-yearly forums, provide support and information to the regional members and do my best to promote our profession.

How has volunteering helped you, personally and professionally?

Volunteering has helped me to develop and enhance my skills. I'm involved in communication, leadership, strategic thinking and planning, creative thinking and problem solving. I feel my confidence has grown, and I've been exposed to fantastic development opportunities. And since volunteering I now feel I have a better understanding of what RCOT offers.

Would you recommend volunteering for RCOT?

Yes, I'd recommend volunteering to everyone. We all have unique skills, knowledge and backgrounds. That's the beauty of volunteering – we learn from each other. The RCOT's volunteering roles are open to all members. It's often said that inclusion is being invited to the dance floor and belonging is being asked to choose the music. I definitely feel like I belong on my committee and at RCOT.

I'd ask anyone in doubt or apprehensive about volunteering to think about this famous quote frequently attributed to American businessman John A Shedd: 'Ships in harbour are safe, but that's not what ships are built for'.



I feel my confidence has grown, and I've been exposed to fantastic development opportunities."

Paul Wilkinson (he/him)
RCOT volunteer and Vice Chair for the RCOT Northern and Yorkshire region



Spotlight

Pressing for workplace reform



We joined forces with NHS England in March 2022 to deliver a year-long Allied Health Professionals (AHP) Workforce Reform project. This work was completed in March 2023 and focused on how to increase the number of occupational therapists working in health and social care across all four UK nations.

At least 27,000 additional AHPs will be needed by 2024, according to the 2019 NHS People Plan to meet demand for their services. AHPs are the third largest clinical workforce in the NHS, and one of the most cost-effective workforces to train.

Our joint project resulted in many different resources designed to help our members and their employers develop new skills or refresh existing skills to meet the demand for services.

This included:

- expanding our *Principles of practice-based learning* in collaboration with nine other AHP professional bodies.
- establishing our Advanced Practice Network as an initial trial for our virtual communities that will support the professional development of our members in years to come.
- developing our work with primary care services to encourage an understanding of the value and contribution of OT.

We built case studies, blogs, webinars, podcasts, vodcasts, handbooks and other valuable assets for use by OTs across the UK.

Key outcomes include:

A learning programme for OTs working in neonatal care at an enhanced level of practice **delivered through** four webinars and a one-day in person workshop.

A new suite of resources designed to encourage more of the profession to become approved clinicians under the Mental Health Act in England and Wales.

Nine case studies providing top tips and innovations from leading OTs working in the fields of learning disability and autism.

Data about the wide-reaching impact of occupational therapy in GP surgeries across three sites in England and Wales was gathered. We collected this through qualitative interviews with stakeholders, outcome measures and other data. We expect to publish this data in 2024.

Webinars for managers, supervisors and returners to support the return of occupational therapists to the workplace. Existing resources – blogs, webinars and handbooks – were updated and three return-to-

practice handbooks, for returners, supervisors and placement providers were produced.

A set of principles of practice-based learning developed with the Chartered Society of Physiotherapy (CSP) to develop an innovative, quality and sustainable placement offer. We also worked with the University of Salford to undertake a survey exploring placements for pre-registration learners.

An online hub, that members and non-members can use for signposting, finding case studies and general information about international recruitment for OTs. This is a go-to resource to support members that have little experience in this area, from both a recruiter and applicant perspective. We also presented a report to NHS England, to inform their future work on international recruitment and employment.

“

Great attendance at the second Midlands #OT summit! Representation across social care, health care and education! Real opportunity to think about how we harness the uniqueness of the OT workforce through rotations to support recruitment and retention.”

Midlands AHP



3. Lift Up

We'll lift up every occupational therapist and support them to be the best they can be throughout their career by offering the very best community resources and tools that they need to succeed.

“

We started working with the CSP as we recognised that coming together made us stronger – so much so that we included that in the title of the document, *AHP principles of practice-based learning: working together to support our future workforce*. To join with a further eight AHP professional bodies is just brilliant!”

Carolyn Hay (she/her)
RCOT Head of Education

What we did 2022–2023

Continued

to proudly set the professional and educational standards for occupational therapy to position the profession – and all our members – for the future. This involves managing the accreditation process, using the *Learning and development standards for pre-registration education* to assess occupational therapy pre-registration programmes and ensure quality in their design and delivery.

Worked

with 50 UK providers of pre-registration occupational therapy education to ensure pre-registration learners are set up for success. Of these, five were new providers and we supported them to prepare to deliver a pre-registration programme.

Managed

the re-accreditation of 12 occupational therapy programmes and the accreditation of four new UK programmes. The four new accreditations led to an increase of 59 new learner places each year. There are 45 education providers across the UK running a range of undergraduate and post-graduate pre-registration programmes. In England there were 8,361 people enrolled in pre-registration apprenticeship occupational therapy programmes by the end of the year. Demand for OTs continues to rise.

Approved

78 major changes ensuring programmes continue to meet the *Learning and development standards for pre-registration education* in their cycle of accreditation.

Held

our first education summit in May 2023, focusing on the pre-registration education and early careers of our future workforce in a changing world. We brought together more than 50 educators, learners and practitioners to discuss the topics that matter to them – including improving transition support from learner to newly registered OT and making sure that learners feel listened to and are confident identifying their personal needs. We'll use these insights when developing our Workforce Strategy and reviewing our *Learning and development standards*.

Welcomed

319 members to Research Connect. This network, launched in April 2023, is our member community for researchers at all levels and all practice areas of occupational therapy.

8,361

people enrolled in pre-registration apprenticeship occupational therapy programmes

319

members welcomed to Research Connect network

It's supported by our RCOT Research Champions who volunteer through a self-nomination process. These volunteers are role models for the profession and champion our vision to grow our UK-wide network and make occupational therapy a research-active profession informed by evidence. In 2023 we recruited 52 Research Champions across all four UK nations and levels of practice. We're evaluating the network now.

Supported

our members with 35 fitness to practice cases over the 2022 cycle through our professional advisory service.

Provided

support directly to programme teams through monthly placement cafés giving practice educators and those involved

in supporting OT placements the chance to meet with peers, share good practices, problem-solve challenges and bring innovative ideas to life.

Created

our AHP principles of practice-based learning: working together to support our future workforce with CSP.

Launched

a series of six 90 minute long webinars in Autumn 2022, facilitated by Kalimah Ibrahiim, Occupational Therapy lecturer at the University of East London, BAOT/RCOT Council member and Chair of RCOT England Board. The webinars featured speakers at all career stages. The focus was sharing their work and practice-based learning. Areas covered included supporting equity, diversity and belonging in placement-based learning, demystifying placement-based learning and inspiring placement stories from learners and educators. The series was part of the AHP Workforce Reform project spotlighted earlier in this report.



Spotlight

Supporting our members affected by COVID-19

Thanks to £35,000 of funding awarded by the COVID-19 Healthcare Support Appeal we supported 14 members adversely affected by the pandemic.

- general living costs
- unexpected bills
- disability equipment
- psychological support or counselling
- other difficulties caused as a direct or indirect consequence of the pandemic, such as job loss, reduced income (for themselves or a partner), relationship breakdown, bereavement, or other work-related or personal circumstances.

From 18 January 2021 to 27 March 2023, we invited our professional and self-employed members who were experiencing hardship to apply for a grant of up to £2,500 to help with:



in grants for each member affected by the pandemic



I would just like to thank you for the opportunity for this, as this has lifted me and has aided so much in returning to a more healthy lifestyle."

Grant beneficiary

Strengthening our work for our members

What we did 2022–2023

Launched

onboarding webinars to welcome new members and introduce them to the benefits we offer to encourage use.

membership data and set a great foundation for the next year's renewal process.

Created

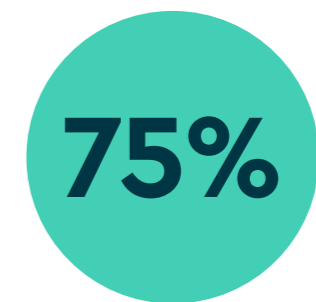
a Hardship Fund to help our members in these tough financial times. In August 2023 we invited active members and those who had left us during the last 12 months to apply for a 25% discount on their annual fees. More than 109 members received the reduction.

Ensured

our members and the public could give us feedback via a new compliments and complaints process. People can submit their feedback online and get clear details of how soon we'll respond and how we'll deal with and use their feedback and learn about our appeals and escalation processes. We're dedicated to working in an open and accountable way, acting on issues raised and celebrating successes.

Grew

our overall membership by 2% this year – taking us from 35,118 to 35,820. Associate Apprentices continued to be our fastest growing category where we experienced a 75% member increase from 336 to 587. And our newly qualified professionals increased by 31% from 893 to 1,168.



Associate Apprentice memberships increase from 336 to 587

Took

a digital first approach to our membership renewal programme to encourage and support members in renewing their membership online. The engagement campaign ran over six months and helped not only to retain members but, crucially, included significant work to improve our



Spotlight

Recognising our profession – Fellowship and Merit awards

Every year our members are invited to nominate their colleagues and peers for a prestigious Fellowship or a Merit Award in recognition of their special contribution to our profession.

A Fellowship is the highest honour we can present to our members to recognise exceptional service and outstanding contribution to the profession, and RCOT, over many years.

The Merit Awards recognise a significant achievement by our members at any stage in their career. We celebrate the contribution they're making to the profession, whether locally or regionally, in a specialist field of practice or in a diverse area of practice.

Nominations are considered and recipients are chosen by the Fellowship and Merit Awards Committee who decide if nominees meet the criteria and standards. The committee then gives a final recommendation to the BAOT/RCOT Council for approval.

We awarded three Fellowships in 2023 to recognise exceptional service and outstanding contribution to RCOT and the profession.

In 2023 we were delighted to award Fellowships to:

- **Dr Maria Avantaggiato-Quinn**, Associate AHP Director CYP Services, Cumbria, Northumberland, Tyne and Wear, NHS Foundation Trust
- **Professor Katrina Bannigan**, Professor of Occupational Therapy, Glasgow Caledonian University
- **Professor Patricia McClure**, Associate Head of School, School of Health Sciences, Ulster University.

And Merit Awards to:

- **Musharrat Ahmed-Landeryou**, Associate Professor in Occupational Therapy, London South Bank University, Co-founder BAMEOTUK
- **Rachel Booth-Gardiner**, Occupational Therapist, Co-founder AbleOTUK
- **Louise Clark**, Consultant Occupational Therapist – Stroke and Neuro Rehab
- **Natalie Jones**, Clinical Academic Occupational Therapist, Associate Lecturer Sheffield Hallam University, NIHR Clinical Doctoral Research Fellow
- **Emma Linley**, Clinical Specialist Occupational Therapist and Team Lead
- **Dr Fiona Maclean**, Associate Professor of Occupational Therapy
- **Janice McClymont**, Head of Occupational Therapy Services and Professional Lead, NHS Lanarkshire
- **Jo Vallom-Smith**, Independent Occupational Therapist
- **Jenny Welford**, Specialist Occupational Therapist.



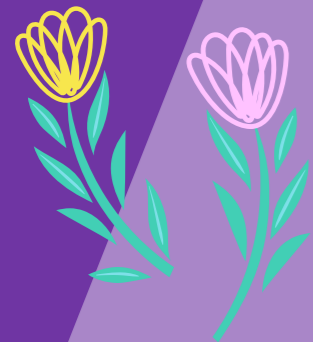
4. Build Up

We'll build up our organisation and culture to be dynamic, high performing and values-led by using insights and data to inform and drive us to achieve our purpose.

“

In 2023/24, I'm looking forward to further embedding our ways of working and developing new organisational development initiatives to continue to create a collaborative, inclusive and productive culture that allows our people to thrive.”

Satvinder Reyatt
RCOT Director of People, Finance and Governance





“

We worked hard to develop the right culture to support our transformation and fulfil our new strategy. This involved looking at our organisation's values and understanding how our everyday behaviours can help us live those values in all we do.”

Satvinder Reyatt
RCOT Director of People, Finance and Governance

What we did 2022–2023

Reshaped

the structure of our organisation. We are now prepared to better serve our members and our profession efficiently, responsively and innovatively.

Fostered

an environment that will help our staff thrive and deliver the most impact for our members. We've redesigned how and where we work to embrace new hybrid ways of working, blending office-based and technology-enabled remote working. These changes have boosted flexibility and productivity and have been key in attracting talented new staff to join us.

Worked

hard to develop the right culture to support our transformation and fulfil our new strategy. This involved looking at our organisation's values and understanding how our everyday behaviours can help us live those values in all we do. To facilitate this, we produced a wide range of new learning resources and ran values behaviours workshops that were attended by most staff.

Recognised

the importance of feedback in developing and supporting our culture. We developed a new approach to performance appraisal and giving and receiving quality feedback to create a values-led and thriving culture.

Through our Colleague Forum, we have a valued and well-used channel for all staff to be heard and give feedback on working at RCOT. We regularly report back on what we learn to everyone, helping to create a positive, healthy and productive working environment.

Selected

a new engaging digital employee survey platform. This was launched in November 2023. We've designed it so it's simple for our employees to use and feedback. We look forward to measuring our employees' engagement and driving organisation-wide improvements based on the data and insights we collect.

Implemented

a new and robust approach to project management to make sure we can successfully deliver our ambitious transformation plans on time and in budget. We've created a specialist data team to build new insights and analytics for our member offering. We've also refocused our business support structure to work in a more agile way.

Developed

an exciting new digital strategy. Our investment in this area has allowed us to improve our technology performance and invest in digital platforms to improve the member experience.



Spotlight

Building for the future – Phoenix House

The pandemic enforced working from home for all RCOT staff and the subsequent introduction of flexible working meant that our four-storey London headquarters, had been significantly underused since 2020.

As it's important that we make the most of all our investments and assets, Council agreed that we should explore options to consider how to make the most of the building. At their meeting in September 2022, Council agreed that we should refurbish four floors for commercial rental and remodel the ground floor to accommodate flexible working for staff.

Our vision was to undertake a sustainably sourced, environment-friendly and accessible refurbishment of all floors. To ensure the project had sustainability at its heart, excess equipment and furniture were sold to raise funds for the re-fit or recycled. Some desks and chairs were donated to the charity Waste to Wonder, which offers desks and equipment to schools in less developed countries.

The space for RCOT would be a hot-desking, open-plan environment. We have retained one out of five available floors for our operating activities, and plan to use the rest of the building as an income generating asset, primarily for rental and letting activities.

Making climate-friendly improvements

Materials in the re-fit were consciously chosen to be sustainable. This included: flooring made of brick, wood, cork and Marmoleum (an organic/non-oil-based flooring) sliding room dividers made from wool organic materials in the building, such as timber, being sustainably sourced.

We also installed solar panels. The power that they provide will lower our carbon footprint, and the cash saved should pay for the cost of installation within 10 years. And we replaced old fluorescent lights with more energy-efficient LEDs. Through these changes, we've improved the energy rating of the building from a low D to a high B.

We are confident that our initial investment of £2.1 million will be paid back through rental income in the future. The property in its transformed state is valued at £7m, producing an unrealised gain of £3.6m on valuation.



Key Performance Indicators

During the year, we invested in data and insights capabilities. Our new data analyst specialist team began to develop our data hub, which will help us to track our KPIs in-year and against previous periods.

The following dashboards were under construction during the period:

Phase 1 (Developed)

Council and SLT dashboard – contain KPIs which SLT discuss and monitor monthly and presented to Council.
Hero KPI dashboard – developed based on input from colleagues across 15 data workshops exploring how we can measure our core activities.

Phase 2 (In progress)

Member dashboard – contains member specific KPIs which are routinely monitored. Finance dashboard – a financial management tool for budget holders to be able to monitor and control performance against budget.

The above data transformation will unlock our ability to be able to report against our KPIs in the coming year.

Sustainability matters at RCOT

We've undertaken work to understand how sustainability impacts our members and we've made a number of resources available to our members, including sustainability features in February, June, and September's edition of OTnews.

Sustainability was a key feature in the redesign of our office, and we continue to look at ways to reduce the energy impact of the building. Our new investment strategy will ensure that we only invest in funds that support our sustainability values.

We are also putting together a longer-term plan to help us understand how we can measure our carbon footprint and help us to plan the journey to achieve carbon net zero.



There's a misconception that accessible spaces mean a clinical look. A gold standard design is about pleasing aesthetics and being inclusive without appearing clinical. So, our designers worked in the shapes, colours and fixtures of the 1960s, honouring the building's original construction era, without losing accessible features."

Lauren Walker (she/her)
Occupational Therapist and RCOT Professional Advisor

What we'll do next – 2023–2024

As we strive to rise up, open up, lift up and build up, we'll focus on eight strategic priorities for the year ahead.

- Launch an ambitious new growth strategy, that identifies priorities for short-term action as well as setting out the long-term plans to achieve our growth targets over the next 12 months and beyond.
- Create a compelling, innovative new member offer that will engage and excite our members as well as support our growth targets, ensuring a particular focus on growing our student membership.
- Design a new model for member engagement and develop and implement a plan to transition away from our existing engagement structures and groups.
- Deliver projects that create a high-quality member experience with a shared vision, streamlined member journeys, improved practice and processes and using the benefits of digital technology.
- Launch and implement our Workforce Strategy and nation specific implementation plans to grow and position the profession for 2035.
- Work with the colleague forum to deliver projects and activities that enable us to become a high-performing organisation with the right staff structure, skills, technology, and processes.
- Launch our Equity, Diversity and Belonging Strategy and start delivering on our action plan, making sure that the occupational therapy profession is well equipped to serve and support an increasingly diverse population.
- Deliver projects that strengthen our governance model including implementing the first phase of our governance review, updating key policies and procedures and streamlining our relationship with UNISON.



Principal risks and uncertainties



We recognise that delivering our strategy involves risk. Some of these risks come from the external environment we operate in.

Other risks are those that we consider part of a 'positive risk taking' culture, which means that we will consciously engage with some risks to embrace change or embark on new opportunities that will help us successfully achieve our ambitions.

We incorporate the management of risk into our decision-making processes, including functional management and project management. We also view effective risk management as an opportunity to improve the way we work and something that is vital to achieving our vision for members and the wider profession.

The Audit, Investment and Risk Committee (AIR Committee) has lead responsibility for monitoring the major risks across BAOT

and RCOT, assessing their likely impact and likelihood and the risk mitigations employed to manage such risks.

The following risks and uncertainties are the most critical ones facing the organisation at this moment.

The AIR Committee reports to Council at least annually on risk management. Council has reviewed these reports and takes responsibility for ensuring that all appropriate measures are implemented as business priorities. Because of the regular and highly diversified income streams, RCOT does not actively use financial instruments (lines of credit, factoring, currency hedging) as part of its financial risk management.

RCOT is exposed to the usual contract, credit and cash flow risks associated with providing its goods and services. It manages these risks through its contract management, internal control procedures, cash flow monitoring and Risk Register.

We may fail to demonstrate our relevance or value to members and see a decline in membership. Our members' needs are changing. We must be responsive to these changing needs by providing a membership offer that enhances and supports the diverse professional journeys of occupational therapists, and those of the wider occupational therapy community while delivering high standards of member care in all interactions. The value provided by our membership offer is even more critical in a cost-of-living crisis.

We have embarked on a holistic review of all aspects of the membership offer to make sure it is meaningful and offers real value to members. To support this work we launched a wide-ranging member survey which will help shape the new member offer. Our membership strategy is a standing item on the Council agenda and subject to detailed reporting.

In 2023 we did not increase our member fees to reduce the impact of the cost-of-living crisis on our members.

We may have insufficient income to deliver our strategic ambitions and/or cover rising operating costs.

Overall income (primarily from fees) may not increase fast enough to cover increasing operating costs and committed strategic spend. We have invested heavily in the building to deliver rental income which leaves us open to the risk that we may not be able to fill the space in line with projected timescales.

We have implemented tighter regulation of expenditure and improved financial controls, as well as baking in prudence in the budgeting process. An internal membership growth group has been created and has set strong membership growth targets and acquisition plans. At the time of writing this report the building remained unoccupied. SLT are taking mitigating actions to look at new avenues for securing tenants. Currently our investments are reinvested back into the portfolio. There has been no reason to draw down on the dividends for operational use. We can revisit this approach in the short term to cover any shortfall.

We may fail to deliver on the strategic priorities we have promised our members.

Our ability to deliver on our strategy could be threatened by inefficient strategic planning, insufficient resources, poor prioritisation or failure to provide staff with the tools they need to deliver.

We have a dedicated Strategy, Technology and Transformation directorate to oversee the delivery of our strategic priorities and reporting to Council on these. We have implemented a new project management framework, with in-house expertise, to support successful delivery of our strategic projects. And we've developed new joint working practices between SLT and Heads to agree clear priorities for each quarter.

We may fail to develop and embed the culture we need to set the organisation up for success.

We have brought in new staff with specialist skills but our ability to retain them may be affected by lack of development and pay progression opportunities. We may be too slow to respond to cultural change in terms of employee expectations or workplaces or we may fail to take staff with us on our change journey.

We have implemented working together agreements and have started to embed a performance management culture whereby staff have greater clarity about what is expected and support to help them to deliver.

We have commissioned an external review of pay and benefits, and we provide EAP support and private health insurance. We've introduced Mental Health First Aiders.

Our governance may hinder us achieving our ambitions.

We have a complex governance structure that is hindering our ability to provide a strong unified voice representing the occupational therapy community and we lack diversity of expertise. This means the governance role as critical friend to management is stronger in relation to some functions of the organisation than others.

We want our governance to provide a strong foundation for the organisation's success. So Council is leading on a wide-ranging governance review that seeks to optimise our governance to support delivery of the strategic ambitions. The review will seek to: reduce complexity; improve transparency; bring in a wider range of skills; reduce risk; strengthen decision-making and provide a foundation for a stronger RCOT voice. As part of this, Council have agreed to seek additional expertise to supplement the expertise brought by our OT Council members.

Structure, governance and management

Legal status

The Royal College of Occupational Therapists (RCOT) is a charitable company limited by shares registered in England and Wales (company no. 01347374) and a charity registered in England and Wales (no. 275119) and in Scotland (no. SC039573). The company's registered office is Phoenix House, 106-114 Borough High Street, London SE1 1LB.

RCOT is the subsidiary of The British Association of Occupational Therapists Limited (BAOT) (company no. 00392350), which is the sole shareholder and member. BAOT is the professional association and trade union for occupational therapists in the United Kingdom (UK).

Council

Role and responsibilities

Council is the RCOT's governing body, with Council members being both company directors and trustees. It is responsible for the charity's mission, values, and its overall governance and strategic direction. Council meets a minimum of four times a year and is responsible for ensuring that the charity meets its legal and regulatory obligations in the course of fulfilling its charitable purpose. In 2022–2023 Council met six times.

As the governing body of a membership organisation, Council is committed to transparency and accountability in decision-making. The minutes of each Council meeting are published on RCOT's website (behind the member paywall), as is a video interview between the Chair and Chief Executive reflecting on the most recent Council meeting.

All members of Council are professional members of BAOT. Council members are volunteers and are not paid for their work but may claim reasonable expenses incurred through attending meetings or carrying out other duties.

Further details of all our Council members can be found on our website: rcot.co.uk/rcotcouncil

Recruitment, appointment and induction

The composition, appointment, election and retirement of Council members are governed by the charity's Articles of Association and the Council Rules. All Council members are elected by the company members of BAOT for a three-year term, starting from the date of the Annual General Meeting. The Council consists of nine members with the following

roles: Chair; Council members from England, Wales, Scotland and Northern Ireland; Research and Development; Learning and Development; Industrial Relations and International Affairs. Further details of our Council members can be found on our website: rcot.co.uk/rcotcouncil

We provide an induction for all new Council members, which includes all of the formal documents about the governance of RCOT, together with relevant Charity Commission publications and other general guidance about the management and administration of the organisation. They also attend 121s with the Chair, CEO and SLT to learn more about the organisation, its management and governance.

Council members attend an annual development day and ongoing training as needed. The planned People and Nominations Committee will have oversight of ensuring Council's induction and ongoing training needs are met.

Audit, Investment and Risk Committee

The Audit, Investment and Risk Committee has lead responsibility from the Council for: ensuring that there is a framework for accountability; implementing the investment policy and overseeing the charity's investments; for reviewing all systems and methods of control, compliance, and risk management. The Committee comprises a mix of Council members and other serving independent members who are recruited because of their professional and functional expertise. The Audit, Investment and Risk Committee met four times in 2022–2023.

Three new committee members were appointed in September 2023, with expertise in finance, investment and governance.

During 2022–2023 the Committee oversaw the tender process and appointment of new auditors.

Governance review

As RCOT works towards its ambitious strategy it is essential that this work takes place from a secure governance foundation. Decision-making, expertise, assurance and compliance must be robust to support ambitious projects and to reduce the organisation's exposure to risk. The following is a summary version of the objectives the BAOT and RCOT Councils have agreed for the review.

Both organisation's corporate governance is optimised to support the delivery of the organisation's strategic ambitions and complexity within the governance structure is reduced wherever possible and desirable.

Our governance has the appropriate balance of skills, experience and knowledge to provide a strong strategic vision for the organisation and effective challenge and scrutiny of the organisation's management.

We have designed, documented and implemented the structures, policies and processes to optimise our corporate governance and demonstrate good practice. This includes: demonstrating we understand the legal and governance framework in which we operate; having a framework which supports the distinct natures of BAOT and RCOT; clear accountability, responsibility and robust decision-making; documented and effective delegation; and appropriate management and documentation of conflicts of interests.

Our governance enables us to continue to build on the RCOT brand and reduces the risk of dilution across and confusion between the RCOT and BAOT names.

The RCOT brand is central to achieving our vision and broader strategy, particularly around raising the profile and building an understanding of the profession.

Our membership has clarity, confidence and a strong voice in our governance. Members understand and know how to exercise their member rights.

We create a culture that supports the skills and behaviours needed for governance to thrive. This is about transparency, valuing healthy challenge and having a desire to learn from mistakes.

As part of the review, during 2022–2023 the BAOT and RCOT Councils have: established a Project Board which comprises three members of Council, including the Chair, members of senior management and an external legal adviser; decided the scope of the governance review; appointed governance and legal expertise to support the review; and, agreed the priority aims for 2024, including establishing a new People and Nominations Committee.

Fundraising

RCOT does not actively fundraise but does periodically bid for research funding on a modest scale. No donations were received during the year.

Key management personnel

The Council delegates operational planning and day-to-day management of the charity to the chief executive, supported by our Senior Leadership Team and staff. The Council oversees the chief executive's performance through reports and briefings. The Chair of Council carries out the chief executive's formal appraisal annually, on behalf of Council.

The Council approves proposals regarding the salary and benefits of the chief executive and senior leadership team.

On an annual basis we externally market assess our CEO and SLT salaries using reward specialists who carry out this review using a number of data insight tools (personalised salary benchmarking, best practice reward insights and candidate trend analysis). The roles are benchmarked against the not-for-profit market, in and around London and the transformational skills and expertise required to deliver RCOT's strategy.

The planned People and Nominations Committee will have responsibility for reviewing CEO and senior leadership team salaries going forward.

The Senior Leadership Team regularly review their effectiveness as a successful cohesive team and build on opportunities to continuously evolve and improve. This has included executive coaching and team development sessions to drive the organisation forward.

Policies

Investment policy

Under the terms of the Memorandum of Association, RCOT has the power to invest funds not immediately required to support charitable activities. The current Investments Policy, outlines parameters for ethical, social and governance investing as well as guidelines on risk and return. The policy target returns of CPI + 2% from the investment portfolio which was agreed in December 2021.

RCOT's primary investments portfolio (managed by Close Brothers LLP) is a diversified portfolio of investments, typically including fixed-term income products and equities. The returns from the investments

were reinvested back into the portfolio during the year. The current policy is under review to align the policy with the five-year strategy of the business. Future returns from the portfolio will be utilised towards operating activities.

During the period, the portfolio performed better than its bespoke Strategic Asset Allocation (SAA) and ARC Peer Group since inception primarily due to strong performances in 2019 and 2020 (see table below). However, the portfolio has underperformed its benchmarks in 2023 as the market has been in recovery during the period.

Reserves policy

At the October 2021 Council Meeting, the Reserves Policy was amended to retain sufficient general reserves (excluding fixed asset balances) to fund a minimum of 26 weeks (approx. 6 months) of future budgeted expenditure. This is to cover the financial implications of a significant and/or permanent reduction in income. 26 weeks of future budgeted expenditure for 2023-24 has been identified as £6.2m.

Council is supported by the Audit, investment, and risks committee (AIRC) to review the reserves and investment policy. The current policy is under review to align the policy with the five-year strategy of the business.

Performance to 30 September 2023	%	Differential
2023 Year to date (September 23)		
RCOT	-1.42%	
Bespoke SAA Benchmark	+0.82%	-0.40%
ARC Charity Balanced	+1.79%	-3.21%
2023 Year to date (October 23)		
RCOT	-2.30%	
ARC Charity Balanced	-0.70%	-1.60%
Since Inception (2018) to September 2023		
RCOT	+24.85%	
Bespoke SAA Benchmark	+15.71%	+9.14%
ARC Charity Composite	+22.84%	+2.01%
1 Year to September 2023		
RCOT	+0.95%	
Bespoke SAA Benchmark	+5.53%	-4.58%
ARC Charity Balanced	+4.39%	-3.44%
3 Years to September 2023		
RCOT	+0.34%	
Bespoke SAA Benchmark	+5.01%	-4.67%
ARC Charity Composite	+10.98%	-10.64%

Financial review

The trustees present the results for RCOT for the year 2022–2023. The financial statements covering the period from 01 October 2022 to 30 September 2023 are presented on page 80 to 99.

During the year, we set out our five-year financial strategy as we embarked on a transformation journey; investing in our infrastructure, building asset and our people to deliver the biggest impact for our members and for the OT profession. The result for the year provides a strong foundation towards achieving our plan.

Despite high inflationary pressures and economic uncertainty, our total income climbed by 6%, reaching £9m (2022: £8.5m). We increased our total charitable expenditure by 10% to £10m (2022: £9.2m), and a further £0.97m was allocated to raising funds (2022: £Nil). These results produced an overall net expenditure position of £2.02m (2022: £0.66m).

Despite challenging market conditions, our investments held their value during the year; breaking even compared to significant losses in the prior year (2022: £0.61m). Notably, our freehold building appreciated in value, delivering an unrealised gain on valuation of £3.2m (2022: £Nil).

The above produced a net surplus in funds for the year of £1.2m against a loss of £1.3m at the end of 30 September 2022.



Financial performance (snapshot):

	Unrestricted £'000	Designated £'000	Restricted £'000	2023 £'000	2022 £'000
Total income	8,670	350	-	9,020	8,496
Total charitable expenditure	(9,466)	(342)	(266)	(10,074)	(9,156)
Raising funds	(88)	(881)	-	(969)	-
Net operating result	(884)	(873)	(266)	(2,023)	(660)
Gains (losses) on investment assets	-	-	-	-	(614)
Gains (losses) on investment property	3,239	-	-	3,239	-
Transfer between funds	2,833	(2,833)	-	-	-
Net movement in funds for the year	5,188	(3,706)	(266)	1,216	(1,274)

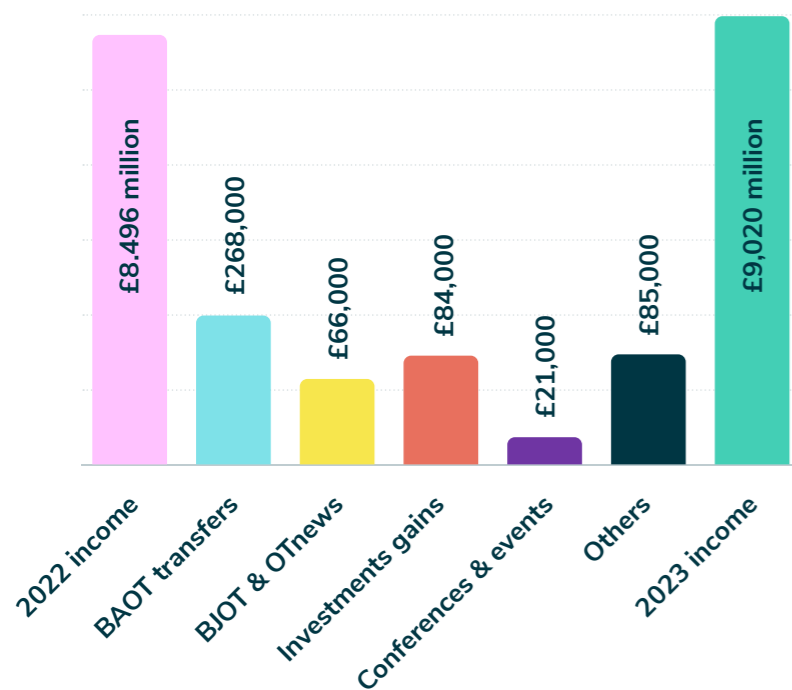
Income

Total income for the year was £9m (2022: £8.5m). The main factors behind the 6%, £0.5m improvement is illustrated in the chart below, as seen on page 66.

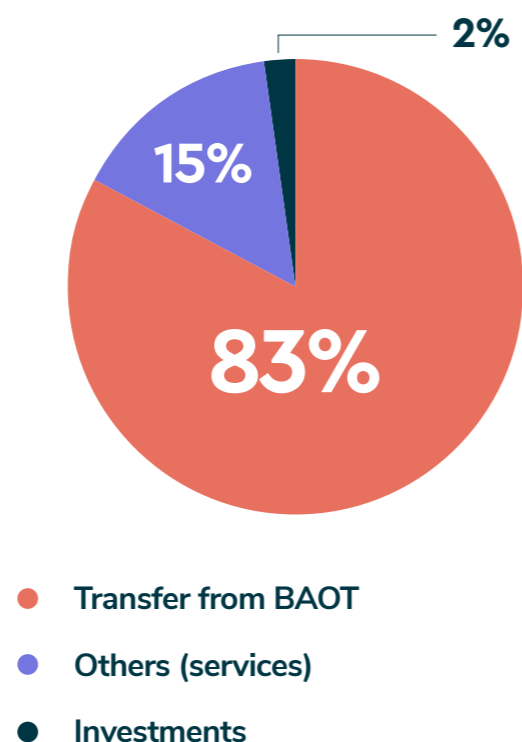
During the year, RCOT received funding from BAOT (the Parent company). The funding makes up 83% of total income for the year and is provided to further the work of RCOT. After fulfilling its trade union duties through its standing agreement with UNISON, BAOT transfers the balance of member subscription to RCOT. The value of the transfer grew by £0.27m due to a 2% increase in membership in the year, the transfer from BAOT amounted to £7.5m (2022: £7.2m).

Our income also grew through a combination of delivery of services and other charitable activities. Specifically, delegate and sponsorship income for the conferences and events held during the year which increased to £0.14m (2022: £0.12m). Furthermore, our publications (including BJOT (*British Journal of Occupational Therapy*) and OTnews (monthly magazine)) also attracted increases of £0.07m in royalty income and advertising revenue. Income in this area is a combined total of £0.69m (2022: £0.63m). RCOT investment portfolio produced a return of £0.18m (2022: £0.10m) for the year, whilst other activities, including professional practice and innovation activities increased to £0.54m combined, (£2022: £0.45m).

Total income: £9m (2022: £8.5m)



Total income by type



Expenditure

Total expenditure on charitable and other activities during the year was £11m (2022: £9.2m), an increase of 21%, £1.9m. The performance is made up of the following:

Charitable activities spending increased to £10.1m (see note 2), an increase of £0.92m on the 30 September 2022 spend of £9.2m. Spend on other activities relating to raising funds amounted to £0.97m (2022: £Nil), contributing a slight increase in overall spend. The main factors contributing to the increase in spend are detailed below.

During the year, we invested in the delivery of charitable activities with the aim to continue to provide value for our members and deliver for the OT profession. We increased our workforce to bring in the necessary skills and expertise required to

help us achieve our strategic ambitions. This increased our capacity to deliver more impact through our charitable activities, allocating more resource than in the previous year, (see note 5).

The chart on the following page illustrates the spend on charitable activities during the year.

We allocated £3.5m (2022: £4.5m) towards the delivery of professional practice and innovation. In the year we developed policies and carried out research that continues to improve professional practice and promote innovation in the OT profession. The spend in this area allowed us to deliver our workforce survey report which informed on the pressures in the profession. We also continued to partner with over 50 higher education institutions providing accreditation and standards services.

Total expenditure on charitable activities by type £'000



Our conferences and events were mostly held virtually during the year; cost in this area fell to £1.3m (2022: £3.1m) as a result.

Production, distribution, and editorial cost of our publications including BJOT and OTnews was relatively in line with spend in the previous year at £1.02m (2022: £1m).

Member services and support activities include membership engagement and insights, support for our OT communities as well as administration of membership subscription. These activities have seen the biggest increase in allocation of funding compared to the previous year, £4.3m (2022: £0.59m). With this we continue to deliver benefits for our members.

Note: charitable spend includes support costs which are apportioned across the various charitable activities (see note 3). These costs (amounting to £2.9m (2022: £3.3m), a reduction of £0.4m) supports the delivery and management of charitable activities and projects.

Spend on raising funds of £0.97m (2022: £Nil) relates to recognition of the final liability of the pensions scheme buyout of £0.88m which was settled post the reporting period, see note 8. An additional £0.09m of spend is a combination of building overheads and other management fees incurred in the delivery of rental activities which commenced in the year and investment management fees.

Reserves

Overall reserves increased by £1.2m to £15.6m (2022: £14.4m), a 8% increase. The chart below illustrates the factors responsible for the movement in reserves for the year.

The reserves movement relates mostly to net expenditure across unrestricted, restricted, and designated activities of £2.02m (2022: £0.66m), offset by an unrealised gain on revaluation of the investment property of £3.2m (2022: £ Nil).

Closing reserves £15.6m (2022: £14.4m)



Unrestricted funds

RCOT unrestricted funds amounted to £12.1m (2022: £6.9m), an increase of £5.2m, made up of the following:

General funds increased to £8.9m (2022: £6.9m) in the year. This reserve includes fixed assets with a net book value of £1.6m. Adjusting for this, the current position results in a free reserves position of £7.3m (2022: £5.6m), £1.1m above the minimum policy level agreed of 6 months (26 weeks) of future budgeted expenditure.

Following the building project investments during the year, the value of the building asset appreciated to £7m. The unrealised gains derived from valuation amounted to £3.2m and are reflected in the revaluation reserves.

RCOT investments are also represented within its general reserves. The total

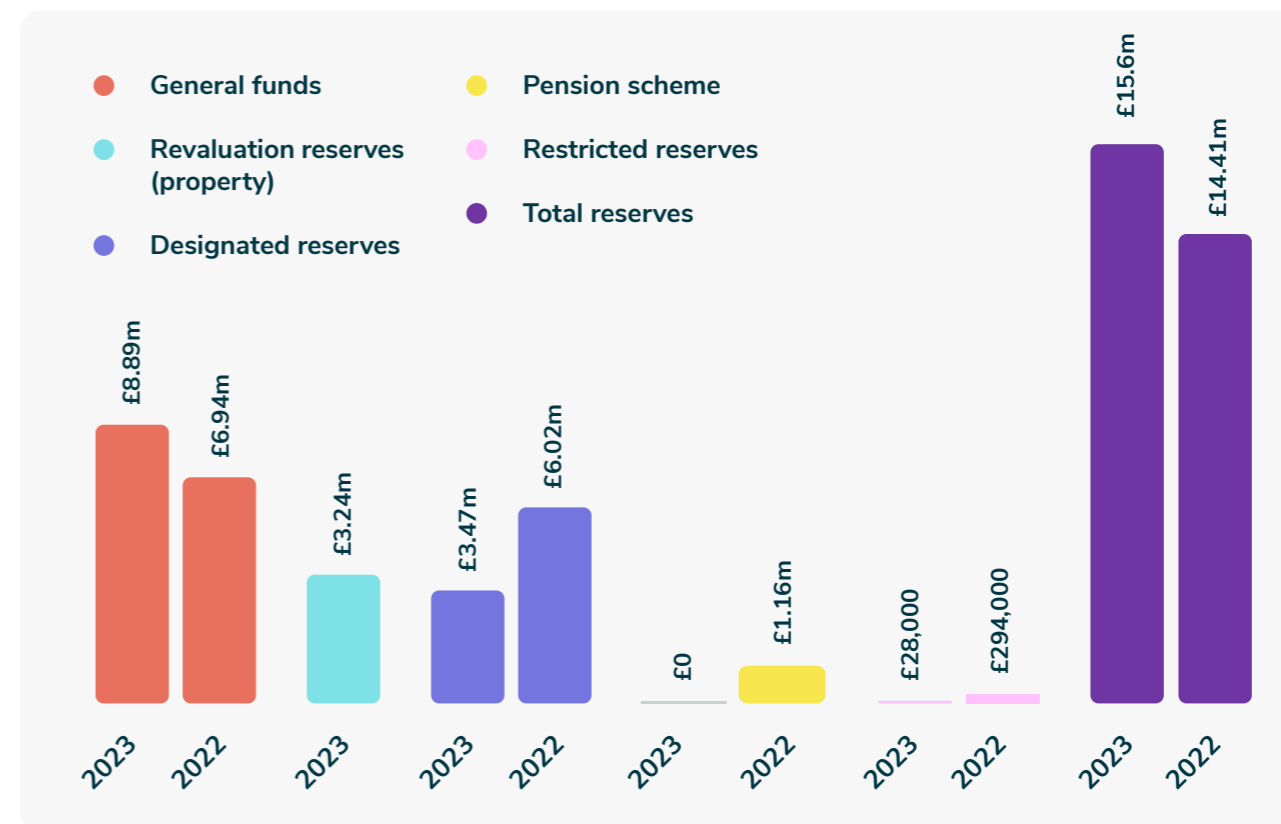
investment portfolio market value was £4.3m (2022: £4.4m). During the year, short-term investments were held, managed by Rathbones. The portfolio, starting at £4m were invested in short term equity bonds to facilitate a pre-agreed drawdown arrangement according to cashflow requirements. At the end of the year the value of the portfolio was £0.53m.

Designated reserves

RCOT designated reserves fell to £3.5m (2022: £6m). Main activities within the designated reserves during the year are made up of the following:

The building project fund was designated to support our building transformation project in 2022. The project is vital to RCOT commercial strategy to diversify income by transforming our building asset into a viable commercial space with the view to generate commercial rental income and concluded

Closing reserves composition 2023: £15.6m



in the period. Total invested on the project amounted to £1.9m. In September 2023 the Trustees decided to un-designate £0.25m from the building fund to general reserves.

The transformation fund is designated for the delivery of transformation projects identified as strategic priority. In the year, £0.11m of the funds were utilised for the organisation design project, digital and systems transformation, EDB project and Governance review. In September 2023 the Trustees decided to transfer £0.50m from the transformation fund to general reserves.

College Branches are funds held for the purpose of supporting the activities of RCOT specialist sections and regional groups. These activities produced a small surplus of £0.16m, bringing the balance of the fund to £1.06m (2022: £0.90m).

The pensions scheme reserves are held towards final settlement of the defined benefit pensions scheme liability previously valued at £1.2m. A final settlement of £0.88m has been confirmed and the liability recognised in the period, settlement of which took place early 2024. Given the designated funds held towards this liability is in excess of the settlement amount, the remainder of the fund is therefore transferred back to the general funds.

Other designated funds had no movement in the year.

Note: the trustees have taken into consideration the Charity Commission's guidance on public benefit in allocating RCOT reserves to identified strategic priority projects.

Restricted reserves

The RCOT restricted reserves fell to £0.03m (2022: £0.29m). This is mostly due to project delivery spend towards the NHS Health Education England funded projects; Neonatal £0.05m and AHP Workforce Reform £0.25m which concluded in the year.

Furthermore, we awarded a total of £0.16m in grants in the year. ISP awards were granted to occupational therapy research, a total of £0.08m. A further £0.08m was awarded to members who were affected by the 2023 cost-of-living crisis through the hardship funds.

Other restricted funds held had no movement in the year.

Plans for future periods

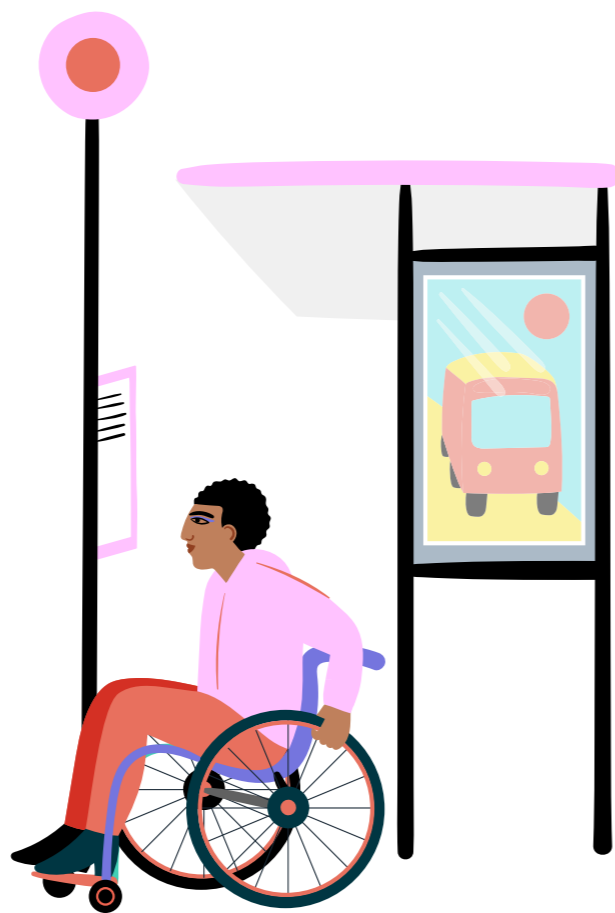
The result for the year delivers a strong foundation by which we can build on over the next five years. Council approved the growth plan ambition in our five-year strategy in September 2023. We have started to implement the strategy.

During the year we allocated funds from the transformation fund to our strategic priorities. We have identified some systems and infrastructure improvements that will deliver value for our members. Most of these projects were in their initial scoping phase during the year. We expect most of the identified project to go-live in the 2024 period. We have developed and implemented a robust business case

review process to assess the viability of each project before they are approved.

In line with the investment policy review in the year and the proposed target return of CPI+3% from the portfolio, in the coming year we will kick off a tender process for the acquisition of investment fund managers that will support the Trustees with managing the investment portfolio and delivering this strategic aim.

Future fee changes are also likely (member fee structure simplification and fee changes), but we expect that such changes will partner with membership offer improvements.



Statement of Council members' (trustees') responsibilities

Council are the charity trustees (who are also the company directors of Royal College of Occupational Therapists) and are responsible for preparing the Trustees' Report, strategic report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

- select suitable accountancy policies and then apply them consistently
- observe the methods and principles in the Charities SORP

- make judgements and estimates that are both prudent and reasonable.
- state whether applicable UK Accounting Standards have been followed, subject to any 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 will continue in business.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charitable company at any time and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution.

The trustees are also responsible for safeguarding the assets of the charitable company and hence take all reasonable steps for the prevention and detection of fraud and any other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Council members (trustees). The Council members' (trustees') responsibility also extends to the ongoing integrity of the financial statements contained therein.

This report has been prepared in accordance with the special provisions of Part 15 of Companies Act 2006.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- A)** there is no relevant audit information of which the charitable company's Auditor is unaware.
- B)** the trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the Auditor is aware of such information.

The Trustees' Report and the Strategic Report was approved by the Council (Board of Trustees) and authorised for issue on 17 April 2024



Odeth Richardson
Chair of Council



Independent auditor's report

to the members and trustees of Royal College of Occupational Therapists

Opinion

We have audited the financial statements of Royal College of Occupational Therapists for the year ended 30 September 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2023 and of the 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.
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

The information given in the trustees' annual report for the financial year

for which the financial statements are prepared is consistent with the financial statements. The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or

the charitable company's financial statements are not in agreement with the accounting records and returns; or

certain disclosures of trustees' remuneration specified by law are not made; or

we have not received all the information and explanations we require for our audit; or

the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud

or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

We obtained an understanding of how the charitable company complies with these requirements by discussions with management.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.

We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based

on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006; and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in accordance with Chapter 3 of Part 8 of

the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP.

Jonathan Aikens

(Senior Statutory Auditor)
for and on behalf of Moore Kingston
Smith LLP, Statutory Auditor
6th Floor
9 Appold Street
London
EC2A 2AP
Date: 23 May 2024

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Financial statement

Statement of financial activities (incorporating the income and expenditure account) for the year ended 30 September 2023

Incoming and endowments from:	Note	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Charitable activities						
Member services and support		7,147	324	-	7,471	7,203
Journals and publications		694	-	-	694	628
Conferences and events		115	26	-	141	120
Professional practice and innovation		501	-	-	501	168
		8,457	350	-	8,807	8,119
Investment income		179	-	-	179	95
Other income		34	-	-	34	282
Total		8,670	350	-	9,020	8,496

Expenditure on:	Note	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Charitable activities						
Member services and support		4,030	268	-	4,298	594
Journals and publications		1,016	-	-	1,016	997
Conferences and events		1,249	34	-	1,283	3,107
Professional practice and innovation		3,171	40	266	3,477	4,458
	2	9,466	342	266	10,074	9,156
Raising Funds						
Investment management fee		28	-	-	28	-
Rental activities		60	-	-	60	-
Pensions buyout cost	8	-	881	-	881	-
Total		9,554	1,223	266	11,043	9,156
Loss on investments assets	11	-	-	-	-	(614)
Gain on investment property	12	3,239	-	-	3,239	-
Net (expenditure)/ income		2,355	(873)	(266)	1,216	(1,274)
Transfer between funds	17	2,833	(2,833)	-	-	-
Net movement in funds:		5,188	(3,706)	(266)	1,216	(1,274)
Reconciliation of funds						
Total funds brought forward at 1 October		6,939	7,173	294	14,406	15,680
Total fund carried forward at 30 September	18	12,127	3,467	28	15,622	14,406

All amounts derive from continuing activities. All gains and losses in the year were recognised in the statement of financial activities.

Balance sheet as at September 2023

Companies House Number 01347374

	Note	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Fixed assets					
Tangible assets	10	-	1,548	-	1,351
Investments	11	-	4,908	-	4,337
Investment property	12	-	5,000	-	-
		-	11,456	-	5,688
Current assets					
Debtors	13	2,062	-	3,107	-
Cash held as liquid investment	20	1,771	-	1,738	-
Cash at bank and in hand	20	2,119	-	5,190	-
		5,952	-	10,035	-
Creditors					
Amount falling due within one year	14	(1,786)	-	(1,317)	-
Net current assets		-	4,166	-	8,718
Net assets	18	-	15,622	-	14,406
Share Capital	15	-	-	-	-
Funds					
Restricted	16	-	28	-	294
Designated					
Pension Scheme	17	-	-	-	1,156
Other	17	-	3,467	-	6,017
Unrestricted		-	12,127	-	6,939
Capital and reserves		-	15,622	-	14,406

Approved by Council and authorised for issue on 17 April 2024

Odeth Richardson
Chair of CouncilDr Kee Hean Lim
Vice Chair of Council**Cash flow statement for the year ended 30 September 2023**

	Note	2023 £'000	2022 £'000
Net cash (outflow)/inflow used in operating activities		(561)	(2,523)
Cash flows from investing activities:			
Investment income		179	95
Amounts paid to acquire investments		(6,350)	(1,948)
Amounts received from disposal of investments		5,939	6,268
Amount paid to acquire tangible fixed assets		(2,060)	(109)
Additions to investment property		(24)	-
Net cash from investment activities		(2,316)	(4,306)
Change in cash and cash equivalents for the year ended 30 September		(2,877)	1,783
Cash and cash equivalents at the beginning of the reporting period		7,143	5,360
Cash and cash equivalents for the year ended 30 September	20	4,266	7,143
Reconciliation of net income to net cash flow from operating activities			
Net surplus/(loss) at 30 September as per the SOFA		1,216	(1,274)
Adjustments for:			
Depreciation		117	176
Loss on disposal of fixed assets		8	-
Investment income		(179)	(95)
(Increase)/decrease in debtors		1,045	(2,145)
Increase/(decrease) in creditors		471	201
Gain on investments		-	614
Gain on investment property		(3,239)	-
Net cash used in operating activities		(561)	(2,523)

Notes to the financial statements

1. Principle accounting policies

In the opinion of Council these financial statements comply with Financial Reporting Standard 102 (FRS 102).

a) Basis of accounting

The financial statements of RCOT have been prepared on the going concern basis under the historical cost convention, as modified by the valuation of fixed asset investments and in accordance with applicable Accounting Standards having regard to the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1st January 2019, Companies Act 2006 and Charity and Trustees Investment (Scotland) Act 2005.

The financial statements are prepared in Sterling, which is the functional currency of the company and the reported amounts have been rounded to the nearest £'000.

b) Going concern

Transfers from BAOT remains the main source of funding for the charitable activities of RCOT. In the year, this accounted for 83% of income. This funding which increased by £0.27m in the year largely due to a 2% increase in membership subscription and is expected to continue to grow in coming years. At 30 September 2023 the

number of BAOT members amounted to 35,828 (2022: 35,118).

RCOT has identified the need to develop its commercial strategy with the aim to improve the financial resilience of the business and lessen the reliance on BAOT transfers. This includes implementing a new investment strategy to deliver growth in yield generated from the held investment portfolio. The Charity's only significant liability is the defined benefit scheme (closed in 2014), and is fully funded at a final valued amount of £0.88m, and was settled early 2024, see note 8.

The Council, as trustees of RCOT, confirm that there are no material uncertainties about the company's ability to continue as going concern. The Council also confirms that there is adequate levels of resources available to continue in operational existence for at least 12 months from the signing the financial statements.

c) Income

All income is derived from activities within the United Kingdom and is accounted for on a receivable basis, with the exception of membership subscriptions and donations, which are accounted for when received.

Of the total membership subscriptions received by BAOT, 21% (2022: 19%) is retained to meet its industrial relations and administrative costs. The balance 79% (2022: 81%) is transferred to RCOT to support its charitable activities. Where entitlement to income is dependent upon fulfilment of

conditions within RCOT's control, the incoming resources are recognised when there is sufficient evidence that conditions have been met. Where there is uncertainty as to whether RCOT has met such conditions, or the funder clearly states that the funding is for next financial year, then the income is deferred.

d) Expenditure

The cost of RCOT's charitable activities have been grouped under the following main headings:

- Membership services and support – previously 'membership administration', are cost associated with providing member engagement and insights, member communities, including collection and administration of membership subscription.
- Journals and publications – previously 'journals', are costs associated with communicating with members, whether centrally or regionally or whether in hard copy or electric format. This costs largely represents the production and editorial cost of BJOT and OTNews magazine.
- Conferences and events – these cost relate to the organisation, promotion and administration of events
- Professional practice and innovation – previously 'professional activities' are costs within the areas of research and development, education and provision of professional practice activities.

Direct expenditure are allocated to each of these categories of activity. Where expenditure cannot be directly allocated it represents support costs and is

apportioned on a basis consistent with the use of resources – by reference to the number of full-time-equivalent members of staff.

Governance and general administration costs represents the costs associated with the governance arrangement of RCOT, including costs related to the strategic (as opposed to operational) management of RCOT's activities. These cost are also included in support cost and apportioned as above.

e) Fixed assets and depreciation

Fixed Assets with cost of £1,000 or greater are capitalised (capitalisation threshold) and are stated in the Balance Sheet at net book value, being cost less accumulated depreciation and any related impairment.

Depreciation is provided at rates that are calculated to write off the cost of each asset, on a straight-line basis (evenly), over its estimated useful life. Rates for the different categories are as follows:

RCOT premises	2% per annum on cost
Fixtures and fittings	10% per annum on cost
Office equipment	20% per annum on cost
IT equipment	33.33% per annum on cost

Freehold land is not depreciated. RCOT premises combines two previously held asset class (freehold premises and building improvement). RCOT premises will be carried at cost and depreciated.

Phoenix House, the Head Quarters of RCOT is located at 106-114 Borough High Street, London. The freehold building was previously held at net book value in the balance sheet. The building is now primarily held for RCOT charitable activities and for the purpose of carrying out rental activities. The building is now represented in the balance sheet between fixed asset (RCOT premises) and investment property (see note 'g' below).

RCOT premises represents the floor area used to carry out RCOT activities and it's shared communal area.

f) Investments

Investments are included in the Balance Sheet at latest market value at the post balance sheet date. Any unrealised gains or losses are included in the Income and Expenditure Account. The investment portfolio is professionally managed on the Group's behalf by professional fund managers in accordance with the Group Investment Policy.

g) Investment property

The investment property is recognised in the balance sheet as at fair value. The valuation method used to determine fair value of the investment property will be stated in the notes to the financial statements and any gains and losses are included in the SOFA.

h) Funds

Restricted funds are grants or donations given by a grant provider or donor with performance conditions attached that must be met, before income can be recognised in the Income and Expenditure Account. They are held in the Balance Sheet as Restricted Fund Reserves until the performance conditions are met.

Unrestricted funds are available for use by the company to further its objects. Certain unrestricted funds are designated by Council to be used for particular purposes. The categories of designated reserves and the values designated can be changed by Council at a later date.

i) Liquid assets

Liquid assets are cash, or assets that can be converted into cash very quickly, generally because there is an enduring demand from buyers and because their realisable value is known with a high level of reliability.

j) Pensions

RCOT operates a defined contribution scheme for staff as part of its employee benefits package. This includes ongoing contractual obligations for the employer to contribute towards the staff members' pension pots until they cease being an employee. By definition, the employer has no contractual obligation to create or maintain the pension pot values, but does have an obligation for the employer contribution rates payable.

In the past, the company provided a defined benefits scheme for employees. This scheme was closed to employees in June 2014. Following a scheme valuation in December 2017, the scheme administrators advised that there is a final employer payment, valued in December 2017 at £1,156,000. The final payment has been confirmed slightly lower than the December 2017 valuation at £881,167 and was settled early 2024, see note 8.

k) Recognition of liabilities

For the financial year being reported, where goods and services were provided to the company by agreement, or contractual obligations otherwise

arise and invoice processing has not yet occurred, accrued expenses are recognised in the Income and Expenditure Account. VAT costs are also accrued for to the extent they cannot be recovered.

l) Grants

Where the company makes grants to an external party, such grants are recognised in the year in which they are paid. In addition, it also administers a number of restricted funds which make grants each year. These restricted fund grants are charged in the year in which they are paid. Details of grants paid are available on the company website.

m) Accounting estimates and areas of judgement

The trustees recognise that in fulfilling their obligations, they are required to ensure that estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. During the year there were no accounting estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The following estimates and assumptions including their effect on the carrying value of relevant assets and or liabilities have been considered in preparing the financial statements:

Useful economic lives – the annual depreciation charge for property, fixture, fittings and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are re-assessed annually and amended

where necessary to reflect current circumstances.

Investment property – the Charity's only investment property is the portion of its building (Phoenix House) that is use for non commercial lettings purposes. This asset has been recognised in the balance sheet at market value of £5m. The property had been valued based on the valuation carried by Cluttons LLP, and is reviewed annually by the trustees taking into consideration the current property market prices for similar properties in the same area.

n) Cash & cash equivalent

Cash and cash equivalents include cash in hand and current and fixed term bank deposits maturing in less than 30 days.

o) Financial instruments

The trustees have elected to apply the provision of Section 11 'Basic Financial Instrument's and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. With the exceptions of prepayments and deferred income all other debtor and creditor balances which are considered to be basic financial instruments under FRS 102. (See notes 13 and 14 for details).

2. Charitable activities

	Direct cost £'000	Support cost (see note 3) £'000	Total 2023 £'000	Total 2022 £'000
Unrestricted funds				
Member services and support	2,947	1,083	4,030	540
Journals and publications	870	146	1,016	997
Conferences and events	738	511	1,249	3,023
Professional practice and innovation	1,993	1,178	3,171	4,187
Total unrestricted	6,548	2,918	9,466	8,747
Designated funds				
Member services & support	268	-	268	54
Journals and publications	-	-	-	-
Conferences and events	34	-	34	84
Professional practice and innovation	40	-	40	207
Total designated	342	-	342	345
Restricted funds				
Professional practice and innovation	266	-	266	64
Total charitable activities	7,156	2,918	10,074	9,156

Raising funds

During the year, cost associated with raising funds amounted to £0.97m (2022: £Nil) and relates primarily to the final settlement required to complete the pensions scheme buyout, operational costs incurred in carrying out rental activities and management fees charged by investment portfolio managers.

Note: In the period, there has been some significant movement in the allocation of charitable expenditure (across Member services and support, Conferences and events and Professional practice and innovation). The transition to a new organisational structure, which took place during the year largely impacted on the make-up of the teams, level of talent and expertise across the business. The difference in allocation of spend in this identified areas compared to 2022 are driven by these factors.

3. Support cost

	Total 2023 £'000	Total 2022 £'000
Support staff	1,004	1,621
Facilities and infrastructure	1,090	925
Depreciation	116	176
General administration	581	542
Governance cost (see note 4)	127	35
Total support costs	2,918	3,299

4. Auditors fees

Governance cost includes the audit fee of RCOT's auditors is £28,200 (2022: £35,100) for audit work.

5. Staff cost

	Total 2023 £'000	Total 2022 £'000
Salaries	4550	4073
Social security costs	502	485
Pension costs	372	369
Employee benefits	130	94
Sub total cost of staff employed	5,554	5,021
Temporary staff	310	219
Recruitment	318	121
Training	10	28
Total staffing costs	6,192	5,389

The average monthly numbers employed in the year were as follows:

	2023 number	2022 number
Charitable activities	56	68
Support activities	36	18
	92	86

The remuneration of the higher paid employees fell within the bands:

	2023 number	2022 number
£60,001 - £70,000	18	8
£70,001 - £80,000	4	-
£80,001 - £90,000	-	2
£90,001 - £100,000	2	2
£100,001 - £110,000	3	1
£130,001 - 140,000	1	-

During the year, we brought in required specialist expertise and Heads of departments across the business. This is the reason for the increase in staff paid between the £60,001 to £70,000 range. Also included in staffing cost are ex-gratia redundancy settlement payments of £169,817 made out to individuals during the year.

Remuneration and benefits paid to key employees during the year:

	2023 £000	2022 £000
Salaries	586	628
Social security costs	76	80
Pension costs	46	54
Employee benefits	5	10
Total remuneration and benefits	713	772

During the year, key management personnel comprised of the Chief Executive Officer and four directors who manage key business areas. Collectively they represent the senior leadership team.

6. Council members

All Council members can claim for travel, subsistence and other expenses. The total amount of expenses reimbursed to 9 Council members during the year was £5,806 (2022 – nine Council members were reimbursed £9,365). Council members did not receive any remuneration for carrying out duties as trustees/directors. RCOT paid £5,600 (2022: £3,700) to provide Charity Trustee insurance cover.

7. Taxation

RCOT is a registered charity and is not subject to Corporation Tax on income arising from its charitable activities.

8. Post balance sheet event (pensions buyout)

In December 2017, the pension scheme Trustees of the Federated Pension Scheme for British Association of Occupational Therapists Limited and Aviva & Life Pensions UK Limited agreed to the buyout of the defined benefit pension scheme. An advanced payment of £3,479,000 was paid in December 2017, with the balance of £881,116 settled early 2024. The liability has been recognised in the statement of financial activities as at 30 September 2023.

9. Pension costs

RCOT operated a defined benefit pension scheme for qualifying employees in the UK. This scheme closed in June 2014 to all new entrants and further accrual. The disclosures set out below are based on calculations

carried out as at 30 September 2023 by a qualified independent actuary.

The main assumptions used for the purposes of FRS102 are (in nominal terms):

	30/09/2023	30/09/2022
Discount rate	5.40%	5.00%
Expected return on scheme assets	1.25%	1.20%
Pension increases in payment at the 5% LPI rate based on RPI	2.50%	2.50%
Pension increases in payment at the 2.5% LPI rate based on RPI	2.30%	2.35%
RPI	3.55%	4.00%
CPI	3.00%	3.40%

Expected return on assets

The assets of the scheme and the net expected long-term return on these assets are:

	At 30/9/2023 £000	At 30/9/2022 £000
Insured annuity contracts	8,963	9,850
Cash/other	18	33
Total fair value of assets	8,981	9,883

Reconciliation of the present value of scheme liabilities and fair value of assets to the assets and liability recognised in the balance sheet

	At 30/9/2023 £000	At 30/9/2022 £000
Fair value of assets	8,981	9,883
Value of liabilities (defined benefit obligation)	(8,964)	(9,857)
Funded status	17	26
Surplus restriction	(17)	(26)
Recognised pension liability	-	-

The excess ('surplus') of the fair value of scheme assets over the present value of the scheme liabilities can be recognised as an asset of the employer in the employer's balance sheet only in so far as the employer is able to recover this surplus (either through reduced contributions in the future or through refunds from the scheme).

Where the employer cannot recover the surplus, then the employer cannot recognise any of the surplus as an asset. In these circumstances, the pension scheme is shown as 'nil' value on the employer's balance sheet.

The company's defined benefit scheme was closed to new entrants and to future accrual with effect from 30 June 2014.

Total expense recognised in the statement of financial activities (SOFA)

	30/09/2023 £000	30/09/2022 £000
Interest cost on obligation	(1)	(1)
Restriction on expected return on assets	1	1
Total SOFA Charge	-	-

Changes in the present value of the defined benefit obligation

	30/09/2023 £000	30/09/2022 £000
Opening defined benefit obligation	9,857	17,708
Interest cost on obligation	482	342
Remeasurement (gains) and losses - actuarial (gains) and losses	(922)	(7,802)
Benefits paid	(453)	(391)
Closing defined benefit obligation	8,964	9,857

Changes in the fair value of scheme assets

	30/09/2023 £000	30/09/2022 £000
Opening fair value of scheme assets	9,883	17,725
Interest income	483	342
Remeasurement (losses)/gains - return on scheme assets excluding interest income	(932)	(7,793)
Benefits paid	(453)	(391)
Closing fair value of scheme assets	8,981	9,883

Total amount taken to other comprehensive income

	30/09/2023 £000	30/09/2022 £000
Actuarial return on scheme assets - (losses)/gains	(449)	(7,451)
Less: amounts included in the net interest on the defined benefit liability	(483)	(342)
Remeasurement (losses)/gains - Return on scheme assets excluding interest income	(932)	(7,793)
Remeasurement gains/(losses) - actuarial gains and (losses)	922	7,802
Surplus restriction	10	(9)
Remeasurement (losses)/gains recognised in other comprehensive income	-	-

10. Tangible fixed assets

	RCOT premises £000	Fixtures & fittings £000	Office equipment £000	IT equipment £000	Assets under construction	Total £000
Cost						
At 1 October 2022	2,648	614	245	315	109	3,931
Additions during year	-	-	-	234	1,826	2,060
Transfer of assets	1,935	-	-	-	(1,935)	-
Disposals	-	(477)	(223)	(227)	-	(927)
Transfer to investment property*	(2,576)	-	-	-	-	(2,576)
At 30 September 2023	2,007	137	22	322	-	2,488
Depreciation						
At 1 October 2022	1,458	607	230	286	-	2,581
Charge for the year	48	2	10	57	-	117
Released on disposal	-	(473)	(219)	(227)	-	(919)
Transfer to investment property*	(839)	-	-	-	-	(839)
At 30 September 2023	667	136	21	116	-	940
Net Book Value						
At 30 September 2023	1,340	1	1	206	-	1,548
At 30 September 2022	1,300	7	15	29	-	1,351

Assets under construction value of £1.9m was transferred to RCOT premises in the period. This amount relates to development and refurbishment cost incurred towards the transformation of the building asset

into a commercially viable space for rental activities. The building became available for use following completion of the development phase in March 2023.

*The net book value of £1.7m was transferred to investment property during the period. This amounts relates to the portion of the building used for letting activities.

11. Fixed assets investments

	Market value 01/10/2022 £000	Additions £000	Disposal proceeds £000	Net Gain/ losses £000	Market value 30/09/2023 £000
UK equities	678	325	(441)	(10)	552
Alternatives	874	-	(534)	(60)	280
Fixed income	1,271	5,398	(4,647)	54	2,076
Overseas equities	1,207	625	(240)	32	1,624
Property	93	-	(77)	(16)	-
Sub total	4,123	6,348	(5,939)	-	4,532
Cash held in investment portfolio	214				376
Total	4,337				4,908

The total cost of investments held by RCOT at 30 September 2023 was £4,908,448 (2022: £4,337,998).

12. Investment property

	£000
Valuation	
At 1 October 2022	-
Transfer from fixed asset	1,737
Additions/(disposal)	24
Gain on valuation	3,239
At 30 September 2023	5,000

The value of the freehold property (Phoenix House) located at 106-114 Borough High Street at 30 September 2023 is £7m of which £5m of the valuation relates to the portion of the property held for the purpose of carrying out rental activities. This valuation is conducted by Cluttons, external valuers, as defined in RICS Valuation - Global Standards 2020 (The Red Book) as at 30 September 2023.

Following the completion of the development phase of the building transformation project in March 2023, the net value of the investment property of £1.7m was transferred from fixed asset. This transfer represents the portion of the building that is being held for investment purposes.

The valuation of the investment property produced an unrealised gain of £3.2m.

13. Debtors

	2023 £000	2022 £000
Amounts due within one year		
Trade debtors	121	58
Other debtors	2	34
VAT debtor	310	-
Prepayments and accrued Income	340	231
Amount due from BAOT	1,289	2,784
	2,064	3,107

14. Creditors

	2023 £000	2022 £000
Amounts due within one year		
Trade creditors	230	280
Taxes & social security	157	137
Pensions buyout liability	881	-
Other creditors	57	50
Accrued & deferred income	461	850
	1,786	1,317

The amount of Deferred Income at the beginning of the year was £341,963. During the year, the whole of this amount was released to the SOFA. The balance of Deferred Income at 30 September 2023 was £92,965, this mainly relates to RCOT's obligation to deliver future services and advertising.

15. Share capital

	2023 £	2022 £
Authorised ordinary shares of £ each	100	100
Allotted and fully paid ordinary shares of £1 each	3	3

16. Restricted funds

	Balance 01/10/2022 £000	Incoming resources £000	Resources expended £000	Balance 30/09/2023 £000
ISP Annual Award	26	-	(8)	18
ISP Scholarship	1	-	-	1
Elizabeth Casson	1	-	-	1
Elizabeth Casson PD	2	-	-	2
Covid-funds	8	-	(8)	-
Health Education England - Neonatal	11	-	(5)	6
Health Education England - AHP Workforce Reform	245	-	(245)	-
	294	-	(266)	28

All of the grants paid under resources expended were awarded to individuals. The purpose of each fund / award is as follows:

- **ISP Annual Award:** provides support for individual occupational therapists towards a research activity in a topic relevant to occupational therapy, mental health and social psychiatry.
- **ISP Scholarship:** provides support for doctoral or early post-doctoral research activity which is relevant to occupational therapy and social psychiatry.
- **Elizabeth Casson:** provides a contribution towards the digitisation of back copies of British Journal of Occupational Therapy.
- **Elizabeth Casson PD:** the Elizabeth Casson Trust in collaboration with RCOT's UK Occupational Therapy Research Foundation provides an annual grant of up to £10,000 for three years to support BAOT members who are early stage postdoctoral researchers.
- **Covid-funds:** providing hardship funds for members who are impacted during COVID-19 and the cost-of-living crisis.
- **Health Education England - Neonatal:** this project is for developing resources for members' learning.
- **Health Education England - AHP Workforce Reform:** funding awarded to deliver specific project work to help shape the future of the AHP Workforce.

17. Designated funds

	Balance 01/10/2022 £000	Income £000	Expenditure £000	Transfers (out)/in £000	Balance 30/09/2023 £000
Pension scheme	1,156	-	(881)	(275)	-
College branches	897	350	(191)	-	1,056
UKOTRF	254	-	-	(254)	-
RCOT Research Foundation	-	-	(40)	404	364
Transformation project	2,377	-	(111)	(500)	1,766
Building project	2,489	-	-	(2,208)	281
	7,173	350	(1,223)	(2,833)	3,467

- **Pensions scheme:** the pension scheme funds are to cover the balance of the liability payable to AVIVA upon compensation of the buyout. The final valuation of the liability amounted to £0.88m and has been provided for in the period. The excess designated fund held has been transferred back to general funds.
- **College branches:** the funds for RCOT branches support the specific activities of the various groups of RCOT that are organised both geographically and by clinical specialism.
- **UK Occupational Therapy Research Foundation (UKOTRF):** the funds are awarded to projects that builds an evidence-base for occupational therapy and supports research into the effectiveness and cost-effectiveness of occupation-focused interventions.
 - It was decided by Council that the name, aims and goals of UKOTRF are revised as follows:
 - The name shall be changed to Royal College of Occupational Therapists' Research Foundation.
 - The opening balance of UKOTRF fund of £254,000 was transferred into the newly recognised research fund.
- **RCOT Research Foundation:** the aim of this fund is to increase research capacity and capability within the profession and advance building the evidence-base for occupational therapy by supporting the development of the next generation of occupational therapy researchers and research leaders and creating a community of occupational therapy researchers to support members to learn with and from each other.
- **Transformation project:** the transformation fund is to support our five-year strategic plan, focused around separate transformation projects as identified within RCOT strategic priorities. In the period Council agreed to transfer £500,000 of this fund to general reserves for operational use.
- **Building project:** the fund is to support our building project by transforming our building into viable commercial space with the view to generating commercial rental income. The £2,208,000 transfer out of the funds relates to an agreement by Council to transfer £250,000 of this fund to general reserves for operational use. The remaining balance represents the capital expenditure incurred for the building transformation project.

18. Analysis of net assets between funds

	Tangible fixed assets £000	Investments £000	Net current assets £000	Total £000
Restricted funds	-	-	28	28
Designated funds	-	-	3,467	3,467
Unrestricted funds	6,548	4,908	671	12,127
Net assets between the funds at 30 September 2023	6,548	4,908	4,166	15,622

	Tangible fixed assets £000	Investments £000	Net current assets £000	Total £000
Restricted funds	-	-	294	294
Designated funds	-	-	7,173	7,173
Unrestricted funds	1,351	4,337	1,251	6,939
Net assets between the funds at 30 September 2022	1,351	4,337	8,718	14,406

19. Reconciliation of movement in share capital and charitable funds

	2023 £000	2022 £000
Gain / (loss) for the financial year	1,216	(1,274)
Shareholders' funds at 1 October	14,406	15,680
	15,622	14,406

20. Analysis of changes in net funds

	At 1 October 2022 £000	Cashflows £000	At 30 September 2023 £000
Cash at bank and in hand	5,190	(3,071)	2,119
Cash held as liquid investment	1,738	33	1,771
Cash held in investment portfolio	215	161	376
	7,143	(2,877)	4,266

21. Parent undertaking and ultimate controlling party

The parent undertaking and ultimate controlling party of the company is the British Association of Occupational Therapists Limited ("BAOT").

Registered office: 106-114 Borough High Street, London SE1 1LB
Company number: 00392350

The principal activity of BAOT is that of a Professional Association in the field of rehabilitation medicine. BAOT aims to promote occupational therapy education and honourable practice; to provide facilities for the advancement of the science of occupational therapy by the widest possible distribution of information through meetings, discussions and debate; and to issue relevant papers and periodicals on occupational therapy. BAOT is a registered Trade Union.

22. Related parties

All members of the Council of RCOT are also members of the Council of BAOT, the parent undertaking of RCOT. The subscription of Council members are paid by the individual Council members at the nominal rates and carry no special rights or privileges. In addition, as part of their work, Council members may attend courses provided and receive journals produced by RCOT. These services are all provided on an arm's length basis at normal rates.

The total amount of expenses reimbursed to 8 Council members during the year was £5,682 (2022: £2,413).

Kalimah Ibrahim is a member of Council, and during the period was engaged to

provide some consultancy services for RCOT. The total amount paid in relation to this transaction amounts to £4,825.

Occupational therapists employed by RCOT have their subscriptions paid to BAOT by RCOT. These subscriptions, which were paid at normal rates totalled £5,126 for the year, (2022: £4,587)

The balance of income over expenditure is paid to RCOT, a wholly owned subsidiary. This is in line with Council decision. The amount to be transferred for the year ended 30 September 2023 is £7,658,968 (2022 transferred to RCOT - £6,420,006). The outstanding balance owed from RCOT at the year end is £1,289,556 (2022: £155,107).

During the period, London South Bank University was awarded a Research Priority grant. Dr Anita Atwal, a member of the Council is the principal investigator on this project and will be conducting the research activity. The total value of the award is £93,662.

23. Contingent liability

RCOT Research Foundation fund is used to award grants for research projects and other similar purposes, see note 17. These grants constitutes a contingent liability as they are subject to agreed performance related conditions being met i.e. a specific service and or output to be delivered. The grant is settled and therefore recognised in the SOFA only when satisfactory evidence of the conditions being met has been provided by the recipient. At 30 September 2023, the value of grant commitments being grants awarded which represents contingent liability at the reporting date amounts to £137,593.

Legal and administrative information

Company details

Royal College of Occupational Therapists

A charitable company limited by shares registered in England and Wales (company no. 01347374), incorporated on 10 January 1978. A charity registered in England and Wales (no. 275119) and in Scotland (no. SC039573).

The organisation is governed under its Articles of Association (last amended October 2021) which establish the objects and powers of the organisation.

Registered office

Phoenix House, 106–114 Borough High Street, Southwark, London, SE1 1LB

Patron

HRH The Princess Royal, GCVO

Professional advisors

Auditors

Moore Kingston Smith LLP
6th Floor
9 Appold Street
London
EC2A 2AP

Bankers

HSBC Bank PLC
15-17 Praed Street
Paddington
London
W2 1NJ

Bank of Scotland
75 George Street
Edinburgh
EH2 3EW

Solicitors

DAC Beachcroft LLP
25 Walbrook
London
EC4N 8AF

Bates Wells (Governance Review)
10 Queen Street Place
London
EC4R 1BE

Fund managers

Close Brothers Asset Management (part of Close Brothers Group plc)
10 Crown Place
London EC2A 4FT

Rathbones
8 Finsbury Circus
London EC2M 7AZ

Insurance brokers

Towergate Underwriting Group Ltd
2 Minster Court
Mincing Lane
London
EC3R 7PD

AON UK Ltd
122 Leadenhall Street
London
EC3V 4AN

Pension provider – defined contribution scheme

Legal and General Pensions Ltd (part of Legal & General Group plc)
1 Coleman Street
London
EC2R 5AA

RCOT Council members

Name	Council role	Changes in reporting period
Dr Anita Atwal	Research and Development	Elected 28 June 2023
Paul Dunning	Wales	N/A
Samantha Flower	Scotland	N/A
Carmel Harney	Northern Ireland	Retired 28 June 2023
Cathryn Holding	Industrial Relations	N/A
Professor Priscilla Harries	Research and Development	Retired 28 June 2023
Kalimah Ibrahiim	England	N/A
Dr Kee Hean Lim	Vice Chair, International Affairs	N/A
Lisa Ledger	Learning and Development	Retired 19 April 2023
Andrea Lothian	Learning and Development	Elected 28 June 2023 / retired 23 February 2024
Odeth Richardson	Chair	Elected 28 June 2023

RCOT CEO and senior leadership team members

Name	Council role	Changes in reporting period
Steve Ford	CEO and Company Secretary	N/A
Karin Bishop	Director of Movement Building and Membership	N/A
Clare Cochrane	Director of Brand and Marketing	N/A
Karin Orman	Director of Practice and Innovation	N/A
Satvinder Reyatt	Director of People, Finance and Governance	N/A
Rob Smyth	Director of Strategy, Technology and Transformation	Appointed January 2023

We're RCOT, the Royal College of Occupational Therapists. We've championed the profession and the people behind it for over 90 years; and today, we are thriving with 36,000 members.

Then and now, we're here to help achieve life-changing breakthroughs for our members, for the people they support and for society as a whole.



rcot.co.uk

© 2024 Royal College of Occupational Therapists.
A registered charity in England and Wales (No. 275119)
and in Scotland (No. SC039573) and a company
registered in England and Wales (No. 01347374)

ROYAL COLLEGE OF OCCUPATIONAL THERAPISTS

England & Wales - Charity number 275119

Accounts



Royal College of Occupational Therapists Annual report of Council

30 September 2022

Helping people everywhere value the life-changing power of occupational therapy



Occupational therapy helps you live your best life at home, at work – and everywhere else. It's about being able to do the 'occupations' you need, want and have to do. That could mean overcoming challenges learning at school, going to work, playing sport or simply doing the dishes.

Occupational therapists see beyond diagnoses and limitations. They focus on hopes and aspirations. They work with you to recommend adjustments to the way you live by looking at the relationship between the activities you do every day, the challenges you're facing, and your environment. These adjustments are practical, realistic and personal to you, to help you achieve the breakthroughs you need to elevate your everyday life.

Who we are

We're RCOT, the Royal College of Occupational Therapists. We've championed the profession and the people behind it for over 90 years; and today, we are thriving with over 35,000 members. Then and now, we're here to help achieve life-changing breakthroughs for our members, for the people they support and for society as a whole.

This includes giving members opportunities to learn, research, teach, practice and continuously improve their knowledge and skills. We also work with healthcare commissioners, political leaders and others to position occupational therapy as a solution at the heart of health and social care.

Our future

We have a vision, that **people everywhere value the life-changing power of occupational therapy.**

To achieve it, we're raising the profile of occupational therapy, attracting more people to the profession, and helping everyone who needs it get the life-changing therapy they need.

We're the powerful advocate and high-profile champion that the UK's occupational therapists deserve. Proudly inclusive, we also welcome and support new generations of occupational therapists and are working to create a profession that reflects the diverse society we work with.

Contents

Section one – Introductions	4–6
Report of the Chair of Council	5
Report of the Chief Executive	6
Section two – Strategic report	7–14
Our impact in 2021/22	9
Our priorities for 2022/23	13
Section three – Governance	15–17
Section four – Financial review	18–24
Plans for future periods	20
Principal risks and uncertainties	21–23
Statement of Council’s responsibilities	24
Section five – Independent auditor’s report to members	25–29
Section six – Financial statements	30–46
Notes to the financial statements	34–46
Section seven – Legal and administrative information	47–49

Section one
Introductions



Report of the Chair of Council

I'm proud to have been elected by my peers as Chair of Council at the Royal College of Occupational Therapists (RCOT) in June 2022. As Chair, I want to promote equity and justice and ensure every member feels heard and represented – and I mean every member.



When I was elected, I pledged to work to reengage with those who feel disengaged and help them regain their voices. To reflect this, we've introduced new ways to connect with members. I share a vlog each quarter to let members know what's being discussed at Council, and where we'd value input. We regularly have member consultations and discussions to get insight and feedback on the things we're working on. I'm pleased we're seeing more and more members getting involved and also volunteering their time. I will continue to ensure we build up these open channels of communication, so that we can work together to grow and develop.

We've started the work to make sure that equity, diversity and belonging is embedded in all our activity. We know there's more work to do, but by introducing expert advisory groups, launching EDB Insights sessions and drafting an EDB strategy, we've made positive steps forward.

Our other priorities include having the right membership offer in place so that we're supporting and championing our members in the ways which matter most to them. While doing this, as an organisation we also need to ensure we have the right governance structure in place, to support delivery of our strategic ambitions and to minimise any risks to the organisation. In my role as Chair of Council, I will continue to support the senior leadership team to deliver on these strategic priorities.

We have an ambitious strategy to make occupational therapy better known and understood, highly valued and recognised for the positive impact it has on the health of our society. You can help us by being loud and proud of the benefits that occupational therapy brings, by using every opportunity to showcase the life changing power of occupational therapy.

I'm confident that the work we've done this year provides a strong foundation to face the future.

A handwritten signature in black ink that reads "Odeth Richardson". The signature is written in a cursive, flowing style.

Odeth Richardson, BAOT/RCOT Chair of Council

Report of the Chief Executive

2021/22 was a significant year for us. It was one of positioning, starting with the launch of our new strategy, brand and values, as we aim to deliver more for our members – all of that based on what our members told us we need to be and do, now and into the future.



And this marked a real change for us as an organisation. We knew that we needed to change how we work to become a more forward-looking organisation and boldly lead the profession forward, with a stronger voice than ever before.

And we are still on that journey of change, which can be both challenging and energising.

Over the year we changed our leadership and team structures to ensure we have the right roles, in the right place, to deliver the greatest impact.

The top priorities for us, as we've consistently heard from our members, is creating greater awareness of occupational therapy, providing support for a workforce under considerable pressure and delivering a better, more compelling membership offer.

We're very serious about tackling these priorities and I'm excited as we establish and resource ourselves for the year ahead. As we move into the second year of our strategy, our focus will continue to be on delivery, and demonstrating our impact to our members.

So, there's so much to look forward to as we focus on our ambitious goals, making big changes, but flexing and adapting as we go, and making sure that we've got real focus on delivering those projects that will have the biggest impact.

Our year ahead will be all about turning the exciting and ambitious plans that we've promised you and the wider occupational therapy community into reality.

A handwritten signature in black ink, which appears to read 'Steve Ford'. The signature is written in a cursive, slightly slanted style.

Steve Ford, RCOT Chief Executive

Section two
Strategic report



Strategic report

What we're aiming to achieve

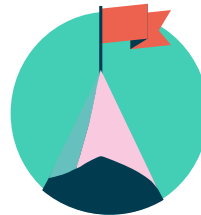
Our five-year strategy, launched in January 2022 guides our efforts to reach more people and create wider positive impacts. We developed it by collaborating with occupational therapists, members, colleagues and senior allied health profession leaders.

The focus is on delivering short and long-term action plans that make the biggest impacts, based on our strengths, our members' needs and the greatest opportunities for us to support occupational therapy and therapists across the UK.



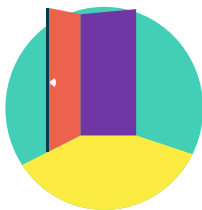
Rise Up

We will rise up to be bold, progressive advocates and champions – raising our profile and voice so that more people understand the power of what occupational therapists do.



Lift Up

We will lift up every occupational therapist and support them to be the best they can be throughout their entire career – by offering them the best community, resources and tools that help them to succeed.



Open Up

We will open up to new opportunities and people – joining forces, forming alliances, and getting more people to see occupational therapy as the solution to their needs.



Build Up

We will build up our organisation and culture to be dynamic, high performing and values-led by using insights and data to inform and drive us to achieve our purpose.



Steve Ford, RCOT Chief Executive talks about our strategy

Our impact in 2021/22

A reshape of our strategy, brand and values has given us a clearer focus in moving our work forward in the most impactful way. At RCOT, everything we do is so that one day people everywhere value the life-changing power of occupational therapy.

Brand

For RCOT, a strong brand means we can grow the understanding of occupational therapy, attract more people to the profession and help more people get the life-changing therapy they need.

So, a strong brand is especially essential if we're going to realise the true potential of occupational therapy to increase wellbeing right across our society.

Our new brand, launched in January 2022, was developed using insight gained from members, colleagues and other key groups. With 'occupation' at centre stage and inclusivity at its heart, we believe our brand now captures the positive, dynamic and deeply human spirit of occupational therapy. It shows the world the true power of what we do.

The brand is not an end in itself. It's a tool to help us achieve our strategy, to help us raise our profile, making occupational therapy better known and more widely understood, and to grow our member numbers, as well as increase and deepen engagement with our current members. If we achieve our strategic aims, we can safely say that the brand has been successful.

Values

- We've introduced organisational values to describe what matters to us, and to help shape how we act and make decisions – as individuals and as a team – to achieve our shared purpose and vision.



We Impact

We make meaningful differences with all our work.
We prioritise work that achieves our shared purpose and strategy.
We go above and beyond for the people who need us.



We Elevate

We lift up and support others to be and do their best.
We are accessible and collaborative.
We are united and move forward together, even if we sometimes disagree.



We Challenge

We find new and better ways to make things happen.
We are brave and bold in our ideas and actions.
We challenge ourselves, each other and the status quo.



We Respect

We value each other and celebrate our differences.
We are approachable, genuine and trustworthy.
We listen to others and believe everyone's views should be heard.

Engagement and transparency

- We introduced vlogs from our Chair after each Council meeting to help members learn more about Council and the activity they're overseeing.
- We asked about workforce, rehab, children's and neonatal services, primary care and uniforms, across seven member surveys and a sustainability pulse survey.
- In November 2021, we updated the member portal and our customer relationship management system. Members can now view and update their details online, book onto our events and access resources more easily.

Transformation and leadership

- In March 2022 we changed our senior leadership structure and in November 2022 our team structures, to make sure we have the right roles in the right place, to drive the organisation forward and deliver the greatest impact for members, the wider community and the people you support.

Our Library

- Our Library Service went fully digital, giving 24/7 access, 365 days a year to support the professional practice, education, research and CPD activities of members. In our 2019/20 Library survey, members shared they wanted more digital resources and better access. And that's what we now offer with our digital Library – giving members the same access to resources and services wherever they're located, in a more sustainable and accessible way.
- Our Library is a specialist reference only service that is open to all members and others with a legitimate interest in occupational therapy. A digital Library allows us to continue to meet our commitment to benefitting the public by supporting the education, learning and practice of occupational therapists and the communities and people they work with.

Research and innovation

- We launched a call for RCOT Research Champions, to help us shape RCOT Research Connect, a new UK-wide virtual network of members launching in spring 2023.
- We launched a monthly R&D bulletin in March 2022 – bringing members the latest research news, events and publications, plus funding and career development opportunities. .
- The Research Café pilot saw 120 members connected over six cafes, to discuss research related topics.

Equity, diversity and belonging

- In 2022 we moved from equality, diversity and inclusion (EDI), to equity, diversity and belonging (EDB). With our renewed commitment and ambition, we want to give all members, especially those who are under-represented and historically marginalised, a sense of belonging and equity.
- Last year, we appointed our EDB Manager, who's built relationships with key stakeholder groups including @BAMEOTUK, @ABLEOTUK and @LGBTQIAOTUK and others. With their support we've set up expert advisory groups to challenge and guide us to make sure we deliver our EDB commitments and collaborate with us on our EDB agenda.
- We launched our EDB Insights sessions to look at equity, diversity and belonging and what we can learn from it. Hundreds of members attended events that challenged the status quo and had us reflecting on what we can do better.
- We have two colleague networks – one for those from Black Asian and Minority Ethnic communities, and another for those who identify as being part of the LGBTQIA+ community. They provide a safe space for conversation, support and allyship.
- We've co-created a draft EDB strategy with members and colleagues and we've improved diversity monitoring, so we can use the data to identify and remove barriers to inclusion.

Profile raising activity

- Occupational Therapy Week brings together the profession to raise our profile. Our 2021 campaign, #OTsForEquity, highlighted the role that occupational therapists play in addressing health equity. The campaign achieved an 8.9m reach on social media and the animation was viewed over 116,000 times.
- Our Choose OT careers campaign aims to raise awareness of occupational therapy as a valuable and rewarding career. Our social media careers campaign has been seen over three million times and resulted in over 9,000 click throughs to our dedicated careers website, ChooseOT.co.uk.

Campaigning and advocacy

- Our work in this area led to the UK government announcing that from 1 July 2022, occupational therapists were able to approve fit notes. The new legislation recognises the valuable role OTs play in providing health and work advice and supporting people to remain in work where possible. This will have a positive impact on health services across the UK.

Key events

Our events deliver continuing professional development and the opportunity for occupational therapists to come together to network and learn from one another.

- Annual Conference 2022: over 1,000 people joined our flagship event online, for 109 abstracts, presentations, posters and skills exchange sessions, eight RCOT sessions and 15 chat rooms, with 91% of delegates rating it as excellent, great or good overall.
- We held two virtual Elizabeth Casson Memorial lectures in 2021/22. In November 2021, Dr Anita Atwal, Associate Professor of Interprofessional Working, London South Bank University, delivered her lecture No barriers to brilliance: Social and creative courage to innovate and disrupt occupational therapy practice.

In April 2022, Dr Sidney Chu delivered his lecture Optimising performance, clinical and economic outcomes in occupational therapy service delivery. Over 3,700 people watched these, live and on demand.

Learner experience insight

- Our newly launched Carnduff Learner Forum provides a meaningful space to enhance our understanding of learner experience by bringing us together with 12 students and apprentices. The Forum has also shared their insights at our Annual Conference and the European Network of Occupational Therapy Educators' conference.

Our volunteers

We cannot achieve all this alone and invite occupational therapists and associate members to be volunteers, primarily as members of Boards and Committees and to run our branches (specialist sections and regions). We have approximately 350 volunteers supporting us at any one time, delivering hundreds of events and local and specialist services throughout the year. No financial value has been attributed to the work of our volunteers, but we consider it vital to our activities.



Our priorities for 2022/23

Strategy, brand and values

- We're using our new strategy, brand and vision to position RCOT and the profession and to drive more awareness and opportunities.
- We'll expand our social media presence to be a more active, leading voice for occupational therapy and the people it impacts – opening up conversations and reaching more people.

Engagement and transparency

- In 2023, we'll continue sharing vlogs after each Council meeting, having quarterly opportunities for members to meet with our Senior Leadership Team, inviting members to participate in surveys and consultations, including for our EDB strategy, and we'll be sharing opportunities for members to volunteer and get involved.

Transformation and leadership

- We will bring together key OT leaders from across the UK's health and social care systems through our new Leadership Advisory Group and at our Leadership Forum events.
- We will develop and embed our new structure, values, behaviours, policies and procedures, and we will open our new building in March 2023.

Research and innovation

- We're creating a network of champions to support the research community by providing networking, mentoring and information sharing to support the development of research capacity and capability within our profession across the UK.
- Our Innovation Hub project is about developing the right environment for occupational therapists to share and learn from others about what they are improving.

Education and careers

- We're supporting the development of innovative pre-registration entry routes and pathways to the profession by collaborating with relevant people and organisations.
- We're working with higher education institutions to create new routes and pathways that make occupational therapy more accessible, to bring more and different people into the profession.
- Over 2023 and 2024 we'll be reviewing our HEI engagement and accreditation process, to re-image how we engage with providers of pre-registration occupational therapy education with a view to establishing a new quality assurance model.

Membership experience

- We will design a member research programme that will gather information and evidence to better inform all our future projects.
- We're exploring how we can improve and grow our membership offer by reviewing our current package and how this can be more compelling. We'll be engaging with members to gather views to help us get this right.
- We're having an overhaul of our digital experience, including more self-service options, easier ways for members to interact with us and manage their account online, and embarking on a project to develop a digital version of OTnews.
- We know that members want to plan, record and reflect on their professional development needs effectively and efficiently. We're investigating the ways we can help them do this so we can support their learning, career development and evidence HCPC CPD standards.
- We'll create an online space where members can connect and form virtual communities so they can learn from each other and share experiences.
- We'll be working with members to review how our branches and the diverse range of volunteering opportunities at RCOT can help achieve our vision.

Practice

- We're developing a workforce strategy for occupational therapy to influence key stakeholders and policy across the UK, including delivering the HEE Workforce Reform Project – to determine what the future workforce of occupational therapy should look like and ensure the sustainability of the profession.
- We will promote best practice and innovation in key areas of OT practice, such as community rehabilitation, social and primary care – partnering with alliances and coalitions.
- We're strengthening our position as the go-to resource for information on workforce, innovation and service examples for members and stakeholders.

Equity, diversity and belonging

- In Spring 2023, we will consult with members over our draft EDB strategy for launch later in the year. It'll set out the long-term approach to improve EDB in occupational therapy and at RCOT. We'll share the actions we'll be taking to better serve our diverse communities and help remove discrimination and prejudice from our profession, ensuring RCOT is a welcoming, safe and supportive space for all members, colleagues, stakeholders and the wider occupational therapy community.

Sustainability

- We will find out more about how environmental sustainability impacts OTs, and we'll share initiatives happening within the profession.

Section three
Governance



Structure, governance and management

Legal status

The Royal College of Occupational Therapists (RCOT) is a private company limited by shares registered in England and Wales (company no. 01347374) and a charity registered in England and Wales (no. 275119) and in Scotland (no. SC039573). The company's registered office is Phoenix House, 106-114 Borough High Street, London SE1 1LB.

The British Association of Occupational Therapists Limited (BAOT) (company no. 00392350) is the holding company for RCOT. BAOT is the professional association and trade union for occupational therapists in the United Kingdom (UK).

The Council

Our governing body, the Council, is responsible for the overall governance and work of the charity. The Council meets a minimum of four times a year and is responsible for ensuring that the charity meets its legal and regulatory obligations in the course of fulfilling its charitable purpose. It sets the charity's mission, values and long-term strategy and is responsible for governance, planning and significant operational decisions but delegates day-to-day management of the charity to the Chief Executive.

The Council members are both charity trustees and company directors and are all professional members of BAOT. The composition, appointment, election and retirement of Council members are governed by the Council Rules. Council members are appointed for a three-year term, starting from the Annual General Meeting date. Because of the staggered nature of their appointment term, there will be some Council members who come to the end of their term of office every year. Nominations for new Council members have to be received by March each year. If more than one person is nominated for any vacancy on Council, there is a formal election process involving the membership and conducted by independent scrutineers.

The Council consists of nine elected members. Further details of our Council members can be found on our website: www.rcot.co.uk/rcotcouncil

Induction and training of Council members

All new Council members are provided an induction pack with all of the formal documents relating to the governance of RCOT, together with relevant Charity Commission publications and other general guidance about the management and administration of the organisation. Council members then attend a formal induction at RCOT, to meet the Chair and senior officers of RCOT and to receive various presentations, particularly regarding their legal and financial responsibilities. They're also briefed on the organisation's policy on conflicts of interest and required to complete (and keep up-to-date) a declaration of interest form. There is also the opportunity to raise questions and discuss areas of interest or concern.

All Council members are provided with professional advice and training as required, either by staff or by independent advisors, as appropriate.

Audit, Risk and Investment Committee

The Audit, Investment and Risk Committee has lead responsibility from the Council for: ensuring that there is a framework for accountability; implementing the investment policy and overseeing the charity's investments; for reviewing all systems and methods of control, compliance, and risk management. The Committee comprises a mix of Council members and other serving independent members who are recruited because of their professional and functional expertise. The Audit, Investment and Risk Committee met three times in the 2021/22 year.

Boards

The charity has six member Boards: England, Northern Ireland (currently paused), Scotland, Wales, Learning and Development, Research and Development. The Boards are not part of the formal governance of the charity and do not have any decision-making authority, but they operate as geographical and subject-specific sounding boards for the charity and its members.



Section four
Financial review



Financial review

Council report that RCOT total income for the year 2021/2022 was £8.5 million (2021: £8.39 million). Membership subscriptions are initially paid to BAOT, which has an agreement with UNISON to provide industrial relations services.

After payment of the costs of industrial relations services, BAOT transfers the balance of member subscriptions to its RCOT subsidiary, to further the work of RCOT. In addition, RCOT earns a minor level of income from other sources. This year, the balance of subscriptions transferred was £7.2 million (2021: £7.2 million).

The total expenditure by RCOT for the year 2021/2022 increased by £0.45 million to £9.1 million (2021: £8.8 million), all of which was spent on charitable activities..

There was a net unrealised loss on investment funds of £0.61 million (2021: £1.84 million unrealised gain), which has been deducted to funds brought forward. This results in total charitable funds of RCOT decreasing to £14.4 million (2021: £15.68 million).

Reserves

RCOT's unrestricted and undesignated funds amounted to £6.939 million (2021: £13.301 million), of which £1.35 million is the net book value of fixed assets. A further £5m was redefined as designated reserves. This left £5.589 million as free reserves for working capital needs and investments, at 30 September 2022. This level of free reserves is within the level set out in RCOT's Reserves Policy, which is set at the range of 26–52 weeks of future budgeted expenditure.

At the October 2021 Council Meeting, the Reserves Policy was amended to the equivalent of 26 weeks of future budgeted expenditure.

Fundraising

RCOT does not actively fundraise but does periodically bid for research funding on a modest scale. No donations were received during the year.

Investments

Under the terms of the Memorandum of Association, RCOT has the power to invest funds not immediately required to support charitable activities. Council has approved an Investments Policy, outlining parameters for ethical, social and governance investing as well as guidelines on risk and return.

RCOT's investments are managed by one professional fund management firm, Close Brothers. The fund manages a diversified portfolio of investments, typically including fixed-term income products and equities. The total investment portfolio market value was £4,337,000 at 30 September 2022 (2021: £9,746,000). In 2021/22 £5million was defined as a designated transformation investment fund.

Plans for future periods

Following the appointment of a new Chief Executive in April 2021, we developed a series of strategic initiatives. Details of the new strategic initiatives were presented to the Council at its October 2021 meeting as part of the budget and planning process and approved in full. We'll implement the strategic initiatives over the next five years. Project funding will come mostly from a combination of unrestricted reserves and some growth in future income streams. At its October meeting, the Council reviewed the plans to part-fund strategic initiatives from reserves in relation to the existing Reserves Policy, to ensure continued compliance with that policy.

Post-balance sheet date plans include simplifying investment funds management – the rationalisation of three investment management firms down to one firm with revised investment management targets. The Investment Policy, with investment performance targets was approved in October by the Council.

About future ways of working, we will continue flexible working practices (a combination of home and office-based working) and hosting virtual and face to face events.

Council agreed to a project which will see our building redeveloped and managed by a building management company with a dedicated space for RCOT and other areas rented out to external parties with a view to generating commercial income to support the new strategy.

Future fee changes are also likely (fee structure simplification and fee changes), but we expect that such changes will partner with membership offer improvements.



Principal risks and uncertainties

We recognise that delivering our strategy involves risk. Some of these risks come from the external environment we operate in. Other risks are those that we consider part of a 'positive risk taking' culture, which means that we'll consciously engage with some risks so we can embrace change or embark on new opportunities that will help us successfully achieve our ambitions.

We incorporate the management of risk into our decision-making processes, including functional management and project management, and we view effective risk management as an opportunity to improve the way we work and something that is vital to achieving our vision for members and the wider profession.

The Audit, Investment and Risk Committee (AIR Committee) has lead responsibility for monitoring the major risks across BAOT and RCOT, assessing their likely impact and likelihood and the risk mitigations employed to manage such risks. The Council, AIR Committee and SLT have agreed that the following risks and uncertainties are the most critical ones facing the organisation at this moment.

1. We may see a decline in membership and funding

Why: Our members' needs are changing. We must be responsive to these changing needs by providing a membership offer that enhances and supports the diverse professional journeys of occupational therapists, and those of the wider occupational therapy community while delivering high standards of member care in all interactions. The value provided by our membership offer is even more critical in a cost-of-living crisis.

How we are responding: We want our members to see membership as essential to their occupational therapy journey, so we are embarking on a holistic review of all aspects of the membership offer. We are reviewing member benefits to make sure our offer is meaningful and offers real value to members. We will also be working on a new member engagement strategy, to build member loyalty. We have created new roles to focus on collecting member insight to better understand our members' needs. We are also taking a hard look at member fees to reduce the impact of the cost-of-living crisis on our members, and seeking to diversify our income to reduce our reliance on membership income.

2. Our governance may hinder us in achieving our ambitions

Why: We have a complex governance structure that is hindering our ability to provide a strong unified voice representing the occupational therapy community and we lack diversity of expertise which means the governance role as critical friend to management is stronger in relation to some functions of the organisation than others.

How we are responding: We want our governance to provide a strong foundation for the organisation's success so we have recruited expertise to support governance, risk and performance management. We are embarking on a wide-ranging governance review that seeks to optimise our governance to support delivery of the strategic ambitions. The review will seek to: reduce complexity; improve transparency; bring in a wider range of skills; reduce risk; strengthen decision-making and provide a foundation for a stronger RCOT voice.

3. Our financial model could fail to deliver as expected

Why: Overall income (primarily from fees) may not increase fast enough to cover increasing operating costs. We have invested heavily in the building which leaves us open to the risk that we may not be able to fill the space in line with projected timescales. Re-validating our VAT rebate (currently 75%) with HMRC may result in a less favourable arrangement.

How we are responding: We have a new five-year model which will see us return to a balanced/surplus position after a short-term period of funding deficits from reserves. The Head of Finance is working to extend and strengthen financial management within the organisation, this includes half-yearly reforecasts, financial KPIs, redefinition of cost centres and recruitment to increase expertise in the finance team.

We are closely monitoring the pipeline of tenants for the building and have set up robust and rapid decision-making processes around this. We have diversified our investment portfolio, which is actively managed by Close Bros and monitored by our investment adviser and AIR.

4. We may alienate long-standing and committed members by making changes to Specialist Sections

Why: We are embarking on a planned change programme to address challenges within the operation of our Specialist Sections. Despite the hard work of our volunteers, the specialist section model is unattractive to many members in its current form, while being resource intensive to manage.

How we are responding: We want our members to be able to engage in communities where they can network, share their knowledge, develop their skills and learn from other members. This will require investment in technologies to allow real time networking. The change management programme will work with members to identify ways in which we can innovate the Specialist Sections into thriving community hubs and ensure that current financial surpluses are working for the benefit of the members. We will integrate CPD support into these new communities, responding to members' calls for quality learning experiences in such groups, positioning them as sources of innovation and change, expanding the expertise and boundaries of occupational therapy.

5. Colleagues may struggle to adapt to changed ways of working and we may lack organisational capacity, impacting on our ability to achieve our strategic goals for members

Why: We have been delivering significant change, at pace, over the last year in order to put in place organisational structures, practices and expertise that will best enable us to deliver our strategy. We recognise that change is often difficult and can require a period of adjustment.

How we are responding: We have aimed to be compassionate and inclusive when leading and managing organisational change including structural changes. We are continuing to strengthen our workforce expertise and capacity through successfully hiring and onboarding to new vacancies. We have rolled out 90-day objectives to support colleagues and managers in conversations about priorities, progress, wellbeing and development. Our recent Learning Needs Assessment has enabled us to better understand organisational and personal development gaps and define plans to address them, with an initial focus on people management and enhancing digital skills. Finally, we have rolled out a hybrid working model which enables colleagues to work more flexibly so that we can deliver the best outcomes for our members.

6. The occupational therapy profession may not meet the needs of a diverse population and client base, and we may fail to meet expectations regarding our role in championing change

Why: We need to champion people from all backgrounds to become OTs, and to work for RCOT. Without a diverse professional workforce we risk a profession that is not able to meet the needs of a diverse population and client-base.

How we are responding: Our draft EDB strategy has been created in collaboration with colleagues, members, our EDB reference group and stakeholders. It's now being refined in preparation for consultation with members and colleagues which will launch in late June. Following consultation, the finalised strategy will form the basis of a multi-year action plan that will ensure that equity and inclusion are embedded into the fabric of everything we do, ensuring RCOT is a welcoming, safe and supportive space for all our members, colleagues, stakeholders and the wider occupational therapy community.

7. Our overall performance and productivity might be negatively impacted by our confidence in data protection requirements, or we may be responsible for a data breach which impacts on our members

Why: Colleagues, volunteers or third parties working on our behalf, may collect, process, or share data in a way that is not compliant with our data protection requirements. We may be the victim of a data theft, personal data breach, phishing attack, ransomware attack or computer virus (malware). Colleagues may lack the knowledge to get the most out of our data.

How we are responding: We want all our colleagues to be confident in their role in protecting and handling our data. We're developing a technology strategy which will set out how we can improve our approach to data and cyber security. The new Head of Governance and Compliance will be supporting the organisation with its GDPR and data protection requirements, starting with an internal audit. We have a range of data and cyber security measures in place, and we recently completed a critical security hardening project which further improved our Microsoft security profile.

The AIR Committee reports to Council at least annually on risk management. Council has reviewed these reports and takes responsibility for ensuring that all appropriate measures are implemented as business priorities.

Because of the regular and highly diversified income streams, the Group does not actively use financial instruments (lines of credit, factoring, currency hedging) as part of its financial risk management. The Group is exposed to the usual contract, credit and cash flow risks associated with providing its goods and services. It manages these risks through its contract management, internal control procedures, cash flow monitoring and Risk Register.



Statement of Council's responsibilities

Council is responsible for preparing the Report of Council (incorporating the Trustees' Report, Directors' Report and Strategic Report) and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements comply with the Statement of Recommended Practice for Accounting and Reporting by Charities ('FRS 102') applicable accounting standards and the Companies Act 2006.

UK Company and Charity law requires the Council to prepare financial statements for each financial year. Under that law, Council must not approve the financial statements, unless it is satisfied that they give a true and fair view of the state of affairs of RCOT and of the incoming resources and application of resources, including its income and expenditure, of RCOT for the year. In preparing these financial statements, Council is required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that RCOT will continue in business.

Council is responsible for keeping adequate accounting records that are sufficient to show and explain RCOT's transactions and disclose with reasonable accuracy at any time, the financial position of RCOT and enable it to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Act (Scotland) Regulations 2006 (as amended) and with the Companies Act 2006. It is also responsible for safeguarding the assets of RCOT and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Council is responsible for the maintenance and integrity of the financial information included on RCOT's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Each of the Council members have confirmed that, so far as they are aware, there is no relevant audit information of which RCOT's auditors are unaware and that they have taken all the steps that they individually ought to have taken as a Council member, in order to make themselves aware of any relevant audit information and to establish that RCOT's auditors are aware of that information.

Phoenix House
106-114 Borough High Street
London SE1 1LB

By order of Council
Chair – Odeth Richardson



Section five

Independent Auditor's report to RCOT members



Independent auditor's report to RCOT members

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group and of the Parent Company's affairs as at 30 September 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of the British Association of Occupational Therapists ("the Parent Company") and its subsidiaries (the Group) for the year ended 30 September 2022 which comprise consolidated income and expenditure account, consolidated and parent company balance sheet, consolidated cash flow statement 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Company 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.

Conclusions relating to going concern

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

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

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

Other information

The Directors are responsible for the other information. 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 course of 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.

Other Companies Act 2006 reporting

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or Directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns;

or

- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors 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 Directors 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 Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

- We inquired of management, and the Audit Committee, including obtaining and reviewing supporting documentation, concerning the entity's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity. These include, but are not limited to, compliance with the Companies Act 2006 and UK GAAP.
- In addition, the Group and Parent Company are subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law and data protection.
- We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.
- We also communicated relevant identified laws and regulations, potential fraud risks and the fact that there were no known matters of significant non-compliance with laws and regulations, to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit

Audit response to risks identified

- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- We made enquiries of the Audit Committee and management;
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- We read minutes of meetings of those charged with governance, and reviewed correspondence with HMRC; and
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.
- We challenged assumptions made by management in their significant accounting estimates in particular in relation to the assumptions related to the allocation of costs including apportionment of support costs, going concern assumptions, defined benefit pension scheme assumptions, year end provisions and depreciation rates for assets.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

Use of our report

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

Philip Cliftlands (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK
Date 02 June 2023



BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Section six
Financial statements



Statement of financial activities

(incorporating the Income and Expenditure Account) for the year ended 30 September 2022

	Note	Unrestricted funds £000	Designated funds £000	Restricted funds £000	Total 2022 £000	Total 2021 £000
Incoming and Endowments from: Note						
Charitable activities						
Membership subscriptions		1,720	5,183	300	7,203	7,231
Journals		628	–	–	628	539
Conferences and events		107	13	–	120	199
Professional activities		168	–	–	168	176
Investments		95	–	–	95	178
Other		282	–	–	282	67
Total		3,000	5,196	300	8,496	8,390
Expenditure on:						
Charitable activities						
Membership administration		541	53	–	594	661
Journals		997	–	–	997	320
Conferences and events		3,023	84	–	3,107	2,739
Professional activities		4,187	207	64	4,458	4,985
Other activities						
Pension buy out costs	8	–	–	–	–	–
Total	2	8,748	344	64	9,156	8,705
Net gain (losses) on investments	11	(614)	–	–	(614)	1,854
Net (loss)/income		(6,362)	4,852	236	(1,274)	1,539
Transfer between funds	16	–	–	–	–	–
Net movement in funds		(6,362)	4,852	236	(1,274)	1,539
Reconciliation of funds						
Total funds brought forward at 1 October		13,301	2,321	58	15,680	14,141
Total funds carried forward at 30 September		6,939	7,173	294	14,406	15,680

All amounts derive from continuing activities. All gains and losses in the year were recognised in the Statement of Financial Activities.

The surplus/(loss) for the year for Companies Act purposes was a loss of (£663,910) comprising net incoming resources for the year of (£670,065) plus the realised gains on investments of £6,155 (2021: loss of £227,968 comprising net incoming resources of £315,230 plus the realised gain on investments of £87,262).

Balance sheet

Balance sheet as at September 2022. Company House Number: 01347374

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed Assets					
Tangible assets	10		1,351		1,418
Investments	11		4,337		9,746
			5,688		11,164
Current Assets					
Debtors	12	3,107		962	
Cash held as liquid investment	19	1,738		2,716	
Cash at bank and in hand	19	5,190		1,954	
		10,035		5,632	
Creditors					
Amount falling due within one year	13	(1,317)		(1,116)	
Net Current Assets			8,718		4,516
Pension scheme liability			–		–
Net Assets	17		14,406		15,680
Share Capital	14		–		–
Funds					
Restricted	15		294		58
Designated					
– Pension scheme	16		1,156		1,156
– Other			6,017		1,165
– Unrestricted			6,939		13,301
Capitals and Reserves			14,406		15,680

Approved by Council and authorised for issue on 30 May 2023.



Odeth Richardson
Chair of Council



Dr Kee Hean Lim
Vice Chair of Council

Cash flow statement

Cash flow statement for the year ended 30 September 2022

	Note	2022 £000	2021 £000
Net cash (outflow)/(inflow) used in operating activities		(2,523)	585
Cash flows from investing activities:			
Investment income		95	178
Amounts paid to acquire investments		(1,948)	(5,609)
Amounts received from disposal of investments		6,268	5,966
Amount paid to acquire tangible fixed assets		(109)	(5)
Net cash from investment activities		1,783	1,115
Change in cash and cash equivalents for the year ended 30 September		1,783	1,115
Cash and cash equivalents at the beginning of the reporting period		5,360	4,245
Cash and cash equivalents for the year ended 30 September	19	7,143	5,360

Reconciliation of net income to net cash flow from operating activities

Net (loss)/surplus at 30 September as per the SOFA		(1,274)	1,539
Adjustments for:			
Depreciation		176	201
Loss/(Gains) on investments		614	(1,854)
Increase/(Decrease) in pension fund		–	–
Investment income		(95)	(178)
Increase/(Decrease)/in debtors		(2,145)	562
Increase in creditors		201	315
Net cash used in/from operating activities		(2,523)	585

Notes to the financial statements

1 Principal accounting policies

In the opinion of Council, these financial statements comply with Financial Reporting Standard 102 (FRS 102)

(a) Format of accounts

Council is of the opinion that the Income and Expenditure Account formats, as required by the Companies Act 2006, are not appropriate to the activities of RCOT. The formats have been adapted to provide more appropriate information of the Income and Expenditure relating to the year's activities. Results of Specialist Sections and Regions are aggregated in the financial statements.

(b) Basis of accounting

The financial statements of RCOT have been prepared on the going concern basis under the historical cost convention, as modified by the valuation of fixed asset investments and in accordance with applicable Accounting Standards having regard to the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1st January 2019, Companies Act 2006 and Charity and Trustees Investment (Scotland) Act 2005.

(c) Going concern

The main income stream is from ongoing membership subscriptions; these account for 85% of total income. As most of the members work in the healthcare sector (NHS or local government), RCOT does not believe that there will be any significant reduction in membership numbers. Member numbers in fact continue to increase, rising from 35,078 in September 2021 to 35,118 in September 2022. Other income streams including commercial income (building tenancies, meeting room rentals) as well as investment income (long term investment fund) are also expected to continue for the foreseeable future.

The company's only significant liability is the defined benefit scheme (closed in 2014) and based on recent actuarial valuations, this is fully funded, with the exception of a final payment to Aviva (the scheme owner), valued most recently in December 2017 at £1.1 million.

(d) Incoming resources

All income is derived from activities within the United Kingdom and is accounted for on a receivable basis, except for membership subscriptions and donations, which are accounted for when received.

Of the total subscriptions received by BAOT, 19% (2021 19%) is retained to meet industrial relations and administrative costs. The balance of 81% (2021 81%) is transferred to RCOT, to support its professional, educational and administrative costs.

(d) Incoming resources - continued

Where entitlement to income is dependent upon fulfilment of conditions within the Group's control, the income is recognised when there is sufficient evidence that conditions have been met. Where there is uncertainty as to whether the Group has met such conditions, or the funder clearly states that the funding is for the next financial year, then income is deferred.

(e) Resources expended

The costs of RCOT's charitable activities have been grouped under the main headings as follows:

- membership administration – the costs associated with collecting and administering membership subscriptions.
- journals – includes all costs associated with communications with members, whether centrally or regionally, or whether in hard copy or electronic format
- conferences and events – the costs that relate to the organisation, promotion and administration of events.
- professional activities – encompasses all the costs associated with the areas of research and development, education and professional practice.

Direct expenditure is allocated to each of these categories of activity. Where expenditure cannot be directly allocated, it represents support costs and is apportioned on a basis consistent with the use of resources – by reference to the number of full-time-equivalent members of staff.

Governance and Administrative costs represent the costs associated with the governance arrangements of the charity, including costs related to the strategic (as opposed to operational) management of RCOT's activities.

(f) Fixed assets and depreciation

Fixed assets with a cost of £1,000 or greater are capitalised (capitalisation threshold) and are stated in the Balance Sheet at net book value, being at cost less accumulated depreciation and any related impairment.

Depreciation is provided at rates that are calculated to write off the cost of each asset, on a straight-line basis (evenly), over its estimated useful life. Rates for the different categories are as follows:

Freehold premises	2% per annum on cost
Building improvements	5% per annum on cost
Fixtures and fittings-new purchases	10% per annum on cost
Office equipment	20% per annum on cost
IT equipment	33.33% per annum on cost

Freehold land is not depreciated.

Note that although the office building in Borough High Street, London is shown at net book value in the Balance Sheet, its current market value is in the region of £8 million, before exit fees. The building is also insured at replacement value of circa £6.5 million.

(g) Investments

Investments are included in the Balance Sheet at latest market value at the post balance sheet date. Any unrealised gains or losses are included in the Income and Expenditure Account. The investment portfolio is professionally managed on the Group's behalf by professional fund managers in accordance with the Group Investment Policy.

(h) Funds

Restricted funds are grants or donations given by a grant provider or donor with performance conditions attached that must be met, before income can be recognised in the Income and Expenditure Account. They are held in the Balance Sheet as Restricted Fund Reserves until the performance conditions are met.

Unrestricted funds are available for use by the company to further its objectives. Certain unrestricted funds may be designated by the Council to be used for particular purposes. The categories of designated reserves and the values designated can be changed by Council at a later date.

(i) Liquid assets

Liquid assets are cash, or assets that can be converted into cash very quickly, generally because there is an enduring demand from buyers and because their realisable value is known with a high level of reliability.

(j) Pensions

RCOT operates a defined contribution scheme for staff as part of its employee benefits package. This includes ongoing contractual obligations for the employer to contribute towards the staff members' pension pots until they cease being an employee. By definition, the employer has no contractual obligation to create or maintain the pension pot values, but does have an obligation for the employer contribution rates payable.

In the past, the company provided a defined benefits scheme for employees. This scheme was closed to employees in June 2014. Following a scheme valuation in December 2017, the scheme administrators advised that there is a final employer payment, valued in December 2017 at £1,156,000. This final payment is due to ensure defined benefits value is available to pay legacy scheme members.

(k) Recognition of liabilities

For the financial year being reported, where goods and services were provided to the company by agreement, or contractual obligations otherwise arise and invoice processing has not yet occurred, accrued expenses are recognised in the Income and Expenditure Account. VAT costs are also accrued for to the extent they cannot be recovered.

(l) Grants

Where the company makes grants to an external party, such grants are recognised in the year in which they are paid. In addition, it also administers a number of restricted funds which make grants each year. These restricted fund grants are charged in the year in which they are paid. Details of grants paid are available on the company website.

2 Charitable activities	Direct costs £000	Support cost £000	Total 2022 £000	Total 2021 £000
Unrestricted Funds				
Membership subscriptions	257	283	540	623
Journals	808	189	997	292
Conference and events	2,080	943	3,023	2,684
Professional activities	2,304	1,884	4,188	4,176
Total Unrestricted	5,449	3,299	8,748	7,775
Designated Funds				
Membership subscriptions	53	–	53	38
Journals	–	–	–	28
Conference and events	84	–	84	55
Professional activities	207	–	207	788
Total Designated	344	–	344	909
Restricted Funds				
Professional activities	64	–	64	21
Total Charitable Activities	5,793	3,299	9,156	8,705

3 Support costs	2022 £000	2021 £000
Staffing costs	1,621	1,086
Facilities and infrastructure	925	797
Depreciation	176	201
General administration	577	775
Total Support Costs	3,299	2,859

4 Auditors fees

The audit fee of RCOT's auditors is £35,100 (2021 - £19,055) for audit work.

5 Staff costs	2022 £000	2021 £000
Salaries	4,073	3,754
Social security costs	485	418
Pension costs	369	326
Employee benefits	94	110
Sub total cost of staff employed	5,021	4,608
Temporary staff	219	252
Recruitment	121	95
Training	28	18
Total staffing costs	5,389	4,973

The average monthly numbers employed in the year were as follows:

	2022 number	2021 number
Charitable activities	68	68
Support activities	18	17
Total	86	85

The remuneration of the higher paid employees fell within the bands:

	2022 number	2021 number
£60,001 - £70,000	8	3
£70,001 - £80,000	0	1
£80,001 - £90,000	2	2
£90,001 - £100,000	2	3
£100,001 - £110,000	1	1

Remuneration and benefits paid to key employees during the year:

	2022 £000	2021 £000
Salaries	628	637
Social security costs	80	78
Pension costs	54	57
Employee benefits	10	10
Total remuneration and benefits	772	782

During the period a severance payment of £70,000 was made to a key employee. Full payment was made and recognised as an expenditure in the period.

6 Council members

All Council members can claim for travel, subsistence and other expenses. The total amount of expenses reimbursed to nine Council members during the year was £9,365. (2021 – nine Council members reimbursed £4,089). Council members did not receive any remuneration for carrying out duties as trustees/directors.

RCOT paid £3,700 (2021- £4,864) to provide Charity Trustee insurance cover.

7 Taxation

RCOT is a registered charity and is not subject to Corporation Tax on income arising from its charitable activities.

8 Pension buy out

In December 2017, RCOT, the pension scheme Trustees of the Federated Pension Scheme for the British Association of Occupational Therapists Ltd and Aviva Life & Pensions UK Limited agreed to the buyout of the defined benefit pension scheme. An advanced payment of £3,479,000 was paid in December 2017 with the balance of £1,156,000, valued in December 2017, likely payable in May 2023.

9 Pension costs

RCOT operated a defined benefit pension scheme for qualifying employees in the UK. This scheme closed in June 2014 to all new entrants. The disclosures set out below are based on calculations carried out as at 30 September 2022 by a qualified independent actuary.

The main assumptions used for the purposes of FRS 102 are (in nominal terms):

	30/09/2022	30/09/2021
Discount rate	5.00%	1.95%
Expected return on scheme assets	1.20%	1.95%
Pension increase in payment at the 5% LPI rate based on RPI	2.50%	3.55%
Pension increase in payment at the 2.5% LPI rate based on RPI	2.35%	2.30%
RPI	4.00%	3.75%
CPI	3.40%	3.10%

Expected Return on Assets

The assets of the scheme and the net expected long-term return on these assets are:

	At 30/09/2022 £000	At 30/09/2021 £000
Insured Annuity Contracts	9,850	17,708
Cash/other	33	17
Total Fair Value Of Assets	9,883	17,725

Pension costs**Reconciliation of the Present Value of Scheme Liabilities and Fair Value of Assets to the Asset and Liability Recognised in the Balance Sheet**

	At 30/09/2022 £000	At 30/09/2021 £000
Fair Value of Assets	9,883	17,725
Value of Liabilities (defined benefit obligation)	(9,857)	(17,708)
Funded status	26	17
Surplus restriction	(26)	(17)
Recognised Pension Asset/(Liability)	–	–

The excess ('surplus') of the fair value of scheme assets over the present value of the scheme liabilities can be recognised as an asset of the employer in the employer's balance sheet only in so far as the employer is able to recover this surplus (with or without through reduced contributions in the future, or through refunds from the scheme).

Where the employer cannot recover the surplus, then the employer cannot recognise any of the surplus as an asset. In these circumstances, the pension scheme is shown as 'nil' value on the employer's balance sheet.

The company's defined benefit scheme was closed to new entrants and to future accrual with effect from 30 June 2014.

Total Expense Recognised in the Income and Expenditure Account

	At 30/09/2022 £000	At 30/09/2021 £000
Interest cost on obligation	(1)	(1)
Restriction on expected return on assets	1	1
Total SOFA Charge	–	–

Pension costs**Changes in the present value of the defined benefit contribution**

	At 30/09/2022 £000	At 30/09/2021 £000
Opening defined benefit obligation	17,708	18,109
Interest cost on obligation	342	287
Remeasurement (gains) –		
Actuarial (gains)	(7,802)	(396)
Benefits paid	(391)	(292)
Closing defined benefit obligation	9,857	17,708

Pension costs**Changes in the fair value of Scheme Assets**

	At 30/09/2022 £000	At 30/09/2021 £000
Opening fair value of Scheme Assets	17,725	18,146
Interest income	342	288
Remeasurement gains – return on Scheme assets excluding interest		
Income	(7,793)	(417)
Benefits paid	(391)	(292)
Closing fair value of Scheme Assets	9,883	17,725

Total amount taken to Other Comprehensive Income

	At 30/09/2022 £000	At 30/09/2021 £000
Actuarial return on scheme assets (losses)	(7,451)	(129)
Less: amounts included in net interest on the Defined benefit liability	(342)	(288)
Remeasurement (losses) – Return on Scheme assets excluding interest income	(7,793)	(417)
Remeasurement gains – actuarial gains	7,802	396
Deficit restriction	(9)	21
Remeasurement gain/(loss) recognised in Other comprehensive income	–	–

10 Tangible fixed assets

	Freehold premises	Building improvement	Fixtures & fittings	Office equipment	IT equipment	Assets under construction	Total
Cost	£000	£000	£000	£000	£000	£000	£000
At 1 October 2021	1,046	1,603	614	245	315		3,823
Additions during year						109	109
Disposals							
At 30 September 2022	1,046	1,603	614	245	315	109	3,932
Depreciation At 1 October 2021	502	855	604	215	229		2,405
Charge for the year	21	80	3	15	57		176
Released on disposal							
At 30 September 2022	523	935	607	230	286	–	2,581
Net Book Value							
At 30 September 2022	523	668	7	15	29	109	1,351
At 30 September 2021	544	748	10	30	86	–	1,418

All assets are used for the charitable activities of RCOT.

There was no amount of capital authorised and contracted for as at 30 September 2022.

11 Fixed assets investments

	Market value 30/09/2022 £000	Additions £000	Disposal Proceeds £000	Net (losses) £000	Market value 30/09/2021 £000
UK Equities	4,141	67	(3,435)	(95)	678
Alternatives	671	526	(288)	(35)	873
Fixed Income	1,220	883	(636)	(197)	1,269
Overseas Equities	3,024	355	(1909)	(262)	1,208
Property	–	117	–	(24)	93
Sub total	9,056	1,948	(6,268)	(613)	4,122
Cash held in investment portfolio	690				215
Total	9,746				4,337

The total cost of investments held by RCOT at 30 September 2022 was £4,428,641 (2021: £9,300,302)

12 Debtors

	2022 £000	2021 £000
Amounts due within one year		
Trade Debtors	58	40
Other Debtors	34	7
Taxes & Social Security	–	–
Prepayments and Accrued Income	231	233
Amount due from BAOT	2,784	682
	3,108	962

13 Creditors

	2022 £000	2021 £000
Amounts due within one year		
Trade Creditors	280	318
Taxes & Social Security	137	117
Pension Scheme	50	–
Accruals & Deferred Income	850	681
	1,317	1,116

The amount of Deferred Income at the beginning of the year was £138,863. During the year, the whole of this amount was released to the SOFA, while a further £341,963 of income was created. The balance of Deferred Income at 30 September 2022 was £341,963.

14 Share capital

	2022 £	2021 £
Authorised Ordinary shares of £ each	100	100
Allotted and fully paid Ordinary shares of £1 each	3	3

15 Restricted funds

	Balance 30/09/21 £000	Incoming Resources £000	Resources Expended £000	Balance 30/09/22 £000
ISP Annual Award	26	–	–	26
ISP Scholarship	1	–	–	1
Elizabeth Casson	1	–	–	1
Elizabeth Casson PD	2	–	–	2
COVID funds	15	–	(7)	8
Health Education England – Neonatal	13	–	(2)	11
Health Education England - AHP Workforce Reform	–	300	(55)	245
	58	300	(64)	294

All of the grants paid under Resources Expended were awarded to individuals. The purpose of each fund/award is as follows:

- **ISP Annual Award:** provides support for individual occupational therapist towards a research activity in a topic relevant to occupational therapy, mental health and social psychiatry.
- **ISP Scholarship:** provides support for doctoral or early post-doctoral research activity which is relevant to occupational therapy and social psychiatry.
- **Elizabeth Casson:** provides a contribution towards the digitisation of back copies of British Journal of Occupational Therapy.
- **Elizabeth Casson PD:** The Elizabeth Casson Trust in collaboration with RCOT's UK Occupational Therapy Research Foundation provides an annual grant of up to £10,000 for three years to support BAOT members who are early stage postdoctoral researchers.
- **COVID funds:** It is a hardship fund for members during COVID-19.
- **Health Education England – Neonatal:** This project is for developing resources for members' learning.
- **Health Education England AHP Workforce Reform:** HEE are funding £300k to deliver specific project work to help shape the future of the AHP Workforce.

16 Designated funds

	Balance 30/09/2021 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Balance 30/09/2022 £000
Pension Scheme	1,156	–	–	–	1,156
RCOT branches	875	196	(174)	–	897
UKOTRF	290	–	(36)	–	255
Transformation Project	–	2,500	(123)	–	2,377
Building Project	–	2,500	(11)	–	2,489
	2,321	5,196	(344)	–	7,173

The pension scheme funds are to cover the balance of £1,156,000 owed to AVIVA upon compensation of the buyout.

The funds for RCOT branches supported the specific activities of the various groups of RCOT that are organised both geographically and by clinical specialism UK Occupational Therapy Research Foundation (UKOTRF) provides grants to build an evidence-base for occupational therapy by supporting research into the effectiveness and cost-effectiveness of occupation-focused interventions.

The transformation fund is to support our five year strategic plan, focused around separate transformation projects.

The building project fund is to support our building project by transforming our building into viable commercial space with the view to generating commercial rental income.

17 Analysis of net assets between funds

	Tangible Fixed Assets £000	Investments £000	Net current Assets £000	Total £000
Restricted Funds	–	–	294	294
Designated Funds	–	–	7,239	7,239
Unrestricted Funds	1,351	4,337	1,447	7,135
	1,351	4,337	8,980	14,668

18 Reconciliation of movement in share capital and charitable funds

	2022 £000	2021 £000
(Loss)/gain for the financial year	(1,274)	1,539
Shareholders' funds at 1 October	15,680	14,141
	14,406	15,680

19 Analysis of changes in net funds

	At 1 October 2021 £000	Cashflows £000	At 30 September 2022 £000
Cash at bank and in hand	1,954	3,236	5,190
Cash held as liquid investment	2,716	(978)	1,738
Cash held in investment portfolio	690	(475)	215
	5,360	1,783	7,143

20. Parent undertaking and ultimate controlling party

The parent undertaking and ultimate controlling party of RCOT is the British Association of Occupational Therapists Ltd ("BAOT").

Registered Office: Phoenix House, 106–114 Borough High Street, London SE1 1LB

BAOT Company number: 00392350.

The principal activity of BAOT is that of a professional association in the field of rehabilitative medicine. BAOT aims to promote occupational therapy education and honourable practice, to provide facilities for the advancement of the science of occupational therapy by the widest possible distribution of information through meetings, discussions and debate; and to issue relevant papers and periodicals on occupational therapy. BAOT is a registered trade union.

21. Related parties

All members of the Council of RCOT are also members of the Council of BAOT, the parent entity of RCOT. The subscriptions of Council members are paid by the individual Council members at the normal rates and carry no special rights or privileges. In addition, as part of their work, Council members may attend courses provided and receive journals produced by RCOT. These services are all provided on an arm's length basis at normal (regular) rates.

The balance of income over expenditure is paid to RCOT, a wholly owned subsidiary. This is in line with a Council decision. The amount to be transferred for the year ended 30 September 2022 is £6,420,066 (2021 owed to RCOT – £7,036,193). The outstanding balance owed from RCOT at the year end is £155,107 (2021: £682,409).

The total amount of expenses reimbursed to nine Council members during the year was £2,413. (2021: £4,089 paid on behalf of Council members).

Occupational therapists employed by RCOT have their subscriptions paid to BAOT by RCOT. These subscriptions, which were paid at normal rates totalled £4,587 for the year.

Section seven

Legal and administrative information



Legal and administrative information

Company details

Royal College of Occupational Therapists

A private company limited by shares registered in England and Wales (company no. 01347374), incorporated on 10 January 1978. A charity registered in England and Wales (no. 275119) and in Scotland (no. SC039573).

The organisation is governed under its Articles of Association (last amended October 2021) which establish the objects and powers of the organisation.

Registered office

Phoenix House, 106–114 Borough High Street, Southwark, London, SE1 1LB

Patron

HRH The Princess Royal, GCVO

Vice Presidents

Professor Sir Mansel Aylward CB

Professor Sir Clive Booth

Colin Ettinger

President

Professor Sheila the Baroness Hollins

RCOT Council members		
Name	Council role	Changes in reporting period
Professor Diane Cox	Chair	Retired 30 June 2022
Odeth Richardson	Chair	Elected 30 June 2022
Dr Kee Hean Lim	Vice Chair, International Affairs	
Cathryn Holding	Industrial Relations	
Paul Dunning	Wales	Elected 30 June 2022
Carmel Harney	Northern Ireland	Interim from 30 June 2022
Kalimah Ibrahiim	England	
Samantha Flower	Scotland	
Dr Duncan Pentland	Research and Development	Retired 30 June 2022
Professor Priscilla Harries	Research and Development	Interim from 30 June 2022
Lisa Ledger	Learning and Development	Retired 19 April 2023

RCOT CEO and senior leadership team members

Name	Council role	Changes in reporting period
Steve Ford	CEO and Company Secretary	
Karin Bishop	Director of Movement Building and Membership	
Clare Cochrane	Director of Brand and Marketing	
Karin Orman	Director of Practice and Innovation	
Satvinder Reyatt	Director of People, Finance and Governance	Joined 7 March 2022
Rob Smyth	Director of Strategy, Technology and Transformation	Joined 3 January 2023
Diana Atkinson	Director of Human Resources	Left 1 March 2022
Simon Leicester	Director of Finance and Corporate Services	Left 15 August 2022

Professional advisors

Auditors

BDO LLP
55 Baker Street
London W1U 7EU

Bankers

HSBC Bank PLC
15-17 Praed Street
Paddington
London W2 1NJ

Solicitors

DAC Beachcroft LLP
25 Walbrook
London EC4N 8AF

Fund managers

Close Brothers Asset Management (part of Close Brothers Group plc)
10 Crown Place
London EC2A 4FT

Insurance brokers

Towergate Underwriting Group Ltd
2 Minster Court
Mincing Lane
London EC3R 7PD

AON UK Ltd
122 Leadenhall Street
London EC3V 4AN

Pension Providers - Defined contribution scheme

Legal and General Pensions Ltd (part of Legal & General Group plc)
1 Coleman Street
London EC2R 5AA

Pension providers - Defined benefit scheme

(closed in 2014 to contributors)
Aviva Life & Pensions UK Ltd
Wellington Row
York YO90 1WR

We live and breathe our values



We Impact

We make meaningful differences with all our work.

We prioritise work that achieves our shared purpose and strategy.

We go above and beyond for the people who need us.



We Elevate

We lift up and support others to be and do their best.

We are accessible and collaborative.

We are united and move forward together, even if we sometimes disagree.



We Challenge

We find new and better ways to make things happen.

We are brave and bold in our ideas and actions.

We challenge ourselves, each other and the status quo.



We Respect

We value each other and celebrate our differences.

We are approachable, genuine and trustworthy.

We listen to others and believe everyone's views should be heard.

We're RCOT, the Royal College of Occupational Therapists. We've championed the profession and the people behind it for over 90 years; and today, we are thriving with over 35,000 members.

Then and now, we're here to help achieve life-changing breakthroughs for our members, for the people they support and for society as a whole.

rcot.co.uk

© 2023 Royal College of Occupational Therapists. A registered charity in England and Wales (No. 275119) and in Scotland (No. SC039573) and a company registered in England and Wales (No. 01347374)

ROYAL COLLEGE OF OCCUPATIONAL THERAPISTS

England & Wales - Charity number 275119

Accounts

Royal College of Occupational Therapists

Annual Report of Council
30 September 2021

RCOT Charity Registration Number 275119

CONTENTS

	Page
Report of Council	3
Report of the Chair of Council	4
Report of the Chief Executive	5
Patron and Presidents	6
Members of Council	6
Legal and administrative information	7-8
Structure, governance and management	9-10
Strategic report	11-14
Objectives and activities	11-12
Achievements and performance	12-14
Financial review	15
Plans for future periods	16
Principal risks and uncertainties	16-17
Statement of Council responsibilities	18
Independent auditor's report to members	19-22
Statement of financial activities	23-24
Balance sheet	25
Cash flow statement	26
Notes to the accounts	27-42

Report of Council

(incorporating the Trustees' Report, the Directors' Report and the Strategic Report)

Council presents the report and financial statements of the Royal College of Occupational Therapists ('RCOT') for the year ended 30 September 2021. The financial statements comply with the Statement of Recommended Practice for Accounting and Reporting by Charities ('FRS 102') applicable accounting standards and the Companies Act 2006.

Report of the Chair of Council

What a year 2020/21 has been. Throughout the year, RCOT promoted the fantastic work our members do and increased the importance and profile of the profession. It's amazing to look back and see just how much we all achieved together.

In November 2020, Dr Jenny Preston MBE delivered the Elizabeth Casson Memorial Lecture 2020: Re-engineering truth and certainty in occupational therapy. The lecture was held virtually for the first time and was watched by 1,113 people.

In April 2021, we welcomed our new Chief Executive, Steve Ford. During the year, he was busy (and still is) finding out about the great work you have all been doing across the UK with his #TalktoSteve conversations. I know how important those discussions have been to the formulation of RCOT's new strategy.

In June 2021, our Annual Conference was held online, for the first time. Over 1,600 occupational therapy professionals and learners took part. We featured an impressive lineup of speakers, including Professor Sir Michael G Marmot who spoke passionately about health equity and Professor Sally Singh who engaged the audience on the growing need for digital interventions to support rehabilitation and recovery.

We've also upped our game around social media and more open engagement with members and stakeholders. While there is still more work to do, we now have more than 35,000 members across the UK, and our voice as a professional body is stronger and louder than ever! Over 100,000 people visited our website every month, our social media following continued to grow with over 37,000 followers on Twitter and there were thousands of articles in the UK media covering the work occupational therapists are doing. It was also fantastic to see 2,834 students - the next generation of occupational therapists - start our accredited pre-registration occupational therapy programmes.

As the COVID pandemic sadly continued, there is no doubt 2020/21 was an extremely challenging time for all. Many of our members were, and still are, on the front line supporting people with the virus and those with Long Covid. But positively, a light has been shone on the crucial role our profession plays in health and social care across the UK, and I am immensely proud of the work you are doing.

Professor Diane Cox, RCOT Chair of Council



Report of the Chief Executive

This has been another challenging year for everyone working in health and social care. Despite this, RCOT and our members have made huge strides. Thank you all for your brilliant work! Despite the difficulties caused by the COVID pandemic, this past business year was full of successes.

During Occupational Therapy Week 2020, we launched our #ChooseOT campaign to inspire the next generation of occupational therapists. The response we saw was fantastic and at the time our campaign was the most successful to date. The campaign hashtag had a reach of over 6.5 million in one month alone and the campaign website received over 19,000 views. The #ChooseOT social wall also received over 3,000 views.

In Scotland and Wales, we produced manifestoes ahead of the Scottish Parliament and Welsh Senedd elections to help our members engage with their local candidates. As part of our campaign to lead the way in making occupational therapy a more inclusive profession, we appointed Ketan Davé as our Equity, Diversity and Belonging Manager.

As well as taking stock, it's important to look to the future. For RCOT and our members, this is our new five-year strategy, brand and organisational values. Our vision is clear – we want people everywhere to value the life-changing power of occupational therapy. We will work in close partnership with our members to show the world the potential of occupational therapy to increase wellbeing right across our society.

Our focus is now on the implementation of the strategy. We've established a bold agenda for the year ahead with a number of projects intended to deliver a significant change in how we operate both internally and externally. One key element of the strategy has already been delivered. We launched our new customer relationship management system in November 2021, giving us a strong platform to improve how we interact with members. It will also help us make better data-driven and insight-informed decisions. We have also strengthened our arrangements for IT and have developed options for the future of our headquarters in this world of hybrid working.

All these are the building blocks for us to become the dynamic organisation our members want and need. My colleagues and I are excited by our ambitious agenda, and I look forward to reporting our progress next year.

Steve Ford, RCOT Chief Executive



Patron

HRH The Princess Royal, GCVO

President

Professor Sheila the Baroness Hollins

Vice Presidents

Professor Sir Mansel Aylward CB

Professor Sir Clive Booth

Colin Ettinger

Chair of Council

Professor Diane Cox

Vice Chair of Council

Kim Atkinson (retired 21/9/2021)

Dr Kee Hean Lim (appointed 21/09/21)

Capacity

Chair

Industrial Relations

International Affairs

RCOT Board: Wales

RCOT Board: Northern Ireland

RCOT Board: Scotland

RCOT Board: England

Council member

Professor Diane Cox

Cathryn Holding

Dr Kee Hean Lim

Kim Atkinson (retired 21/09/21)

Vacant from 21/09/21

Lena Canavan (retired 21/09/21)

Vacant from 21/09/21

Fiona Warrender (retired 21/09/21)

Samantha Flower (appointed 21/09/21)

Alison Wilcox (retired 21/09/21)

Kalimah Ibrahiim (appointed 21/09/21)

Capacity

RCOT Board: Research and Development

RCOT Board: Learning and Development

Council member

Dr Duncan Pentland

Lisa Ledger

Legal and administrative information

Charity name Royal College of Occupational Therapists ('RCOT'), formerly the College of Occupational Therapists Limited – name changed in April 2017

Country of incorporation United Kingdom

Charity registration nos. England and Wales 275119
Scotland SCO39573

Company registration no 01347374

Registered office 106-114 Borough High Street
Southwark
London SE1 1LB

Trustees The business of RCOT is managed by the members of its Council. Council members are trustees for the purpose of charity law and directors for the purpose of company law. Council members do not receive remuneration and have no beneficial interest in the share capital of the company. Members who have served on Council during the year are shown on pages 6 and 7 of this report.

Company secretary Julia Scott (resigned 28/02/21)
Steve Ford (appointed 06/04/21)

Business Management Group (Senior Leadership Team)

Chief Executive	Julia Scott (resigned 28/02/21) Steve Ford (appointed 06/04/21)
Director of Human Resources	Diana Atkinson
Director of Professional Operations	Karin Bishop
Director of Finance and Corporate Services	Trevor White (resigned 31/08/21) Simon Leicester (appointed 16/08/21)
Assistant Director, Professional Practice	Karin Orman
Assistant Director, Communications and Marketing	Clare Cochrane
Assistant Director, Education & Research	Dr. Joanne Watson

Professional Advisors

Auditors BDO LLP
55 Baker Street
London W1U 7EU

Bankers HSBC Bank PLC
15-17 Praed Street
Paddington
London W2 1PP

Solicitors DAC Beachcroft LLP
 25 Walbrook
 London EC4N 8AF

Fund managers Close Brothers Asset Management (part of Close Brothers Group plc)
 10 Crown Place
 London EC2A 4FT

 W H Ireland Ltd
 24 Martin Lane
 London EC4R 0DR

 HSBC Private Banking
 8 Cork Street
 London W1S 3LJ

Insurance brokers Towergate Underwriting Group Ltd
 2 Minster Court, Mincing Lane
 London EC3R 7PD

 AON UK Ltd
 122 Leadenhall Street
 London EC3V 4AN

Pension providers - Defined Contribution Scheme
Legal and General Pensions Ltd (part of Legal & General Group plc)
1 Coleman Street
London EC2R 5AA

Pension providers - Defined Benefit Scheme (closed in 2014 to contributors)
Aviva Life & Pensions UK Ltd
Wellington Row
York YO90 1WR

Structure, governance and management

Governing document

RCOT is a company limited by shares and a registered charity and is governed by its Memorandum and Articles of Association.

The British Association of Occupational Therapists Limited ('BAOT') is the holding company for RCOT. BAOT is the professional association and trade union for occupational therapists in the United Kingdom (UK).

Recruitment and appointment of Council Members

The composition, appointment, election and retirement of Council members are governed by the Council Rules.

All the Council members are professional members of the professional association.

Council members are appointed for a three-year term, commencing from the Annual General Meeting date. Because of the staggered nature of their appointment term, there will be some Council members who come to the end of their term of office every year. Nominations for new Council members have to be received by March each year. If more than one person is nominated for any vacancy on Council, then there is a formal election process involving the membership and conducted using independent scrutineers,

Induction and training of Council Members

All new Council members are provided with an induction pack that comprises all of the formal documents relating to the governance of RCOT, together with the relevant Charity Commission publications and other general guidance regarding the management and administration of the organisation. All new Council members then attend a formal induction at RCOT, to meet the Chair and senior officers of RCOT. The new Council members receive various presentations, particularly regarding their legal and financial responsibilities. They are also briefed on the organisation's policy on conflicts of interest and required to complete (and keep up-to-date) a declaration of interest form. There is also the opportunity to raise questions and discuss areas of interest or concern.

All Council members are provided with professional advice and training as required, either by staff or by independent advisors, as appropriate. Council members are kept updated on current good practice by the Company Secretary.

All these procedures are kept under regular review.

Organisational structure

Council members meet together as a Council four times a year in; January, April, June and September. In addition, there are Boards and Committees that report into Council. These operate under their agreed Terms of Reference. The Boards and Committees comprise a mixture of Council members and other serving non-executive directors who are recruited because of their professional and functional expertise. The Audit, Investment and Risk Committee will meet four times a year in the 2021/22 year but by agreement of Council, met three times a year in the 2020/2021 year.

Council's principal responsibilities are overseeing; governance, strategy, planning and significant operational decisions. Council has delegated day-to day management of the organisation to the Chief Executive, supported by a group of senior managers (the business management group).

Council approves the delegation of financial authority through the Chief Executive, with specific limits imposed within an approved scheme of delegation.

Remuneration of key management personnel

RCOT benchmarks the remuneration of key management personnel in accordance with the RCOT pay and benefits reviews undertaken and then endorsed by Council. The objective is to ensure that RCOT salaries for all grades of employees remain market competitive and within the median range for the Not for Profit sector and SME business sector in London. All salaries within RCOT are evaluated into an established job evaluation pay grade structure run by an independent, external human resource consultancy organisation.

Strategic report

Objectives and activities

The principal activity of RCOT are the promotion of the science of occupational therapy and the training, education and continuing development of occupational therapists in the UK.

In setting these objectives and developing its strategic plan, RCOT has given careful consideration to the public benefit, as it relates to its charitable purposes. In particular, Council members (as the charity trustees) believe that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance, as published by the Charity Commission. RCOT aims to contribute to the public good in all its activities in the UK. It seeks to achieve this by ensuring that:

- The occupational therapy profession is focussed on helping to improve the health and wellbeing of the UK population.
- The public is made aware of how occupational therapy can benefit individuals and make a positive difference to their lives.
- Users of occupational therapy services receive professional, evidence-informed services.
- Occupational therapists have access to continuing professional development ('CPD') guidance and advice that helps them optimise their competencies and so provide high quality care for service users and carers.
- Occupational therapists are supported, provided with information to ensure excellence in their practice and kept well informed, so that they can anticipate and react to changing needs and demands.

RCOT sets the professional and educational standards for occupational therapy. It provides leadership, guidance and information relating to research and development, education, practice and lifelong learning.

RCOT has a set of 5-year strategic intentions for the years 2018-2023, with three main aims:

1. Position the Profession and our members for the 21st century.
 - To provide leadership for the profession during challenging and changing times in the fields of health and social care, ensuring the profession is ready to adapt to new models of care.
 - To ensure that our members are seen as experts in the provision of person-centred health and care arrangements and providers of services of the very highest quality.
 - To support new models of practice and expertise, by providing timely and high quality CPD opportunities.
2. Enhance the profile of the profession to a range of audiences.

To ensure key stakeholders and members of the public, across the UK, understand the value of occupational therapy and our unique contribution. To seek RCOT's input across a range of sectors, including new and developing areas of practice.

3. Ensure RCOT is a thriving organisation, within which its members can flourish.
 - To ensure that the organisation thrives and prospers by promoting occupational therapy as a career of choice, increasing student membership, engaging members within its activities, being well-managed and fit for purpose and seen as the 'go to' organisation for all matters relating to the profession.

- To support our members in challenging situations, by providing industrial relations support and to signpost stakeholders and members of the public to appropriate experts in the field of occupational therapy.

RCOT launched a new high level strategy (Build Up, Lift Up, Rise Up and Open Up) in January 2022 to coincide with a launch of the new RCOT values (Respect, Impact, Challenge and Elevate) and Brand refresh. The strategic initiative projects, approved by the Council in October 2021 as part of the budget and planning process, were then linked to the high level strategy.

RCOT uses occupational therapists and associate members as volunteers, primarily as members of Boards and Committees and to run the RCOT branches (specialist sections and regions). There are approximately 350 volunteers supporting RCOT at any one time. No financial value has been attributed to the work performed by these volunteers. Nevertheless, the work is considered vital to RCOT activities.

Achievements and performance

Each year, Council approves a business plan, which is then broken down into individual group, project and departmental action plans. A large amount of effort is required to maintain the momentum of existing initiatives and 'work-in-progress' and to retain and build the existing market share of qualified occupational therapists. RCOT compares its membership to the public register of occupational therapists held by the Health and Care Professionals Council ('HCPC') in order to provide a relevant estimate of 'market share'. Historically, the Professional market share (excludes overseas, associate, retired and student members) has remained in the range of 70-75%. The Professional market share as at 30 September 2021 was 73%.

Some of the more notable achievements in the year relating to RCOT's charitable activities were:

- 1. Public benefit** – RCOT is very aware of its responsibilities to demonstrate that its activities benefit the public. Hence:
 - In 2021, RCOT received and responded to 2,379 enquiries (2020 2,235), an increase of 6.4%. Of these, 404 were from non members. Of the 404 enquiries from non members, 302 of these were from members of the public looking for an independent occupational therapist.
 - Ongoing collaboration with a range of government agencies and charities enables RCOT to raise awareness of occupational therapy to wider audiences.
 - Whilst the challenges of COVID-19 have been significant for all health and care workforce groups, the pandemic emphasised the distinct value of occupational therapy in relation to acute care, rehabilitation and safe discharge, as reported via various public-facing media.
 - During the financial year, RCOT supported four coalitions and alliances on key policy areas such as rehabilitation, social care, disabled children and the international workforce.
 - RCOT continued to set the standards, requirements of practice, professional values and behaviours, across the profession, by continually developing professional education, practice standards, as well as codes of behaviour and ethical conduct.
- 2. Promoting the profession** – RCOT looks for every opportunity to promote the value of occupational therapy. For example:
 - Its continued involvement in influencing, providing briefings for Ministers and civil servants, consultation responses and attending Government working groups on significant pieces of new legislation. During 2021, RCOT received 82 requests to engage in high level Government or key stakeholder meetings, across all four nations of the UK.

- For Occupational Therapy Week 2020 we launched the #ChooseOT campaign, to inspire future occupational therapists. Over the week, we achieved a 5.4 million social media reach for #ChooseOT and 3.5 million for #OTWeek. Our members shared over 2,300 stories on social media about why they love being occupational therapists, and some also reached out to schools giving virtual presentations to students.

The week saw the start of our paid for social media campaign and the launch of our dedicated careers website, www.chooseot.co.uk, which received over 6,000 views in the first two weeks.

- Despite the limitations imposed by COVID-19, membership continues to grow and has increased in net terms by 1,361 members during the financial year. During the year, RCOT worked with a total of 46 education providers, of which 7 were new to providing pre-registration occupational therapy education.

RCOT attempts to maximise the impact of those factors over which it has control. At the same time, the organisation acknowledges that there are a number of key factors over which it has little or no control. In particular, the majority of the members continue to work for statutory authorities in health, social care and education. As such, the profession has a large exposure to government control, planning and funding.

The professional body is not the official regulator of occupational therapist as a title protected in statute. This role is performed by the Health and Care Professions Council ('HCPC'). Occupational therapists who wish to practise have to pay registration fees to the HCPC and then decide whether they wish to join the membership professional body (RCOT).

Business governance activities have continued as planned throughout the 2020/21 year, but most have been conducted via virtual meetings or hybrid in-person/virtual meetings, such as the June AGM meeting and Council meetings.

As a professional body, RCOT collaborated with a wide range of agencies in the health, care and education sectors. Much effort has been focused on the pressing need to increase the workforce. RCOT has supported every effort to ensure an appropriate supply of skilled OT professionals. For example, close collaboration and planning with the education sector supported the use of student occupational therapists in acute healthcare settings, in order to maximise workforce capacity.

Key performance indicators

There are three fundamental KPIs, each relating to membership in some way:

Total membership numbers – by category of membership. There was a total membership of 35,078 at 30 September 2021 (2020: 33,717), a net increase of 4% over the previous year.

Market share – the organisation compares its membership to the public register of occupational therapists held by the Health and Care Professionals Council ('HCPC') in order to provide a relevant estimate of 'market share'. Historically, the Professional market share (excludes overseas, associate, retired and student members) has remained in the range of 70-75%. The Professional market share at 30 September 2021 was 73%.

Financial sustainability – this measures the amount of budgeted expenditure that is covered by membership subscriptions. The percentage for this year's accounts is 83% (2020 91%), which is a reduction 8% from the previous year. Although membership subscription increased by £0.218M expenditures went up by £0.938M, hence the reduction in the percentage. The amount of expenditure not covered by membership subscriptions has to be generated from other sources of income such as commercial income sources.

Financial review

Council report that RCOT total income for the year 2020/21 was £8.39M (2020: £8.3M). Membership subscriptions are initially paid to BAOT, which has an agreement with UNISON to provide industrial relations services.

After payment of the costs of industrial relations services, BAOT transfers the balance of member subscriptions to its RCOT subsidiary, to further the work of the College. In addition, RCOT earns a minor level of income from other sources. This year, the balance of subscriptions transferred increased by 3% to £7.2M (2020: £7M).

The total expenditure by RCOT for the year 2020/21 increased by £0.94M to £8.7M (2020: £7.8M), all of which was spent on charitable activities.

There was a net unrealised gain on investment funds of £1.84M (2020: £1.5M unrealised loss), which has been added to funds brought forward. This results in total charitable funds of RCOT increasing to £15.68M (2020: £14.1M).

Reserves

RCOT's unrestricted and undesignated funds amounted to £13.33M (2020: £11.1M), of which £1.4M is the net book value of fixed assets. This left £11.91M as free reserves for working capital needs and investments, at 30th September 2021. This level of free reserves is within the level set out in RCOT's Reserves Policy, which is set at the range of 26-52 weeks of future budgeted expenditure.

At the October 2021 Council Meeting, the Reserves Policy was amended to the equivalent of 26 weeks of future budgeted expenditure.

Fundraising

RCOT does not actively fundraise but does periodically bid for research funding on a modest scale. No donations were received during the year.

Investments

Under the terms of the Memorandum of Association, RCOT has the power to invest funds not immediately required to support charitable activities. The Council has approved an Investments Policy, outlining parameters for ethical, social and governance investing as well as guidelines on risk and return.

RCOT's investments are managed by three professional fund management firms; Close Brothers, HSBC Private Bank and WH Ireland. The funds each manage diversified portfolios of investments, typically including fixed-term income products and equities. The total investment portfolio market value was £9,747,000 at 30 September 2021 (2020: £7,811,000).

Plans for future periods

Following the appointment of a new Chief Executive in April 2021, work was done to develop a series of strategic initiative projects. Details of the new strategic initiative projects were presented to the Council at its October 2021 meeting as part of the budget and planning process and approved in full. The strategic initiative projects will be progressively implemented over the next five years. Project funding will come mostly from a combination of unrestricted reserves and some growth in future income streams. At its October meeting, the Council reviewed the plans to part-fund strategic initiative projects from reserves in relation to the existing Reserves Policy, to ensure continued compliance with that policy.

Post-balance date plans include simplifying investment funds management – the rationalisation of three investment management firms down to one firm with revised investment management targets. The Investment Policy, with investment performance targets was approved in October by the Council.

Regarding future ways of working, the post-pandemic-lockdown expectation is that we will continue flexible working practices (a combination of home and office-based working) and hosting virtual events. Future use of the building is also being actively considered, including the likely use of hot-desking and renting out surplus office space to external parties.

Future fee changes are also likely (fee structure simplification and fee changes), but the expectation is that such changes will partner with membership offer improvements.

Principal risks and uncertainties

RCOT incorporates the management of risk into its decision-making processes, including function management, project management and contract management.

Council has agreed that the Audit Committee (renamed the Audit, Investment and Risk Committee in October 2021) undertakes the detailed task of monitoring the major risks, assessing their likely impact and likelihood and the risk mitigations employed to manage such risks. The Audit Committee comprises 5 members, consisting of two members of Council, one senior member of the profession who is not a member of Council and two independent external members, one of whom has a financial background and the other with appropriate skills and expertise in governance functions.

The revamped Organisational Risk Register includes designated risk owners, red/amber/yellow/green rated risks (red being the highest score risks), gross and net risk scores and a list of risk mitigations. At the October Audit Committee meeting, it was reported that there were no red net risks, six amber net risks, seven yellow net risks and one green net risk. The net score is after mitigations are applied.

The amber-scored risks are as follows. Covid and Brexit risks have been managed as features of the granular risks in the Risk Register, as appropriate.

Risk title	Risk explanation
Complexity in the Change Portfolio	The organisation is embarking upon a complex and comprehensive change programme (e.g. in digital - CRM implementation, website rebuild, content management system & virtual networking platform). These will combine process & technology change, involving multiple stakeholders. The organisation has not been used to managing or resourcing complex, multi-year change programmes.
Failure of the Financial Model	Decline in capital value of funds invested. Inability to grow commercial income sources to help fund projects.
Organisational Governance	Skills of Council members and staff to provide effective governance in delivering the strategy.
Decline in Membership	The membership offer may not be compelling enough, or member emerging needs not met. Competitive threats (partial substitutes) may emerge.
Data Governance & Data Security	Cyber threats, accidental data disclosure breaches, acceptable use breaches and excessive data retention.
Staff Skills & Resilience/Culture	Staff's ability and capacity to manage multiple changes and embrace new ways of working, post pandemic. National workforce competition – in a remote working environment, we are effectively in competition with UK-wide employers, not just London-based ones.

The Audit Committee reports to Council at least annually on risk management. Council has reviewed these reports and takes responsibility for ensuring that all appropriate measures are implemented as business priorities.

Because of the regular and highly diversified income streams, the Group does not actively use financial instruments (lines of credit, factoring, currency hedging) as part of its financial risk management. The Group is exposed to the usual contract, credit and cash flow risks associated with providing its goods and services. It manages these risks through its contract management, internal control procedures, cash flow monitoring and Risk Register.

Statement of Council's responsibilities

Council is responsible for preparing the Report of Council (incorporating the Trustees' Report, Directors' Report and Strategic Report) and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

UK Company and Charity law requires the Council to prepare financial statements for each financial year. Under that law, Council must not approve the financial statements, unless it is satisfied that they give a true and fair view of the state of affairs of RCOT and of the incoming resources and application of resources, including its income and expenditure, of RCOT for the year. In preparing these financial statements, Council is required to:

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that RCOT will continue in business.

Council is responsible for keeping adequate accounting records that are sufficient to show and explain RCOT's transactions and disclose with reasonable accuracy at any time, the financial position of RCOT and enable it to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Act (Scotland) Regulations 2006 (as amended) and with the Companies Act 2006. It is also responsible for safeguarding the assets of RCOT and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Council is responsible for the maintenance and integrity of the financial information included on RCOT's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Each of the Council members have confirmed that, so far as they are aware, there is no relevant audit information of which RCOT's auditors are unaware and that they have taken all the steps that they individually ought to have taken as a Council member, in order to make themselves aware of any relevant audit information and to establish that RCOT's auditors are aware of that information.



**106-114 Borough High Street
London, SE1 1LB**

**By order of Council
Chair – Professor Diane Cox
7 April 2022**

Independent auditor's report to members and trustees of the Royal College of Occupational Therapists

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 30 September 2021 and of the company's incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The Royal College of Occupational Therapists ("the Charitable Company") for the year ended 30 September 2021 which comprise the statement of financial activities, the balance sheet, the cash flow statement 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company 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.

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's

report thereon. The other information comprises the Report of the Board of Trustees. 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 course of 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.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Trustee's report.

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

- adequate accounting records have not been kept by the Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. No irregularities, including fraud were identified during the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. We:

- Discussed with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud meetings of those charged with governance, reviewing correspondence with HMRC and the charities commission to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility
- Reviewed items included in the fraud register
- Challenged assumptions made by management in their significant accounting estimates
- In addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of certain manual journals, reviewed the application of judgements associated with accounting estimates for the indication of potential bias and tested the application of cut-off and revenue recognition

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in

an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Philip Cliftlands

D1FB52C82A114D7...

Phil Cliftlands (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK
Date 29 April 2022
BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of financial activities

(incorporating the Income and Expenditure Account) for the year ended 30 September 2021

		Unrestricted Funds £000	Designated Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Incoming and Endowments from:	Note					
Charitable activities						
Membership subscriptions		7,117	114	-	7,231	7,013
Journals		509	30	-	539	586
Conferences and events		115	84	-	199	118
Professional activities		127	-	49	176	152
Investments		178	-	-	178	222
Other		67	-	-	67	235
Total		8,113	228	49	8,390	8,326
Expenditure on:						
Charitable activities						
Membership administration		623	38	-	661	543
Journals		292	28	-	320	881
Conferences and events		2,684	55	-	2,739	1,917
Professional activities		4,176	788	21	4,985	4,426
Other activities						
Pension buy out costs	8	-	-	-	-	-
Total	2	7,775	909	21	8,705	7,767
Net gain (losses) on investments	11	1,854	-	-	1,854	(1,519)
Net (loss)/income		2,192	(681)	28	1,539	(960)
Transfer between funds	16	(9)	9	-	-	-
Net movement in funds:		2,183	(672)	28	1,539	(960)
Reconciliation of funds						
Total funds brought forward at 1 October		11,118	2,993	30	14,141	15,101
Total fund carried forward at 30 September		13,301	2,321	58	15,680	14,141

All amounts derive from continuing activities. All gains and losses in the year were recognised in the Statement of Financial Activities

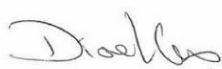
The surplus/(loss) for the year for Companies Act purposes was a loss of (£227,968) comprising net incoming resources for the year of (£315,230) plus the realised gains on investments of £87,262 (2020: gain of £574,875 comprising net incoming resources of £559,759 plus the realised gain on investments of £15,116).

Balance sheet as at September 2021

Company House Number: 01347374

	Note	2021 £000	2021 £000	2020 £000	2020 £000
Fixed Assets					
Tangible assets	10		1,418		1,614
Investments	11		9,746		7,811
			<u>11,164</u>		<u>9,425</u>
Current Assets					
Debtors	12	962		1,524	
Cash held as liquid investment	19	2,716		2,714	
Cash at bank and in hand	19	1,954		1,280	
		<u>5,632</u>		<u>5,518</u>	
Creditors					
Amount falling due within one year	13	(1,116)		(802)	
NET CURRENT ASSETS			4,516		4,716
Pension scheme liability			-		-
NET ASSETS			<u>15,680</u>		<u>14,141</u>
Share Capital	14		-		-
Funds					
Restricted	15		58		30
Designated:					
• Pension Scheme	16		1,156		1,156
• Other			1,165		1,837
• Unrestricted			13,301		11,118
CAPITAL and RESERVES			<u>15,680</u>		<u>14,141</u>

Approved by Council and authorised for issue on 7th April 2022



Professor Diane Cox
Chair of Council



Dr Kee Hean Lim
Vice-Chair of Council

Cash flow statement for the year ended 30 September 2021

Statement of cash flows	2021	2020
Note	£000	£000
Net cash inflow / (outflow) used in operating activities	585	(270)
Cash flows from investing activities:		
Investment income	178	202
Amounts paid to acquire investments	(5,609)	(3,898)
Amounts received from disposal of investments	5,966	3,049
Amount paid to acquire tangible fixed assets	(5)	(174)
Net cash (used in) from investment activities	1,115	(1,091)
Change in cash and cash equivalents for the year ended 30 September	1,115	(1,091)
Cash and cash equivalents at the beginning of the reporting period	4,245	5,336
Cash and cash equivalents for the year ended 30 September	5,360	4,245
19		
Reconciliation of net income to net cash flow from operating activities		
Net surplus at 30 September as per the SOFA	1,539	(960)
Adjustments for:		
Depreciation	201	214
(Gains) / Loss on investments	(1,854)	1,519
Increase / (Decrease) in pension fund	-	-
Investment income	(178)	(202)
Decrease / (Increase)/ in debtors	562	(702)
Increase /(Decrease) in creditors	315	(139)
Net cash used in operating activities	585	(270)

Notes to the financial statements

1 Principal accounting policies

In the opinion of Council, these financial statements comply with Financial Reporting Standard 102 ('FRS 102')

(a) Format of accounts

Council is of the opinion that the Income and Expenditure Account formats, as required by the Companies Act 2006, are not appropriate to the activities of RCOT. The formats have been adapted to provide more appropriate information of the Income and Expenditure relating to the year's activities. Results of Specialist Sections and Regions are aggregated in the financial statements.

(b) Basis of accounting

The financial statements of RCOT have been prepared on the going concern basis under the historical cost convention, as modified by the valuation of fixed asset investments and in accordance with applicable Accounting Standards having regard to the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1st January 2019, Companies Act 2006 and Charity and Trustees Investment (Scotland) Act 2005.

(c) Going concern

The main income stream is from ongoing membership subscriptions; these account for 86% of total income. As most of the members work in the healthcare sector (NHS or local government), RCOT does not believe that there will be any significant reduction in membership numbers. Member numbers in fact continue to increase, rising from 33,717 in September 2020 to 35,078 in September 2021. Other income streams including commercial income (building tenancies, meeting room rentals) as well as investment income (long term investment fund) are also expected to continue for the foreseeable future. Although if a government-imposed lockdown occurs, building ground floor meeting room rentals will drop for the period under lockdown. The long-term investment funds of approximately £5M are not needed to fund operating costs during the next few years.

The company's only significant liability is the defined benefit scheme (closed in 2014) and based on recent actuarial valuations, this is fully funded, with the exception of a final payment to Aviva (the scheme owner), valued most recently in December 2017 at £1.1M.

(d) Incoming resources

All income is derived from activities within the United Kingdom and is accounted for on a receivable basis, except for membership subscriptions and donations, which are accounted for when received.

Of the total subscriptions received by BAOT, 19% (2020 19%) is retained to meet industrial relations and administrative costs. The balance of 81% (2020 81%) is transferred to RCOT, to support its professional, educational and administrative costs.

Notes to the financial statements - continued

Principal accounting policies - continued

(d) Incoming resources - continued

Where entitlement to income is dependent upon fulfilment of conditions within the Group's control, the income is recognised when there is sufficient evidence that conditions have been met. Where there is uncertainty as to whether the Group has met such conditions, or the funder clearly states that the funding is for the next financial year, then income is deferred.

(e) Resources expended

The costs of RCOT's charitable activities have been grouped under the main headings as follows:

- Membership administration – the costs associated with collecting and administering membership subscriptions.
- Journals – includes all costs associated with communications with members, whether centrally or regionally, or whether in hard copy or electronic format.
- Conferences and events – the costs that relate to the organisation, promotion and administration of events.
- Professional activities – encompasses all the costs associated with the areas of research and development, education and professional practice.

Direct expenditure is allocated to each of these categories of activity. Where expenditure cannot be directly allocated, it represents support costs and is apportioned on a basis consistent with the use of resources – by reference to the number of full-time-equivalent members of staff.

Governance and Administrative costs represent the costs associated with the governance arrangements of the charity, including costs related to the strategic (as opposed to operational) management of RCOT's activities.

(f) Fixed assets and depreciation

Fixed assets with a cost of £1,000 or greater are capitalised (capitalisation threshold) and are stated in the Balance Sheet at net book value, being at cost less accumulated depreciation and any related impairment.

Depreciation is provided at rates that are calculated to write off the cost of each asset, on a straight-line basis (evenly), over its estimated useful life. Rates for the different categories are as follows:

Freehold premises	2% per annum on cost
Building improvements	5% per annum on cost
Fixtures and fittings-new purchases	10% per annum on cost
Office equipment	20% per annum on cost
IT equipment	33.33% per annum on cost

Freehold land is not depreciated.

Notes to the financial statements - continued

Principal accounting policies - continued

Note that although the office building in Borough High Street, London is shown at net book value in the Balance Sheet, its current market value is in the region of £8M, before exit fees. The building is also insured at replacement value of circa £6.5M.

(g) Investments

Investments are included in the Balance Sheet at latest market value at balance date. Any unrealised gains or losses are included in the Income and Expenditure Account. The investment portfolio is professionally managed on the Group's behalf by professional fund managers in accordance with the Group Investment Policy.

(h) Funds

Restricted funds are grants or donations given by a grant provider or donor with performance conditions attached that must be met, before income can be recognised in the Income and Expenditure Account. They are held in the Balance Sheet as Restricted Fund Reserves until the performance conditions are met.

Unrestricted funds are available for use by the company to further its objectives. Certain unrestricted funds may be designated by the Council to be used for particular purposes. The categories of designated reserves and the values designated can be changed by Council at a later date.

(i) Liquid assets

Liquid assets are cash, or assets that can be converted into cash very quickly, generally because there is an enduring demand from buyers and because their realisable value is known with a high level of reliability.

(j) Pensions

RCOT operates a defined contribution scheme for staff as part of its employee benefits package. This includes ongoing contractual obligations for the employer to contribute towards the staff members' pension pots until they cease being an employee. By definition, the employer has no contractual obligation to create or maintain the pension pot values, but does have an obligation for the employer contribution rates payable.

In the past, the company provided a defined benefits scheme for employees. This scheme was closed to employees in June 2014. Following a scheme valuation in December 2017, the scheme administrators advised that there is a final employer payment, valued in December 2017 at £1,156,000. This final payment is due to ensure defined benefits value is available to pay legacy scheme members.

Notes to the financial statements - continued

Principal accounting policies - continued

(k) Recognition of liabilities

For the financial year being reported, where goods and services were provided to the company by agreement, or contractual obligations otherwise arise and invoice processing has not yet occurred, accrued expenses are recognised in the Income and Expenditure Account. VAT costs are also accrued for to the extent they cannot be recovered.

(l) Grants

Where the company makes grants to an external party, such grants are recognised in the year in which they are paid. In addition, it also administers a number of restricted funds which make grants each year. These restricted fund grants are charged in the year in which they are paid. Details of grants paid are available on the company website.

Notes to the financial statements - continued

2 Charitable activities

	Direct Costs £000	Support Cost £000	Total 2021 £000	Total 2020 £000
Unrestricted Funds				
Membership subscriptions	385	238	623	505
Journals	84	208	292	843
Conference and Events	2,051	633	2,684	1831
Professional activities	2,396	1,780	4,176	3997
Total Unrestricted	4,916	2,859	7,775	7,176
Designated Funds				
Membership subscriptions	38	-	38	38
Journals	28	-	28	38
Conference and Events	55	-	55	86
Professional activities	788	-	788	429
Total Designated	909	-	909	591
Restricted Funds				
Professional activities	21	-	21	-
Total Charitable Activities	5,846	2,859	8,705	7,767

3 Support costs

	2021 £000	2020 £000
Staffing Costs	1,086	1155
Facilities and Infrastructure	797	528
Depreciation	201	214
General Administration	775	561
Total Support Costs	2,859	2,458

4 Auditors fees

The audit fee of RCOT's auditors is £19,055 (2020 - £18,500) for audit work

Notes to the financial statements - continued

5 Staff costs	2021	2020
	£000	£000
Salaries	3754	3420
Social Security costs	418	374
Pension costs	326	291
Employee benefits	110	113
Sub total cost of staff employed	4,608	4,198
Temporary Staff	252	265
Recruitment	95	63
Training	18	25
Total Staffing Costs	4,973	4,551

The average monthly numbers employed in the year were as follows:

	2021	2020
	number	number
Charitable activities	68	66
Support activities	17	12
	85	78

The remuneration of the higher paid employees fell within the bands:

	2021	2020
	number	number
£60,001 - £70,000	3	-
£70,001 - £80,000	1	2
£80,001 - £90,000	2	4
£90,001 - £100,000	3	-
£100,001 - £110,000	1	1

Remuneration and benefits paid to key employees during the year:

	2021	2020
	£000	£000
Salaries	637	586
Social Security costs	78	72
Pension costs	57	53
Employee benefits	10	10
Total remuneration and benefits	782	721

Notes to the financial statements - continued

6 Council members

All Council members can claim for travel, subsistence and other expenses. The total amount of expenses reimbursed to 9 Council members during the year was £4,089. (2020 - 9 Council members reimbursed £12,351). Council members did not receive any remuneration for carrying out duties as trustees/directors

RCOT paid £4,864 (2020- £4,124) to provide Charity Trustee insurance cover

7 Taxation

RCOT is a registered charity and is not subject to Corporation Tax on income arising from its charitable activities

Notes to the financial statements - continued

8 Pension buy out

In December 2017, RCOT, the pension scheme Trustees of the Federated Pension Scheme for the British Association of Occupational Therapists Ltd and Aviva Life & Pensions UK Limited agreed to the buyout of the defined benefit pension scheme. An advanced payment of £3,479,000 was paid in December 2017 with the balance of £1,156,000, valued in December 2017, likely payable in May 2022.

9 Pension costs

RCOT operated a defined benefit pension scheme for qualifying employees in the UK . This scheme closed in June 2014 to all new entrants. The disclosures set out below are based on calculations carried out as at 30 September 2021 by a qualified independent actuary.

The main assumptions used for the purposes of FRS 102 are (in nominal terms):

	30/09/2021	30/09/2020
Discount Rate	1.95%	1.60%
Expected return on scheme assets	1.95%	1.60%
Pension increase in payment at the 5% LPI rate based on RPI	3.55%	3.00%
Pension increase in payment at the 2.5% LPI rate based on RPI	2.30%	2.15%
RPI	3.75%	3.05%
CPI	3.10%	2.35%

Expected Return on Assets

The assets of the scheme and the net expected long-term return on these assets are:

	At 30/09/2021	At 30/09/20
	£000	£000
Insured Annuity Contracts	17,708	18,110
Cash/Other	17	36
Total Fair Value of Assets	<u>17,725</u>	<u>18,146</u>

Notes to the financial statements - continued

9 Pension costs – continued

Reconciliation of the Present Value of Scheme Liabilities and Fair Value of Assets to the Asset and Liability Recognised in the Balance Sheet

	At 30/09/2021	At 30/09/20
	£000	£000
Fair Value of Assets	17,725	18,146
Value of Liabilities (defined benefit obligation)	17,708	(18,109)
	<hr/>	<hr/>
Funded status	17	37
Surplus restriction	(17)	(37)
	<hr/>	<hr/>
Recognised Pension Asset/(Liability)	<u>-</u>	<u>-</u>

The excess ('surplus') of the fair value of scheme assets over the present value of the scheme liabilities can be recognised as an asset of the employer in the employer's balance sheet only in so far as the employer is able to recover this surplus (with or through reduced contributions in the future, or through refunds from the scheme).

Where the employer cannot recover the surplus, then the employer cannot recognise any of the surplus as an asset. In these circumstances, the pension scheme is shown as 'nil' value on the employer's balance sheet.

The company's defined benefit scheme was closed to new entrants and to future accrual with effect from 30 June 2014.

Total Expense Recognised in the Income and Expenditure Account

	At 30/09/2021	At 30/09/20
	£000	£000
Interest cost on obligation	(1)	(1)
Restriction on expected return on assets	1	1
	<hr/>	<hr/>
Total SOFA Charge	<u>-</u>	<u>-</u>

Notes to the financial statements - continued

9 Pension costs – continued

Changes in the present value of the defined benefit contribution

	At 30/09/2021	At 30/09/20
	£000	£000
Opening defined benefit obligation	18,109	18,559
Interest cost on obligation	287	340
Remeasurement (gains) and losses – Actuarial (gains) and losses	(396)	(450)
Benefits paid	(292)	(340)
Closing defined benefit obligation	<u>17,708</u>	<u>18,109</u>

Changes in the fair value of Scheme Assets

	At 30/09/2021	At 30/09/20
	£000	£000
Opening fair value of Scheme Assets	18,146	18,618
Interest income	288	341
Remeasurement gains – return on Scheme assets excluding interest Income	(417)	(473)
Benefits paid	(292)	(340)
Closing fair value of Scheme Assets	<u>17,725</u>	<u>18,146</u>

Total amount taken to Other Comprehensive Income

	At 30/09/2021	At 30/09/20
	£000	£000
Actuarial return on scheme assets (losses)	(129)	(132)
Less: amounts included in net interest on the Defined benefit liability	(288)	(341)
Remeasurement (losses) – Return on Scheme assets excluding interest income	(417)	(473)
Remeasurement gains/(losses) – actuarial gains and (losses)	396	450
Surplus restriction	21	23
Remeasurement gain/(loss) recognised in Other comprehensive income	<u>-</u>	<u>-</u>

Notes to the financial statements - continued

10 Tangible fixed assets

	Freehold Premises £000	Building Improvement £000	Fixtures & Fittings £000	Office Equipment £000	IT Equipment £000	Total £000
Cost						
At 1 October 2020	1,046	1,603	614	245	318	3,826
Additions during year					5	5
Disposals					(8)	(8)
At 30 September 2021	1,046	1,603	614	245	315	3,823
Depreciation						
At 1 October 2020	481	775	584	200	172	2,212
Charge for the year	21	80	20	15	65	201
Released on disposal					(8)	(8)
At 30 September 2021	502	855	604	215	229	2,405
Net Book Value						
At 30 September 2021	544	748	10	30	86	1,418
At 30 September 2020	565	828	30	45	146	1,614

All assets are used for the charitable activities of RCOT

There was no amount of capital authorised and contracted for as at 30 September 2021

Notes to the financial statements – continued

11 Fixed assets investments

	Market value 01/10/2020 £000	Additions Additions £000	Disposal Proceeds £000	Net (losses) £000	Market value 30/09/2021 £000
UK Equities	3,274	2989	(3,440)	1,318	4,141
Alternatives	926	140	(441)	46	671
Fixed Income	1,366	764	(882)	(28)	1,220
Overseas Equities	1,994	1,716	(1,203)	517	3,024
Sub total	7,560	5,609	(5,966)	1,853	9,056
Cash held in investment portfolio	251				690
Total	7,811				9,746

The total cost of investments held by RCOT at 30 September 2021 was £9,300,102 (2020: £9,131,302)

Notes to the financial statements - continued

12 Debtors	2021	2020
	£000	£000
Amounts due within one year		
Trade Debtors	40	58
Other Debtors	7	14
Taxes & Social Security	-	62
Prepayments and Accrued Income	233	338
Amount due from BAOT	682	1,052
	962	1,524

13 Creditors	2021	2020
	£000	£000
Amounts due within one year		
Trade Creditors	318	157
Taxes & Social Security	117	152
Pension Scheme	-	42
Accrued & Deferred Income	681	451
	1,116	802

The amount of Deferred Income at the beginning of the year was £146,051. During the year, the whole of this amount was released to the SOFA, while a further £138,863 of income was created. The balance of Deferred Income at 30 September 2021 was £138,863

14 Share capital	2021	2020
	£	£
Authorised Ordinary shares of £ each	100	100
Allotted and fully paid Ordinary shares of £1 each	3	3

Notes to the financial statements - continued

15 Restricted funds

	Balance 01/10/20 £000	Incoming Resources £000	Resources Expended £000	Balance 30/09/21 £000
ISP Annual Award	26	-	-	26
ISP Scholarship	1	-	-	1
Elizabeth Casson	1	-	-	1
Elizabeth Casson PD	2	-	-	2
Covid-funds	-	32	(17)	15
Health Education England – Neonatal	-	17	(4)	13
	30	49	(21)	58

All of the grants paid under Resources Expended were awarded to individuals. The purpose of each fund / award is as follows:

- **ISP Annual Award:** provides support for individual occupational therapist towards a research activity in a topic relevant to occupational therapy, mental health and social psychiatry.
- **ISP Scholarship:** provides support for doctoral or early post-doctoral research activity which is relevant to occupational therapy and social psychiatry.
- **Elizabeth Casson:** provides a contribution towards the digitisation of back copies of British Journal of Occupational Therapy.
- **Elizabeth Casson PD:** The Elizabeth Casson Trust in collaboration with RCOT's UK Occupational Therapy Research Foundation provides an annual grant of up to £10,000 for three years to support BAOT members who are early stage postdoctoral researchers.
- **Covid-funds:** This is a hardship fund for members during covid-19
- **Health Education England - Neonatal:** This project is for developing resources for members learning

Notes to the financial statements - continued

16 Designated funds

	Balance 01/10/20 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Balance 30/09/21 £000
Pension Scheme	1,156	-	-	-	1,156
College Branches	732	228	(121)	36	875
CRM Project	754	-	(726)	(28)	-
UKOTRF	351	-	(62)	1	290
	2,993	228	(909)	9	2,321

The pension scheme funds are to cover the balance of £1,156,000 owed to AVIVA upon compensation of the buyout

A total £1,105,000 was assigned to fund the CRM project. Balance brought forward to 1st October 2020 was £754,000 for the CRM project, of which £726,000 has been spent during the year on the project. It was decided that the remaining £28,000 to be written off as an undesignated balance.

The funds for RCOT branches supported the specific activities of the various groups of RCOT that are organised both geographically and by clinical specialism

UK Occupational Therapy Research Foundation (UKOTRF) provides grants to build an evidence-base for occupational therapy by supporting research into the effectiveness and cost-effectiveness of occupation-focused interventions.

17 Analysis of net assets between funds

	Tangible Fixed Assets £000	Investments £000	Net Current Assets £000	Total £000
Restricted Funds	-	-	30	30
Designated Funds	-	-	2,321	2,321
Unrestricted Funds	1,418	9,746	2,165	13,329
	1,418	9,746	4,516	15,680

Notes to the financial statements - continued

18 Reconciliation of movement in share capital and charitable funds

	2021	2020
	£000	£000
Surplus / (deficit) for the financial year	1,539	(960)
Shareholders' funds at 1 October	14,141	15,101
	15,680	14,141

19 Analysis of changes in net funds

	At 1 October 2020	Cashflows	At 30 September 2021
	£000	£000	£000
Cash at bank and in hand	1,280	674	1,954
Cash held as liquid investment	2,714	2	2,716
Cash held in investment portfolio	251	439	690
	4,245	1,115	5,360

20. Parent undertaking and ultimate controlling party

The parent undertaking and ultimate controlling party of RCOT is the British Association of Occupational Therapists Ltd ('BAOT').

Registered Office: 106-114 Borough High Street, London SE1 1LB

BAOT Company number: 00392350

The principal activity of BAOT is that of a professional association in the field of rehabilitative medicine. BAOT aims to promote occupational therapy education and honourable practice, to provide facilities for the advancement of the science of occupational therapy by the widest possible distribution of information through meetings, discussions and debate; and to issue relevant papers and periodicals on occupational therapy. BAOT is a registered trade union.

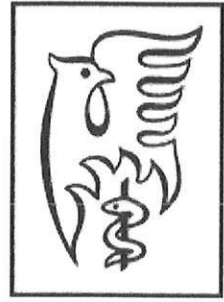
21. Related parties

All members of the Council of RCOT are also members of the Council of BAOT, the parent entity of RCOT. The subscriptions of Council members are paid by the individual Council members at the normal rates and carry no special rights or privileges. In addition, as part of their work, Council members may attend courses provided and receive journals produced by RCOT. These services are all provided on an arm's length basis at normal (regular) rates.

ROYAL COLLEGE OF OCCUPATIONAL THERAPISTS

England & Wales - Charity number 275119

Accounts



Royal College of Occupational Therapists

Annual Report of Council
30 September 2020

CONTENTS

Report of Council	3
Patron and Presidents	4
Members of Council	4 - 5
Legal and Administrative Information	6 - 7
Structure, Governance and Management	8 - 9
Strategic Report	10 - 16
Objectives and Activities	10 - 11
Achievements and Performance	11 - 13
Financial Review	13 - 15
Plans for Future Periods	15
Principal Risk and Uncertainties	15 - 16
Statement of Council's Responsibilities	17
Independent Auditor's Report to the Members	18 - 21
Statement of Financial Activities	22
Balance Sheet	23
Cash Flow Statement	24
Notes to Financial Statements	25 - 41

REPORT OF COUNCIL
(incorporating the Trustees' Report, the Directors' Report and the Strategic Report)

Council presents the report and financial statements of the Royal College of Occupational Therapists for the year ended 30 September 2020. The financial statements comply with the Statement of Recommended Practice for Accounting and Reporting by Charities ("FRS102") applicable accounting standards and the Companies Act 2006.

Patron

HRH The Princess Royal, GCVO

President

Professor Sheila the Baroness Hollins

Vice Presidents

Professor Sir Mansel Aylward CB

Professor Sir Clive Booth

Colin Ettinger

Chair of Council

Professor Diane Cox

Vice Chair of Council

Kim Atkinson (appointed 27/08/20)

Lyn Westcott (retired 27/08/20)

Capacity

Council Member

Chair

Professor Diane Cox

Industrial Relations

Deborah Reilly (retired 25/02/20)
Cathryn Holding (appointed 11/06/20)

International Affairs

Sandra Rowan (retired 27/08/20)
Dr Kee Hean-Lim (appointed 27/08/20)

RCOT Board: Wales

Kim Atkinson

RCOT Board: Northern Ireland

Lena Canavan

RCOT Board: Scotland

Fiona Warrender

RCOT Board: England

Alison Wilcox

Capacity

RCOT Board: Research & Development

RCOT Board: Learning and Development

Council Member

Dr Duncan Pentland

Lyn Westcott (retired 27/08/20)

Lisa Ledger (appointed 27/08/20)

Secretary

Julia Scott

Registered Office

106-114 Borough High Street

Southwark

London, SE1 1LB

LEGAL AND ADMINISTRATIVE INFORMATION

Charity name	Royal College of Occupational Therapists ("RCOT") (formerly the College of Occupational Therapists Limited – name changed in April 2017)	
Country of incorporation	United Kingdom	
Charity registration numbers	England and Wales	275119
	Scotland	SCO39573
Company registration number	01347374	
Registered Office	106-114 Borough High Street Southwark London SE1 1LB	

Trustees

The business of RCOT is managed by the members of its Council. Council members are trustees for the purpose of charity law and directors for the purpose of company law. Council members do not receive remuneration and have no beneficial interest in the share capital of the company. Members who have served on Council during the year are shown on pages 4 and 5 of this report.

Company Secretary	Julia Scott
--------------------------	-------------

Business Management Group

Chief Executive	Julia Scott
Director of Human Resources	Diana Atkinson
Director of Professional Operations	Karin Bishop
Director of Finance & Corporate Services	Trevor White
Assistant Director, Professional Practice	Karin Orman
Assistant Director, Communications and Marketing	Clare Cochrane
Assistant Director, Education & Research	Dr Joanne Watson

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Bankers

HSBC Bank Plc, 15-17 Praed Street, Paddington, London, W2 1PP

LEGAL AND ADMINISTRATIVE INFORMATION - continued

Investment Managers

W H Ireland Ltd, 24 Martin Lane, London, EC4R 0DR
HSBC Private Bank (UK) Ltd, 8 Cork Street, London, W1S 3LJ
Close Brothers, 10 Exchange Square, Primrose Street, London, EC2A 2BY

Solicitors

DAC Beachcroft LLP 25 Walbrook, London, EC4N 8AF

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

RCOT is a company limited by shares and a registered charity and is governed by its Memorandum and Articles of Association.

The British Association of Occupational Therapists Limited (BAOT) is the holding company for RCOT. BAOT is the professional association and trade union for occupational therapists in the UK.

Recruitment and appointment of Council Members

The composition, appointment, election and retirement of members of Council are governed by the Council Rules.

All the Council members are professional members of the professional association.

Council members are appointed for a three-year term commencing from the Annual General Meeting. Because of the staggered nature of their appointment, there will be some Council members that come to the end of their term of office every year. Nominations for new Council members have to be received in March each year. If more than one person is nominated for any vacancy on Council, then there is a formal election process involving the membership and conducted using independent scrutineers.

Induction and training of Council Members

All new Council members are provided with an induction pack that comprises all of the formal documents relating to the governance of RCOT together with the relevant Charity Commission publications and other general guidance regarding the management and administration of the organisation. All new Council members then attend a formal induction at RCOT when they meet with the Chair and senior officers. The new Council members receive various presentations during the day, particularly around their legal and financial responsibilities. They are also briefed on the organisation's policy on conflict of interest and required to complete (and keep up-to-date) a declaration of interest form. There is also the opportunity to raise questions and discuss areas of particular concern or interest.

All Council members are provided with professional advice and training as required either by staff or by independent advisers, as appropriate. Council members are kept updated on current good practice by the company secretary.

All these procedures are kept under regular review.

STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

Organisational structure

Council members meet together as a Council four times a year. In addition, there are a number of Boards and Committees that report into Council and these all operate under their agreed Terms of Reference. These Boards and Committees comprise, in the main, a trustee along with other members of the profession and, generally, meet three times a year.

Council's principal responsibilities are governance, strategy, planning and significant operational decisions. Council has delegated most aspects of day-to-day management for the organisation to the Chief Executive, assisted by a group of senior managers. Council approves the delegation of financial authority through the Chief Executive with specific limits imposed within an approved scheme of delegation.

Remuneration of key management personnel

RCOT benchmarks the payment of key management personnel in accordance with the RCOT pay and benefits review undertaken in prior years, as endorsed by Council. The objective is to ensure that all RCOT salaries, for all grades of employees, remain competitive and within the median range of the not for profit sector and SME businesses in London. All salaries within RCOT are evaluated into an established Hay job evaluation pay grade structure.

STRATEGIC REPORT

Objectives and Activities

The principal objectives of RCOT are the promotion of the science of occupational therapy and the training, education and continuing development of occupational therapists.

In setting these objectives and developing its strategic plan, RCOT has given careful consideration to the public benefit as it relates to its charitable purposes. In particular, Council members (as the charity trustees) believe that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance as published by the Charity Commission. RCOT aims to contribute to the public good in all its activities in the United Kingdom (UK). It seeks to achieve this by ensuring that:

- The occupational therapy profession is focused on helping to improve the health and wellbeing of the UK population.
- The public is made aware of how occupational therapy can benefit individuals and make a positive difference to their lives.
- Users of occupational therapy services receive professional, evidence-informed services.
- Occupational therapists have access to Continuing Professional Development guidance and advice that helps them to optimise their competencies and so provide high quality care for both service users and carers.
- Occupational therapists are supported, provided with information to ensure excellence in their practice and kept well informed so that they can anticipate and react to changing needs and demands.

RCOT sets the professional and educational standards for occupational therapy. It provides leadership, guidance and information relating to research and development, education, practice and lifelong learning.

RCOT has a set of 5-year strategic intentions for the years 2018 to 2023 with three main aims:

1. Position the Profession, and our members, for the 21st century.
 - To provide leadership for the profession during challenging and changing times in the fields of health and social care, ensuring the profession is ready to adapt to new models of care.
 - To ensure that our members are seen as experts in the provision of person centred health and care arrangements and providers of services of the very highest quality.
 - To support new models of practice and expertise by providing timely and high quality CPD opportunities.

STRATEGIC REPORT - continued

Objectives and Activities – continued

2. Enhance the profile of the profession to a range of audiences.

To ensure key stakeholders and members of the public, across the UK, understand the value of occupational therapy and our unique contribution, and seek our input across a range of sectors, including new and developing areas of practice.

3. Ensure RCOT is a thriving organisation within which members flourish.

- To ensure that the organisation thrives and prospers by promoting occupational therapy as a career of choice, increasing student membership, engaging members within its activities, being well-managed and fit for purpose and seen as the “go to” organisation for all matters relating to the profession.
- To support our members in challenging situations by providing industrial relations support and to signpost stakeholders and members of the public to appropriate experts in the field of occupational therapy.

RCOT uses occupational therapists and associate members as volunteers, primarily as members of Boards and Committees and to run the RCOT branches (specialist sections and regions). There are some 350 volunteers involved with RCOT at any one time. No financial value has been attributed to the work performed by these volunteers. Nevertheless, the work is considered vital to the activities of RCOT.

Achievements and Performance

Each year, Council approves a business plan, which is then broken down into individual group and departmental action plans. A large amount of effort is required to maintain the momentum of existing initiatives and “work-in-progress” and to retain and build the existing market share of qualified occupational therapists (70% as at 30 September 2020). Some of the more notable achievements in the year relating to RCOT’s charitable activities were:

- **Public Benefit** – RCOT is very aware of its responsibilities to demonstrate that its activities benefit the public. Hence:
 - In 2020 RCOT received and responded to 2,235 enquiries (2019 2,211) an increase of 1%. Of these, 229 (10%) were from non-members. Out of the 229 enquiries from non-members, 152 (66%) of these were from members of the public looking for an independent occupational therapist.
 - Ongoing collaboration with a range of governmental agencies and charities enables RCOT to raise awareness of occupational therapy to wider audiences.

STRATEGIC REPORT – continued

Achievements and Performance - continued

- Whilst the challenges of COVID-19 have been significant for all health and care workforce groups, it has brought to the fore the distinct value of occupational therapy in relation to acute care, rehabilitation and safe discharge, which has been reported on in a range of public facing media.
- During the financial year RCOT joined 3 coalitions of agencies to actively promote and call for greater investment in rehabilitation services.
- RCOT continued to set the standards, requirement of practice and professional values and behaviours across the profession by continually developing professional education, practice standards and codes of behaviour and ethical conduct.
- **Promoting the profession** – RCOT looks for every opportunity to promote the value of occupational therapy. For example:
 - Its continued involvement in influencing, providing briefings for Ministers and civil servants, consultation responses and attending Government work groups on significant pieces of new legislation. During 2020, RCOT received 198 requests to engage in high level Government or key stakeholder meetings across all four nations.
 - The *Small Change Big Impact*, campaign intended to celebrate and champion the impact of occupational therapy on the lives of service users and the communities where they live was hugely successful. During occupational therapy week in November 2019 RCOT rang a story wall with *The Small Change Big Impact* campaign as the theme. This allowed members to contribute and share their stories via RCOT web pages. 610 member shared their stories and these were viewed 15,420 times. Over 1000 events were also held throughout the country to promote occupational therapy week. These were supported by 35 unique downloadable resources and over 3000 occupational therapy week packs were sent to support these member activities.
 - Despite the limitations imposed by COVID-19 membership continues to grow and has increased by 683 members. During the year RCOT worked with a total of 42 education providers of which 6 were new.

RCOT attempts to maximise the impact of those factors over which it has control. At the same time, the organisation acknowledges that there are a number of key factors over which it has little or no control. In particular, the majority of its members continue to work for statutory authorities in health, social care and education. As such, the profession has a large exposure to government control, planning and funding. In addition, the professional body is not the official regulator. This role is performed by an independent body – the Health and Care Professions Council (HCPC). Occupational therapists who wish to practise have to pay their registration fees to HCPC and then decide whether they wish to make a further (discretionary) expenditure to join their professional body.

STRATEGIC REPORT - continued

Achievements and Performance - continued

Business governance activities have continued as planned but have been conducted through virtual meetings.

In response to COVID-19 the RCOT has produced a wealth of guidance for its members:

- How to manage post-viral fatigue after COVID-19: practical advice for people who have been treated in hospital.
- How to manage post-viral fatigue after COVID-19: practical advice for people who have recovered at home.
- How to conserve your energy practice advice for people during and after having COVID-19.
- A quick guide for occupational therapists: rehabilitation for people recovering from COVID-19.
- Coronavirus: Practical and legal implications for occupational therapists working in Scotland, Wales and Northern Ireland. Produced in partnership with RCOT specialist section housing.
- Home programmes for children with cerebral palsy. Produced in partnership with RCOT specialist section children, young people and families.
- Homes programmes for children with an intellectual disorder. Produced in partnership with RCOT specialist section children, young people and families.

In addition the professional bodies for occupational therapists in 33 countries have sought permission from the RCOT to translate its member guidance into their own language. Members are also emailed regular COVID updates relevant to their work, whether it is on the front line in hospitals or care homes, or in the community.

During the year the criteria for membership was widened to enable retired and student members who are volunteering to support the NHS, to benefit from membership support at a reduced cost. For the first time apprentices have also been welcomed as RCOT members.

As a professional body, RCOT collaborated with a range of agencies in the health, care and education sectors. Much effort has been focused on the pressing need to increase the workforce and RCOT has supported every effort to ensure an appropriate supply of skilled professionals. For example, close collaboration and planning with the education sector supported the use of student occupational therapists in acute health care settings in order to maximise workforce capacity.

Financial Review

Council report that total income for the year 2019/20 was £8.3m (2019: £8.6m). Membership subscriptions are initially paid to BAOT, which has an agreement with UNISON to provide industrial relations services.

STRATEGIC REPORT - continued

Financial Review - continued

After payment of the costs of industrial relations services, BAOT transfers the balance of member subscriptions to RCOT in order to further the work of RCOT. This year, the balance of subscriptions transferred increased by 3% to £7m (2019 - £6.7m).

The total expenditure by RCOT for the year 2019/20 decreased by £0.4m to £7.8m (2019 - £8.1m) all of which was spent on charitable activities. Most of this reduction in expenditure has been due to COVID-19. Meetings, conferences and events have all been cancelled due to COVID-19 and this has resulted in lower costs and income in the year.

There was a net loss on investments of £1.5m (2019 - £0.4m loss) making the net loss for the year of £1m (2019 - £0.1m net gain) which has been deducted from funds brought forward and this results in the total charitable funds of RCOT decreasing to £14.1m (2019 - £15.1m).

Reserves

RCOT's unrestricted and undesignated funds amounted to £11.1m of which £1.6m is invested in fixed assets. This left £9.5m as free reserves for working capital needs at 30th September 2020.

This level of free reserves is within the level set out in RCOT's policy, which is a range of 26 - 52 weeks of future budgeted expenditure as an acceptable level for reserves.

Fundraising

RCOT does not actively fundraise but does occasionally receives donations. No donations were received in the year.

Investments

Under the terms of its Memorandum of Association, RCOT has the power to invest funds not immediately required for its purposes in such investments as it sees fit. Council has approved a formal policy on investments. This policy incorporates Council's cautious and prudent attitude to risk whilst reflecting its ability to be able to concentrate more on growth than income.

Part of RCOT's investments are invested with professional investment fund managers. RCOT splits its investment between three fund managers: WH Ireland, HSBC Private Bank and Close Brothers. The investment portfolios have seen significant drops since the start of the coronavirus crisis with the total value of the portfolios falling from £9.2m to £7.8m at 30th September 2020. Funds are also invested in short term cash deposits. £2.7m is invested with Bank of Scotland in a 32 day account.

STRATEGIC REPORT – continued

Investments - continued

This strategy will avoid undue speculation and investments that are deemed to be illiquid. Council has reviewed its policy on ethical investments and confirmed its decision not to hold any investments in arms and tobacco companies.

Plans for Future Periods

In 2018 RCOT confirmed a set of new strategic intentions covering the period 2018-2023. These intentions focussed on ensuring the profession is ready to deliver new models of care, continuing to raise awareness of occupational therapy to key stakeholders and citizens and ensure the organisation continues to thrive by actively involving its members within its work. The COVID-19 crisis has confirmed that these intentions are still very relevant to RCOT and have determined how RCOT has sought to support its members over recent months.

One opportunity presented by the COVID-19 crisis for the occupational therapy profession is the recognition by society of the importance and value of rehabilitation, which occupational therapists are highly skilled in delivering and something those who have survived COVID-19 and many others whose health care needs have been put on hold, desperately need. It is therefore likely that the unique contributions of occupational therapists in delivering rehabilitation services will be the focus of much of the RCOT's work for next year to 18 months. In addition, RCOT will concentrate on continuing to attract student members and then converting them to full membership upon graduation despite the fact that COVID-19 has meant some students have transitioned into the workplace earlier than expected.

At this time, RCOT is developing a digital transformation plan which will require wider investment in digital services across the whole organisation.

Principal Risks and Uncertainties

RCOT incorporates the management of risk into its decision-making processes. Council has agreed that the Audit Committee undertakes the detailed task of identifying the major risks, assessing their likely impact and likelihood and then recommending proposals to mitigate these risks. The Committee consists of five members: two members of Council; one senior member of the profession who is not a member of Council; and two independent external members, one of whom has a financial background and the other with appropriate skills and expertise in governance functions.

Currently, there are ten major risks that the Committee has identified and monitors regularly. Of these, the top four risks relate to sustainability of the organisation, the defined benefit pension scheme for staff, the IT infrastructure and data protection. The Audit Committee reports to Council on risk management annually. Council has reviewed these reports and takes responsibility for ensuring that all appropriate measures are implemented as business priorities.

STRATEGIC REPORT - continued

Principal Risks and Uncertainties - continued

RCOT does not actively use financial instruments as part of its financial risk management. RCOT is exposed to the usual credit and cash flow risks associated with providing its goods and services and manages these risks through its internal control procedures.

The Audit Committee has noted the significant impact that COVID 19 is having and will continue to have on the organisation and has incorporated the effects of this into the risk register. This has been included into the business continuity and asset management risks. Furthermore, the risk relating to business continuity has increased and this is now the highest risk to the organisation.

STATEMENT OF COUNCIL'S RESPONSIBILITIES

Council is responsible for preparing the Report of Council (incorporating the Trustees' Report, Directors' Report and Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires Council to prepare financial statements for each financial year. Under company law, Council must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of RCOT and of the incoming resources and application of resources, including its income and expenditure, of RCOT for the year. In preparing those financial statements, Council is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that RCOT will continue in business.

Council is responsible for keeping adequate and proper accounting records that are sufficient to show and explain RCOT's transactions and to disclose with reasonable accuracy at any time the financial position of RCOT and enable it to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Act (Scotland) Regulations 2006 (as amended) and with the requirements of the Companies Act 2006. It is also responsible for safeguarding the assets of RCOT and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Council is responsible for the maintenance and integrity of the financial information included on RCOT's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Each of the Council members have confirmed that, so far as they are aware, there is no relevant audit information of which RCOT's auditors are unaware and that they have taken all the steps that they individually ought to have taken as a Council member in order to make themselves aware of any relevant audit information and to establish that RCOT's auditors are aware of that information.

106-114 Borough High Street
London, SE1 1LB



BY ORDER OF COUNCIL
Chairman – Professor Diane Cox
15 April 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ROYAL COLLEGE OF OCCUPATIONAL THERAPISTS

Opinion

We have audited the financial statements of the Royal College of Occupational Therapists ("the Charitable Company") for the year ended 30 September 2020 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 30 September 2020 and of its 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

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 Charitable Company in accordance with the ethical requirements 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 related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ROYAL COLLEGE OF OCCUPATIONAL THERAPISTS - continued

Other information

The other information comprises the information included in the Annual Report of the Council, other than the financial statements and our auditor's report thereon. The other information comprises: Report of Council (incorporating the Trustees' Report, the Directors' Report and the Strategic Report). The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ROYAL COLLEGE OF OCCUPATIONAL THERAPISTS - continued

Matters on which we are required to report by exception - continued

- proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ROYAL COLLEGE OF OCCUPATIONAL THERAPISTS - continued

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and 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 Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

D1FB52C82A114D7...

Phil Cliftlands (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

Date 29 June 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF FINANCIAL ACTIVITIES (incorporating the Income and Expenditure Account) for the year ended 30 September 2020

		Unrestricted Funds £000	Designated Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Incoming and Endowments from:	<i>Note</i>					
Charitable activities						
Membership subscriptions		6,883	130	-	7,013	6,725
Journals		552	34	-	586	607
Conferences and events		21	97	-	118	570
Professional activities		152	-	-	152	181
Investments		222	-	-	222	330
Other		235	-	-	235	158
Total		<u>8,065</u>	<u>261</u>	<u>-</u>	<u>8,326</u>	<u>8,571</u>
Expenditure on:						
Charitable activities						
Membership administration		505	38	-	543	556
Journals		843	38	-	881	876
Conferences and events		1,831	86	-	1,917	2,290
Professional activities		3,997	429	-	4,426	4,334
Other activities						
Pension buy out costs	8	-	-	-	-	-
Total	2	<u>7,176</u>	<u>591</u>	<u>-</u>	<u>7,767</u>	<u>8,056</u>
Net (losses) on investments	11	(1,519)	-	-	(1,519)	(411)
Net (loss)/income		(630)	(330)	-	(960)	104
Transfer between funds	16	(198)	198	-	-	-
Net movement in funds		<u>(828)</u>	<u>(132)</u>	<u>-</u>	<u>(960)</u>	<u>104</u>
Reconciliation of funds:						
Total funds brought forward at 1 October		11,946	3,125	30	15,101	14,997
Total funds carried forward at 30 September		<u>11,118</u>	<u>2,993</u>	<u>30</u>	<u>14,141</u>	<u>15,101</u>

All amounts derive from continuing activities. All gains and losses in the year were recognised in the Statement of Financial Activities.

The surplus for the year for Companies Act purposes was a gain of £574,875 comprising net incoming resources for the year of £559,759 plus the realised gains on investments of £15,116 (2019: gain of £572,877 comprising net incoming resources of £514,650 plus the realised gain on investments of £58,227).

BALANCE SHEET at 30 September 2020

Company House Number: 01347374

	Note	2020		2019	
		£000	£000	£000	£000
Fixed Assets					
Tangible assets	10		1,614		1,654
Investments	11		7,811		9,186
			<u>9,425</u>		<u>10,840</u>
Current Assets					
Debtors	12	1,524		822	
Cash held as liquid investment	19	2,714		3,698	
Cash at bank and in hand	19	1,280		682	
		<u>5,518</u>		<u>5,202</u>	
Creditors					
Amounts falling due within one year	13	(802)		(941)	
NET CURRENT ASSETS			4,716		4,261
Pension scheme liability			-		-
NET ASSETS	17		<u>14,141</u>		<u>15,101</u>
Share Capital	14		-		-
Funds					
Restricted	15	30		30	
Designated - Pension Scheme	16	1,156		1,156	
- Other		1,837		1,969	
Unrestricted		<u>11,118</u>		<u>11,946</u>	
CAPITAL and RESERVES			<u>14,141</u>		<u>15,101</u>

Approved by Council and authorised for issue on 15 April 2021



Professor Diane Cox
Chairman



Kim Atkinson
Vice Chairman

CASH FLOW STATEMENT for the year ended 30 September 2020

Statement of cash flows	Note	2020 £000	2019 £000
Net cash inflow used in operating activities		(270)	(179)
Cash flows from investing activities			
Investment income		202	330
Amounts paid to acquire investments		(3,898)	(2,138)
Amounts received on disposal of investments		3,049	2,515
Amounts paid to acquire tangible fixed assets		(174)	(53)
		<hr/>	<hr/>
Net cash (used in)from investing activities		(1,091)	475
		<hr/>	<hr/>
Change in cash and cash equivalents for the year ended 30 September		(1,091)	475
Cash and cash equivalents at the beginning of the reporting period		5,336	4,861
		<hr/>	<hr/>
Cash and cash equivalents for the year ended 30 September	19	4,245	5,336
		<hr/>	<hr/>
Reconciliation of net income to net cash flow from operating activities			
Net (loss)income at 30 September as per the SOFA		(960)	104
Adjustments for:			
Depreciation		214	189
Gains on investments		1,519	411
Increase/(decrease) in pension fund		-	-
Investment income		(202)	(330)
(Decrease) in debtors		(702)	(309)
(Decrease) in creditors		(139)	(244)
		<hr/>	<hr/>
Net cash used in operating activities		(270)	(179)
		<hr/>	<hr/>

NOTES TO FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

In the opinion of Council these financial statements comply with Financial Reporting Standard 102 ('FRS102').

a) *Basis of Accounting*

The financial statements have been prepared under the historical cost convention as modified by the valuation of fixed asset investments and in accordance with applicable accounting standards having regard to the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), Companies Act 2006 and Charity and Trustees Investment (Scotland) Act 2005. Results of Specialist Sections and Regions are aggregated in the financial statements.

b) *Going Concern*

The main income stream of the company is membership subscriptions, these account for 84% of income. As most of the members work in the healthcare sector (NHS or local government) the company does not believe that there will any be significant reduction in membership numbers. Member numbers in fact continue to increase going from 33,034 in 2019 to 33,717 in 2020. Other income streams including advertising, event income and interest are expected to continue at a lower level throughout the year to 30th September 2021. These are then expected to recover to some extent as society reopens following the vaccine rollout.

The company's investments have however been impacted by the COVID-19 crisis and have declined by £0.4m since 30 September 2019. The company remains well financed with £5m in cash and £8.7m in investments as at 31 December 2020. The investments are not needed for the operational activities of the company. The company's only significant liability is the defined benefit pension scheme, and this is fully funded with the exception of the final payment to Aviva which amounts to £1.2m.

NOTES TO FINANCIAL STATEMENTS - continued

1. PRINCIPAL ACCOUNTING POLICIES - continued

c) *Incoming Resources*

All income is derived from activities within the United Kingdom and is accounted for on a receivable basis, with the exception of membership subscriptions and donations, which are accounted for when received.

Of the total membership subscriptions received by BAOT, 19% (2019 - 19%) is retained to meet industrial relations and administrative costs. The balance of 81% (2019 - 81%) is transferred to RCOT to support its activities.

Where entitlement to income is dependent upon fulfilment of conditions within RCOT's control, the incoming resources are recognised when there is sufficient evidence that conditions have been met. Where there is uncertainty as to whether RCOT has met such conditions, or the funder clearly states that the funding is for the next financial year, then the income is deferred.

d) *Resources Expended*

The costs of RCOT's charitable activities have been grouped under the main headings:

- Membership administration – the costs associated with collecting and administering membership subscriptions.
- Journals – includes all costs associated with communications with members, whether centrally or regionally or whether in hard copy or electronic format.
- Conferences and events – the costs that relate to the organisation, promotion and administration of events.
- Professional activities – encompasses all the costs associated with the areas of research and development, education and professional practice.

Direct expenditure is allocated to each of these categories of activity. Where expenditure cannot be directly allocated it represents support costs and is apportioned on a basis consistent with the use of resources – by reference to the number of whole-time members of staff.

Governance costs are the costs associated with the governance arrangements of RCOT including costs related to the strategic (as opposed to operational) management of RCOT's activities.

NOTES TO FINANCIAL STATEMENTS – continued

1. PRINCIPAL ACCOUNTING POLICIES - continued

e) *Fixed Assets and Depreciation*

Fixed assets with a cost of £1,000 or greater are capitalised and are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset, when brought into use, on a straight line basis over its estimated useful as follows:

Freehold Premises	2%	per annum on cost
Building Improvements	5%	per annum on cost
Fixtures and Fittings– new purchases	10%	per annum on cost
Office Equipment	20%	per annum on cost
IT Equipment	33.33%	per annum on cost
Freehold land is not depreciated.		

f) *Investments*

Investments are included in the balance sheet at market value and any unrealised gains or losses are included in the Income and Expenditure Account.

g) *Funds*

Restricted funds are those legacies and donations which are earmarked by the donor for use by RCOT on particular projects.

Unrestricted funds are available for use by RCOT to further its objects. Certain unrestricted funds are designated by Council for particular purposes. These designated funds are for specific future purposes or projects.

Income and expenditure is directly allocated as it arises between these categories.

h) *Liquid resources*

Liquid resources are those current asset investments that can be readily disposed for a known amount of cash.

NOTES TO FINANCIAL STATEMENTS - continued

1. PRINCIPAL ACCOUNTING POLICIES – continued

i) Pensions

RCOT operates a defined contribution scheme. All costs are charged to the period to which they relate.

j) Recognition of Liabilities

Resources expended are included in the SOFA on an accruals basis, inclusive of any VAT that cannot be recovered.

k) Grants

RCOT pays grants from its own resources and in addition it also administers a number of restricted funds which make grants each year. These restricted funds are charged in the year in which they are paid. Details of all grants paid are available on the website.

NOTES TO FINANCIAL STATEMENTS - continued

2. CHARITABLE ACTIVITIES

	Direct Costs £000	Support Costs £000	Total 2020 £000	Total 2019 £000
Unrestricted Funds				
Membership subscriptions	300	205	505	521
Journals	664	179	843	842
Conferences and events	1,287	544	1,831	2,186
Professional activities	2,467	1,530	3,997	4,093
Total Unrestricted	4,718	2,458	7,176	7,642
Designated Funds				
Membership subscriptions	38	-	38	35
Journals	38	-	38	34
Conferences and events	86	-	86	104
Professional activities	429	-	429	236
Total Designated	591	-	591	409
Restricted Funds				
Professional activities	-	-	-	5
Total Charitable Activities	5,309	2,458	7,767	8,056

3. SUPPORT COSTS

	2020 £000	2019 £000
Staffing Costs	1,155	1,025
Facilities and Infrastructure	528	496
Depreciation	214	189
General Administration	561	888
Total Support Costs	2,458	2,598

4. AUDITORS' FEES

The audit fee of RCOT's auditors is £18,500 (2019 - £17,925) for audit work.

NOTES TO FINANCIAL STATEMENTS - continued

5. STAFF COSTS

	2020	2019
	£000	£000
Salaries	3,420	3,153
Social Security costs	374	349
Pension costs	291	264
Employee benefits	113	106
Sub-total - cost of staff employed	4,198	3,872
Temporary Staff	265	172
Recruitment	63	59
Training	25	23
Other Staff costs	-	3
Total Staffing Costs	4,551	4,129

The average monthly numbers employed in the year were as follows:

	2020	2019
	number	number
Charitable activities	66	64
Support activities	12	12
	78	76

The remuneration of the higher paid employees fell within the bands:

	2020	2019
	number	number
£60,001 - £70,000	-	1
£70,001 - £80,000	2	4
£80,001 - £90,000	4	2
£100,000 - £110,000	1	1

NOTES TO FINANCIAL STATEMENTS – continued

5. STAFF COSTS - continued

Remuneration and benefits paid to key employees during the year:

	2020	2019
	£000	£000
Salary costs	586	571
Social Security costs	72	70
Pension contributions	53	51
Other Employee benefits	10	13
Total remuneration and benefits	<u>721</u>	<u>705</u>

6. COUNCIL MEMBERS

All Council members can claim for travel, subsistence and other expenses. The total amount of expenses reimbursed to 9 Council members during the year was £12,351 (2019 – 9 Council members reimbursed £22,111). Council members did not receive any remuneration for carrying out duties as trustees/directors.

RCOT paid £4,124 (2019 - £4,054) to provide Charity Trustee insurance cover.

7. TAXATION

RCOT is a registered charity and is not subject to Corporation Tax on income arising from its charitable activities.

8. PENSION BUY OUT

In December 2017 RCOT, the pension scheme Trustees of the Federated Pension Scheme for British Association of Occupational Therapists Limited and Aviva Life & Pensions UK Limited agreed to the buyout of the defined benefit pension scheme. An advanced payment of £3,479,000 was paid in December 2017 with the balance of £1,156,000 payable in May 2021.

NOTES TO FINANCIAL STATEMENTS - continued

9. PENSION COSTS

RCOT operated a defined benefit pension scheme for qualifying employees in the UK. This scheme closed in June 2014 to all new entrants and further accrual. The disclosures set out below are based on calculations carried out as at 30 September 2020 by a qualified independent actuary.

The main assumptions used for the purposes of FRS102 are (in nominal terms):

	30/09/2020	30/09/2019
Discount Rate	1.60%	1.85%
Expected return on scheme assets	1.60%	1.85%
Pension increases in payment at the 5% LPI rate based on RPI	3.00%	3.40%
Pension increase in payment at the 2.5% LPI rate based on RPI	2.15%	2.30%
RPI	3.05%	3.55%
CPI	2.35%	2.55%

Expected Return on Assets

The assets of the scheme and the net expected long-term return on these assets are:

	At 30/09/2020	At 30/09/2019
	Value £000	Value £000
Insured Annuity Contracts	18,110	18,562
Cash/ Other	36	56
Total Fair Value of Assets	18,146	18,618

NOTES TO FINANCIAL STATEMENTS - continued

9. PENSION COSTS - continued

Reconciliation of the Present Value of Scheme Liabilities and Fair Value of Assets to the Asset and Liability Recognised in the Balance Sheet

	30/09/2020 £000	30/09/2019 £000
Fair Value of Assets	18,146	18,618
Value of Liabilities (defined benefit obligation)	(18,109)	(18,559)
Funded status	<u>37</u>	<u>59</u>
Surplus restriction	(37)	(59)
Recognised Pension Liability	<u>-</u>	<u>-</u>

The excess ('surplus') of the fair value of scheme assets over the present value of the scheme liabilities can be recognised as an asset of the employer in the employer's balance sheet only in so far as the employer is able to recover this surplus (either through reduced contributions in the future or through refunds from the scheme).

Where the employer cannot recover the surplus, then the employer cannot recognise any of the surplus as an asset. In these circumstances, the pension scheme is shown as 'nil' value on the employer's balance sheet. The company's defined benefit scheme was closed to new entrants and to future accrual with effect from 30 June 2014.

Total Expense Recognised in the Statement of Financial Activities (SOFA)

	30/09/2020 £000	30/09/2019 £000
Interest cost on obligation	(1)	(1)
Restriction on expected return on assets	<u>1</u>	<u>1</u>
Total SOFA Charge	<u>-</u>	<u>-</u>

NOTES TO FINANCIAL STATEMENTS - continued

9. PENSION COSTS - continued

Changes in the present value of the defined benefit obligation

	30/09/2020 £000	30/09/2019 £000
Opening defined benefit obligation	18,559	14,610
Interest cost on obligation	340	422
Remeasurement (gains) and losses – actuarial (gains) and losses	(450)	4,056
Benefits paid	(340)	(529)
Closing defined benefit obligation	18,109	18,559

Changes in the fair value of Scheme Assets

	30/09/2020 £000	30/09/2019 £000
Opening fair value of Scheme Assets	18,618	14,658
Interest income	341	424
Remeasurement (losses)/gains – return on scheme assets excluding interest income	(473)	4,065
Benefits paid	(340)	(529)
Closing fair value of Scheme Assets	18,146	18,618

Total amount taken to Other Comprehensive Income

	30/09/2020 £000	30/09/2019 £000
Actuarial return on scheme assets – (losses)/gains	(132)	4,489
Less: amounts included in net interest on the defined benefit liability	(341)	(424)
Remeasurement (losses)/gains – Return on scheme assets excluding interest income	(473)	4,065
Remeasurement gains/(losses) – actuarial gains and (losses)	450	(4,056)
Surplus restriction	23	(9)
Remeasurement (gains)/losses recognised in other comprehensive income	-	-

NOTES TO FINANCIAL STATEMENTS - continued

10. TANGIBLE FIXED ASSETS

	Freehold Premises £000	Building Improvement £000	Fixtures & Fittings £000	Office Equipment £000	IT Equipment £000	Total £000
Cost						
At 1 October 2019	1,046	1,603	614	242	229	3,734
Additions during year	-	-	-	6	168	174
Disposals	-	-	-	(3)	(79)	(82)
At 30 September 2020	1,046	1,603	614	245	318	3,826
Depreciation						
At 1 October 2019	460	695	531	187	207	2,080
Charge for the year	21	80	53	16	44	214
Released on disposal	-	-	-	(3)	(79)	(82)
At 30 September 2020	481	775	584	200	172	2,212
Net Book Value						
At 30 September 2020	565	828	30	45	146	1,614
At 30 September 2019	586	908	83	55	22	1,654

All assets are used for the charitable activities of RCOT.

There was no amount of capital authorised and contracted for as at 30 September 2020.

NOTES TO FINANCIAL STATEMENTS – continued

11. FIXED ASSET INVESTMENTS

	Market Value 1/10/19 £000	Additions £000	Disposal Proceeds £000	Net (losses) £000	Market Value 30/9/20 £000
UK Equities	3,968	1,983	(1,229)	(1,188)	3,274
Alternatives	798	347	(193)	(26)	926
Fixed Income	1,084	897	(601)	(19)	1,366
Overseas Equities	2,380	671	(1026)	(286)	1,994
Sub-total	8,230	3,898	(3,049)	(1,519)	7,560
Cash held in investment portfolio	956				251
TOTAL	9,186				7,811

The total cost of investments held by RCOT at 30 September 2020 was £9,131,302 (2019: £8,971,669).

NOTES TO FINANCIAL STATEMENTS - continued

12. DEBTORS

	2020 £000	2019 £000
Amounts due within one year		
Trade Debtors	58	46
Other Debtors	14	14
Taxes & Social Security	62	-
Prepayments and Accrued Income	338	350
Parent	1,052	412
	<u>1,524</u>	<u>822</u>

13. CREDITORS

	2020 £000	2019 £000
Amounts due within one year		
Trade Creditors	157	261
Taxes & Social Security	152	213
Pension scheme	42	-
Accruals & Deferred Income	451	467
	<u>802</u>	<u>941</u>

The amount of Deferred Income at the beginning of the year was £296,103. During the year, the whole of this amount was released to the SOFA, while a further £48,289 of income was created. The balance of Deferred Income at 30 September 2020 was £48,289.

14. SHARE CAPITAL

	2020 £	2019 £
Authorised Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and fully paid Ordinary shares of £1 each	<u>3</u>	<u>3</u>

NOTES TO FINANCIAL STATEMENTS – continued

15. RESTRICTED FUNDS

	Balance 1/10/19 £000	Incoming Resources £000	Resources Expended £000	Balance 30/9/20 £000
ISP Annual Award	26	-	-	26
ISP Scholarship	1	-	-	1
Elizabeth Casson	1	-	-	1
Elizabeth Casson PD	2	-	-	2
	<hr/> 30	<hr/> -	<hr/> -	<hr/> 30 <hr/>

All of the grants paid under Resources Expended were awarded to individuals. The purpose of each fund / award is as follows:

- **ISP Annual Award:** provides support for an individual occupational therapist towards a research activity in a topic relevant to occupational therapy, mental health and social psychiatry.
- **ISP Scholarship:** provides support for doctoral or early post-doctoral research activity which is relevant to occupational therapy and social psychiatry.
- **Elizabeth Casson:** provides a contribution towards the digitisation of back copies of the British Journal of Occupational Therapy.
- **Elizabeth Casson PD:** The Elizabeth Casson Trust in collaboration with RCOT's UK Occupational Therapy Research Foundation provides an annual grant of up to £10,000 for three years to support BAOT members who are early stage postdoctoral researchers.

NOTES TO FINANCIAL STATEMENTS - continued

16. DESIGNATED FUNDS

	Balance 1/10/19 £000	Incoming Resources £000	Resources Expended £000	Transfers £000	Balance 30/9/20 £000
Pension scheme	1,156	-	-	-	1,156
College Branches	607	261	(184)	48	732
CRM Project	1,105	-	(351)	-	754
UKOTRF	257	-	(55)	150	352
	<u>3,125</u>	<u>261</u>	<u>(590)</u>	<u>198</u>	<u>2,994</u>

The pension scheme funds are to cover the balance of £1,156,000 owed to Aviva upon completion of the buyout.

A total of £1,105,000 has been assigned to fund the CRM project. This fund will cover all the costs associated with the new CRM project.

The funds for RCOT branches support the specific activities of the various groups of RCOT that are organised both geographically and by clinical specialism.

UK Occupational Therapy Research Foundation (UKOTRF) provides grants to build an evidence-base for occupational therapy by supporting research into the effectiveness and cost-effectiveness of occupation-focused interventions.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £000	Investments £000	Net Current Assets £000	Total £000
Restricted Funds	-	-	30	30
Designated Funds	-	-	2,994	2,994
Unrestricted Funds	1,614	7,811	1,692	11,117
	<u>1,614</u>	<u>7,811</u>	<u>4,716</u>	<u>14,141</u>

NOTES TO FINANCIAL STATEMENTS - continued

18. RECONCILIATION OF MOVEMENT IN SHARE CAPITAL AND CHARITABLE FUNDS

	2020	2019
	£000	£000
Net (deficit)/surplus for the financial year	(960)	104
Shareholders' funds at 1 October	15,101	14,997
	<hr/>	<hr/>
Shareholders' funds at 30 September	14,141	15,101

19. ANALYSIS OF CHANGES IN NET FUNDS

	At 1	Cashflows	At 30
	October		September
	2019		2020
	£000	£000	£000
Cash at bank and in hand	682	598	1,280
Cash held as liquid investment	3,698	(984)	2,714
Cash held in investment portfolio	956	(705)	251
	<hr/>	<hr/>	<hr/>
	5,336	(1,091)	4,245

NOTES TO FINANCIAL STATEMENTS - continued

20. PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

The parent undertaking and ultimate controlling party of the company is the British Association of Occupational Therapists Limited ("BAOT").

Registered office: 106-114 Borough High Street, London, SE1 1LB

Company number: 00392350

The principal activity of BAOT is that of a Professional Association in the field of rehabilitative medicine. BAOT aims to promote occupational therapy education and honourable practice; to provide facilities for the advancement of the science of occupational therapy by the widest possible distribution of information through meetings, discussions and debate; and to issue relevant papers and periodicals on occupational therapy. BAOT is a registered Trade Union.

21. RELATED PARTIES

All members of the Council of RCOT are also members of the Council of BAOT, the parent undertaking of RCOT. The subscriptions of Council members are paid by the individual Council members at the normal rates and carry no special rights or privileges. In addition, as part of their work, Council members may attend courses provided and receive journals produced by RCOT. These services are all provided on an arm's length basis at normal rates.

