



ROYAL COLLEGE OF
PHYSICIANS AND
SURGEONS OF GLASGOW

Audit & Risk Committee October 2021

Paper C – RCPSG Annual Report and Accounts

RCPSG Annual Report and Accounts to March 2021



ANNUAL REPORT AND ACCOUNTS TO 31 MARCH 2021

1. Introduction

This paper contains the final draft of the financial statements to 31st March 2021. There are two small items outstanding which will be resolved prior to Executive Board approval on 9th November:

- In the Trustees' Report I am waiting for confirmation of the volunteer hours for Membership and Engagement.
- A tax refund of £8,993 needs to be incorporated into the results.

2. Results for the year

The big picture for the year is College's net assets increased by **£4.805M**, resulting in total net assets of **£28.063M** at 31st March 2021.

The increase was as a result of College's investments increasing in value by **£2.973M** in line with general market movements, and a revaluation of College's Heritage Assets resulting in a **£2.917M** gain. These gains were offset by an overall operating loss of **£1.085M** resulting primarily from the lockdown related reduction in Assessment and Education activity.

Pages 2 and 3 of the selected sections Trustees' Report contain more detail regarding the results and year-end financial position.

3. Reconciliation to Year End Management Accounts

From the 'Charity' Statement of Financial Activities on page 5, the unrestricted operational deficit can be calculated as follows:

	£'000
Unrestricted Income	5,068
Unrestricted Expenditure	6,061
Deficit before movement in investments	(993)

The reconciliation to the year end Management Accounts reviewed by the Executive Board in May 2021 is detailed below:

	RECONCILIATION			T/f to Restricted Funds £'000	Adjustments to Accruals £'000	Other accounting adjustments £'000
	£'000	£'000	£'000			
Deficit per May Management Accounts			(498)			
Movements since May						
Investment income transfer to restricted funds		(126)		(126)		
Late accruals						
Late direct expenditure accruals	(73)					
Late indirect expenditure accruals	(72)	(145)			(145)	
Payroll adjustments						
April 21 non-consolidated award re 2020/21 performance	(35)					
Increase in holiday pay accrual due to lockdown related increase in holidays carried forward at 01/04/2021	(54)	(89)			(89)	
Sundry income adjustments		(16)			(16)	
Irrecoverable VAT adjustment		(100)				(100)
Depreciation increase		(19)				(19)
Total Movement since May			(495)	(126)	(250)	(119)
Operational Deficit per Draft Statutory Accounts			(993)			

The reasons for the movements have been discussed at length in the Executive Board and at Council. New measures in place and the new Chart of Accounts, both of which are already providing increased clarity and transparency, will significantly increase the accuracy of the year end management accounts and therefore reduce the impact of any adjustments to the statutory accounts.

Kenneth Osborne
Finance Director
15th October 2021

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW
Registered Charity Number: SC000847
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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PRESIDENT'S MESSAGE

Thank you

In the 12 months from April 2020 to March 2021, our College witnessed a year like no other in its 400 year history. When we entered the first lockdown on 23 March 2020, we could not have anticipated how devastating, persistent and prolonged the pandemic would be.

As the year progressed, we went through a roller coaster of emotions from phases of easing and hopefulness, to restrictions and despair. New strains of the virus brought second and third waves of infections, increasing death rates, and a lingering burden that impacted societies on a global scale.

By April 2021, people across all populations and different walks of life were exhausted. Drained from the relentless uncertainty, the highs and lows, the absence of social interaction, and the devastation of loss of loved ones, of employment, of freedom. This exhaustion was felt heavily among healthcare workers, faced with the daily physical and emotional demand of hospitals under immense strain and extremely sick patients in their care. As well as dealing with the immediate urgency to cope with high admission rates, they were also mindful of the growing number of people waiting for treatment for other conditions leading to huge backlogs of patients needing care. And they were also concerned about the significant mental health burden that has been spreading across our society as a direct consequence of this pandemic.

We pulled together. Peer support, compassion and kindness came to the fore across our communities and in our hospitals. We identified opportunities and delivered new ways of working, the focus always being to ensure that we were doing our best for our patients and for each other. Our College reached out with opportunities to connect, provided access to learning and resources, and acted as a voice for the profession to influence action when action was needed.

Today our College is far stronger than it was one year ago. Our membership has grown, we have strengthened our connections, and our voice has been heard. Most importantly, we have been humbled by the incredible passion, resilience and dedication that our membership has shown to their patients and to each other during this most challenging of years.

Thank you.

Professor Jackie Taylor, President



CEO'S MESSAGE

A Renewed Focus

At the beginning of April 2020, our College staff were all working from home, many for the first time ever. In the space of a matter of weeks, we had transformed the way the College worked from office-based staff to remote working. Risk assessments had been completed to ensure the safety of staff working from home environments and access to the equipment they needed to do their jobs provided. We had installed Microsoft Teams to facilitate meetings and interactions. It was essential to us that physical separation would not result in social isolation.

From the outset, our President and leadership team met on a daily basis – initially in the offices before lockdown, and subsequently from our home working environments. These meetings served to be critical in shaping our journey through the transformational changes that we would make to the way in which we operated our business.

Throughout all of this work, we made a commitment to ‘provide certainty in uncertain times’, and we have used this commitment to shape our decision making and develop new ways of delivering our activities and supporting our members.

Throughout this pandemic, we have taken a values-based approach to guide our journey to recovery. Our priorities have remained the same, with a focus on ensuring members continued to feel connected and supported, and able to access the education and assessment they need for their career progression.

Over the course of one year, we have transformed our delivery of online education, webinars and hybrid events. We have introduced online exams across medicine, surgery and dental surgery. We have challenged and improved our approach to equality, diversity and inclusion. We have celebrated, connected and engaged with more members than before. We have reshaped the way we are governed and ensured equity of voting rights for our members, wherever they live. We have lobbied, influenced and challenged government to make the right choices for the profession. And we have installed a new CRM and self-service portal that will significantly improve the way we interact with each other. We have undertaken all these changes in a financially responsible manner and taken measures to safeguard the long-term prosperity and financial sustainability of the College.

2020-21 was a year like no other and I am extremely proud of what we have achieved as a College. It is an incredible testament to the dedication, loyalty and professionalism of all our members, our office bearers and our staff to come to the end of this year in a strong position, with new ways of working, and a renewed focus for what we can achieve.

Dr Steve Graham, Chief Executive Officer



OBJECTIVES AND ACTIVITIES

The charitable purpose of the Royal College of Physicians and Surgeons of Glasgow (“the College”) has remained unchanged throughout its 400+ year history – to achieve the best possible outcomes for patients through increasing the standard and assessment of healthcare and how it is provided.

In pursuit of our purpose, we want to be the “Go To” Royal College for healthcare professionals seeking education, assessment, support, and a voice that represents them. Our three strategic objectives underpinning this purpose are:

- To deliver an educational and assessment programme that responds to and meets the needs of our members and prospective members, enabling them to deliver the highest standards of care to their patients;
- To engage and connect with our members and prospective members to strengthen and add value to our mutually beneficial relationship; and
- To significantly raise our profile across healthcare, public and political domains as an influencer of change for the common good.

We also invested in re-affirming the values and behaviours that define us as an institution. Guided by our President’s priorities of engagement, wellbeing, workforce and inclusivity, we developed, designed and refined our core messaging, and all our products and services (membership support, education, training and assessment) that support the professions. The outcome from all our positioning work has seen greater levels of membership engagement, retention and growth as well as strong uptake in our assessment and education activities. The difficult decisions we undertook at the start of the year on restructuring and focussing our staffing resources allowed us to achieve near break-even before depreciation and losses on investments.

In the last quarter of the financial year, from February 2020 onwards, we showed strong and decisive leadership in our response and reaction to the COVID-19 pandemic, which significantly impacted on the delivery of our products and services, and our ability to operate. Although deeply unsettling at the time, we sought to provide clarity and certainty for the healthcare professionals we support including early decisions on ceasing our educational and assessment delivery. We invested heavily in ICT infrastructure to rapidly move all of our staff and clinicians to safe and secure remote working. This also allowed us to continually engage and support our membership wherever they were in the world and whatever challenges they were facing from the multitude of issues arising from the pandemic.

Despite the financial impact of the pandemic on our operations, we have maintained a secure financial position, have accelerated our investments for the future in our digital transformation and are working to rebalance our resources to achieve a balanced fiscal position in 2021/22.

ACHIEVEMENTS AND PERFORMANCE

2020/21 was a particularly challenging year due to Covid-19 and its related lockdowns. This Trustees' Report outlines College's response to the challenges faced by College, its members, and the wider medical profession.

MEMBERSHIP AND ENGAGEMENT

Despite the significant challenges of 2020-21 our membership during the year. At the end of the year College had 15,205 members living in 99 different countries, with 93% of members renewing their annual subscriptions online.



Interest in joining College remained strong with a 181% increase in visitors to our 'Join Us' web pages, helping support an overall 1% increase in our membership.



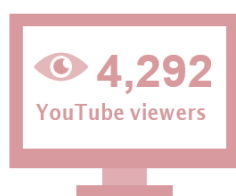
Engaging with our networks

Over the past year, we have seen a marked increase in engagement with our College Networks. The implementation of Microsoft Teams across the business has enabled us to deliver a regular programme of virtual engagement with our networks of 60+ Regional Advisors, 40 International Advisors, and 50 College Tutors. The increase in connectivity has also supported the recruitment and induction of new Advisors in India, Pakistan, Hong Kong and Egypt, alongside a number of key areas within the UK. These developments have helped the College better connect to our members where they live and work, providing an opportunity to share knowledge and learning as the profession rapidly adapted to deal with the pandemic.

Virtual Diploma Ceremony

Our Diploma Ceremony celebration, initially planned for June 2020 was cancelled because of the pandemic. We were determined to ensure our new members, and those progressing to higher grades of membership and fellowship, would not miss out on their opportunity to celebrate their achievements and to feel that important connection which comes from being a member of our College.

This commitment evolved into our first virtual diploma ceremony, held in September 2020, at which we welcomed 175 new Fellows and Members. The event was broadcast on YouTube and watched by 4,292 people - 28% of whom were in India - and reached more than 110,000 viewers across our social media channels.



Supporting Personal and Professional Development

We completed a review and subsequently enhanced our suite of membership benefits to ensure they consistently support and provide the professional and personal development needs of our members.

We also reviewed and refreshed the way in which we communicate these benefits to our members, to ensure the best knowledge of, and access to, the wide range of opportunities and services we offer. Our benefits were grouped into:

Core benefits

- postnominals
- voting rights
- verifications for employment
- networking opportunities

Added value

- free inter-library loans
- awards and scholarships
- Athens password
- VOICE magazine
- daily health news updates

Our website and members' dashboard were updated to reflect this positioning and ensure ease of access to the benefits of most relevance to our members.


A new added value digital learning offer was introduced in March 2021. The offer delivered professional and personal development for our members based around wellbeing, work-life balance and leadership, generating unprecedented interest and a great encouragement to timely membership renewals.

We have seen a 73% increase in visits to our website homepage, and a 181% increase in traffic to our Join Us page. This has been reflected in the increasing number of application downloads for Affiliate membership (+307%) and Fellowship (+250%) in particular. There have been more than 11,000 visits to our membership dashboard in 2020-21 – an increase of 81.6% from the previous year.

In 2020-21 we have:

Responded to
 **2,144**
verification requests

 **6,939**
Members updated
their details online

 **876**
Downloads of
membership
applications

Heritage

Losing the ability to physically showcase and visit our College buildings, we enhanced our already advanced online heritage exhibitions. Over the course of the year we have developed four new digital exhibitions, nine bitesize videos and 79 digital health products. The heritage website has had over 28,000 page views – an increase of 80% on 2019-20 – and was listed number 6 in the UK museum "Exhibitions to Access from Home" in January 2021. We have also seen a 126% increase in engagements on our heritage focused social media channels.

We developed the 'Visit Us' pages of our website with a new interactive online tour, and we participated in Glasgow's Digital Doors Open Day festival.

We have used the opportunity to work with academia, health and the cultural sector by developing digital collections workshops for students and researchers. These were attended by 191 students from the Glasgow School of Art, Glasgow Clyde College, University of Edinburgh and University of Glasgow.

We launched a new podcast series 'Body of Work', with six episodes downloaded 419 times between September and March.

28,000
Heritage website
page views

80% ↑
Increase on
2019-20

#6
In the UK museum
"Exhibitions to Access from Home"
in January 2021

126% ↑
Increase in heritage
social media engagements

ASSESSMENT

Rapidly adapting our exam delivery model

The exam format, established in 1876, incorporating a written assessment, oral assessment and clinical exam has, for more than 100 years, required candidates to travel many miles to complete the assessments needed for their progression through to completion of training. The impact of the Covid pandemic had huge implications for doctors, surgeons and dentists in training who needed to complete their examinations in order to progress in their specialties. The healthcare workforce was, and is, also under incredible pressure with insufficient capacity to cope with the demands of patient care. It was essential to ensure that access to examinations – and the subsequent ability to progress in their careers – could continue despite the pandemic. We moved rapidly to explore options for online exam delivery – a completely new format for our College but one we embraced with a positive and open mind.

After significant and extensive investigation, testing and review, our first online examination was delivered on 7 September 2020, when 15 candidates sat the Intercollegiate Specialty Fellowship Examination (ISFE) in Orthodontics.



Through the remainder of the year, we have worked with our intercollegiate partners to move many of our exams online.

By the end of March 2021 we had:



EDUCATION

Education activities that have supported the delivery of our strategic priorities and our goal of becoming the 'Go To' Royal College include:

- Delivering **139** conferences and courses across our five disciplines and non-clinical subject areas, reaching over **13,479** delegates both in College and digitally.
- Developing our digital capabilities, delivering predominantly digital events in response to Covid restrictions
- Achieving high registration numbers for College Webinars (including 1183 for the February Webinar – Leading Through Kindness)
- Continuing to deliver annual flagship conferences such as Medicine 24 and Glasgow Gastro in a digital format
- Developing Covid-safe practices for in-person events

Widening the scope and reach of our education

Before the pandemic, the majority of our educational activity was delivered in lecture theatres, training laboratories and tutorial rooms. The pandemic forced us to rethink our delivery methods and quickly respond to the sudden change in need from the healthcare workforce, who still had to access information, education and training – but were unable to attend in person.

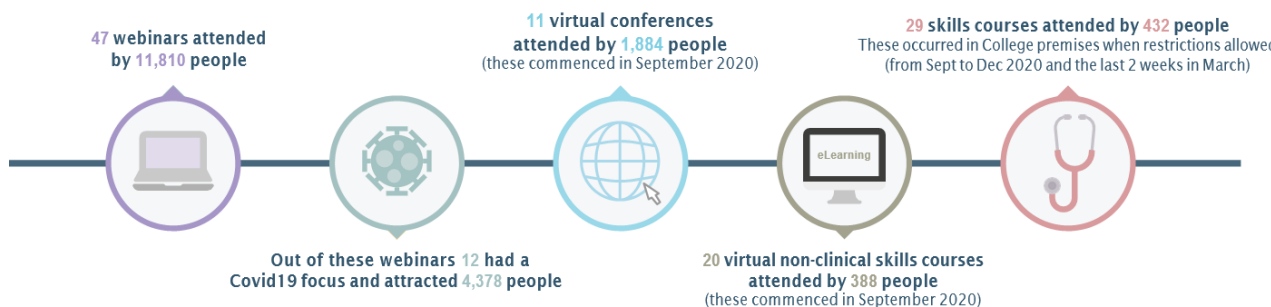
Driven by a desire to ensure our members had access to the latest Covid-related educational content, and that those in training posts would not be held back or disadvantaged in their training, we launched a series of Covid-specific webinars, created specialist digital learning products, and introduced blended programmes for skills training combining both online and face-to-face learning.

We worked closely with colleagues in the other Royal Colleges and the General Medical Council, to ensure the hands-on skills training needed for progression through medical, surgical and dental training, was

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

categorised as "essential" and allowed to continue in a physical setting. All of our clinical skills training facilities were adapted to ensure they were Covid secure to enable this training to take place.

Wherever possible, we moved our educational content to an online or virtual format. **Over the course of the year we have delivered:**



The College responded rapidly in supporting clinicians with topical and practical updates on Covid including free monthly webinars from March 2020. The initial nine webinars attracted a total of 4,277 attendees with a further 16,422 unique clicks on the content. The most popular of these webinars was in May 2020, on the topic of 'The new normal: sustainable leadership lessons from lockdown'. This attracted 811 attendees and unique clicks of 3,505.



We also developed and released 21 bite-sized learning resources, which have been viewed a total of 13,774 times. The topics ranged from Self-care for health professionals during COVID-19 (2,764 clicks) to Managing diabetic patients during the COVID-19 pandemic (1,294 clicks).



Following the initial Covid response, the monthly Covid webinars changed their focus to more general topics and were rebranded as College webinars, however they remained free and open to all. Topics included; Health Inequalities, Climate Change and Health: Challenges and Solutions and The future of surgery: aspirations, challenges and reality.



As we look to the future, we have adapted a blended approach to our educational delivery including both online and in-person interaction

The greatest benefit of this advance in our educational delivery is the improved accessibility for people all over the world. We are no longer restricted by physical space, and have expanded our reach to a much wider audience.

VOLUNTEERING

The work of College would not be possible without the tireless contributions of both our clinical and non-clinical volunteers.

As discussed elsewhere in this report, activity during 2020/21 was less than in previous years, but despite the exceptional challenges faced by our Members and Fellows, their commitment to the work of College enabled us to adapt and deliver activity where possible.

In support of our Membership and Engagement activity our volunteers gave around **xx,xxx** hours and for Education around **7,000** hours during the year. A total of **770** examiner days were donated to the College during the year. This is broken down as follows:

Faculty	Examiner Days 2020/21	Examiner Days 2019/20	Examiner Days 2018/19	Examiner Days 2017/18
Dental	353	450	476	395
Medical	195	746	865	830
Pod Med	0	0	8	31
Surgical	222	705	788	553
Travel Med	0	0	54	17
Total	770	1,901	2,191	1,826

A VOICE FOR THE PROFESSION

Workforce

A depleted workforce is the greatest threat to the provision of quality healthcare. The issues of staff shortages and unfilled posts were concerns which we had raised before the pandemic. In the last year, the situation has significantly worsened with a workforce, which had already been working beyond capacity, exhausted – both physically and emotionally – and with huge numbers of patients waiting to receive treatment. Action urgently needs to be taken to protect the workforce, our healthcare system and our patients.

Over the year we have been outspoken on multiple platforms on this issue – through direct lines of communication with government and through media interviews and publications.

- A coordinated approach to workforce planning, with one responsible body
- More medical school places and widening of access to them
- Improving the experience for doctors in training with a focus on value, teaching and retention
- Better understanding of the reasons why so many talented health professionals decide to leave
- Listening to the needs of healthcare workers around contracts, flexibility and experience
- Innovative approaches that learn from the pandemic
- Increased ethical recruitment of staff to the NHS from outside the UK and ensuring health and social care workers are not disadvantaged by Brexit
- Development of the roles and training capacity for enhanced roles, such as physician associates and surgical care practitioners, to maximise the workforce
- An urgent focus on consultant retention

Wellbeing

The healthcare workforce has been placed under immense pressure throughout the Covid pandemic. Many have experienced exhaustion and anxiety, and have gone for months without a break due to the relentless workload. This level of expectation and delivery cannot be sustained – our message has been loud and simple: we need time to heal, and we need to be allowed that time to heal.

Our College has spoken out on the need for a healthy workforce before we can fully begin system recovery. We have engaged with government and featured on many media interviews to raise our concerns, and to ensure the voice of our profession is heard. We need time to recover, and then renew.

We worked with the Royal College of Physicians of Edinburgh and the Royal College of Physicians of London to produce a snapshot survey of physician wellbeing. The survey highlighted some of the key issues around burnout and stress being faced by the profession. We have lobbied vigorously for government action to deliver mental health and wellbeing support for the NHS workforce, which subsequently led to a Scottish government commitment to establish the Workforce Specialist Service, which will provide confidential assessment and treatment for mental ill health for NHS staff.

Towards the end of March 2021, we started planning for our President's conference, which will take place in the Autumn of 2021 and will focus on wellbeing and leadership in our health service.

We have endorsed the recommendations of the report "Caring for doctors, Caring for patients" and called for government action:

- Provide peer support, psychological support and specialist mental health services
- Basic facilities such as access to hot food and somewhere to sit and have a break are available to healthcare workers 24 hours a day
- Realistic workloads and workforce planning

A voice for the profession during the pandemic

Throughout 2020-21, we were outspoken on the range of issues impacting on the profession that were specific to changes as a consequence of Covid. This included guidance and review of PPE, greater flexibility for local services in terms of reducing elective activity, and increased access to testing for healthcare staff during the early stages of the pandemic. The issues we raised received significant media coverage across many print and broadcast channels, and were raised during First Minister's questions in the Scottish Parliament. Following meetings with the President and Cabinet Secretary for Health, the Scottish government published a new clinical framework that addressed many of the key issues we had raised, including plans to begin testing for NHS staff which incorporated our recommendations.

We consistently supported and contributed to guidance in relation to the pandemic, much of which was at short notice. In total we responded to more than 45 consultations across the UK over the year. With our hospitals under immense pressure during multiple waves of the infection, it was imperative to reduce the number of hospital admissions and deaths. While some of the restrictions seemed harsh, we encouraged everyone to follow the guidance to reduce community transmission.

As vaccines became available, our Faculty of Travel Medicine stepped forward with an offer of support to the four Chief Medical Officers of the UK on the topic of using skills and experience of travel health professionals to assist with the roll-out of the Covid vaccine programme. Working in collaboration with the Scottish government, we surveyed members of the faculty and provided details of 11 travel clinics operated by our members who could facilitate the roll out of the vaccination.

Towards the end of March 2021, the health inequalities that exist around the world, including equity of access to the vaccine, were evident. Different countries were at different stages of managing the pandemic, some with it under control, some experiencing new strains and new waves of infection. This pandemic truly is a global one and will continue to demand international efforts to overcome. With the UK Academy of Medical Royal Colleges and Faculties we have called for UK support to vaccination programmes globally, and have opposed the reduction in overseas aid recently announced.

EQUALITY, DIVERSITY AND INCLUSION

We established an Inclusion Advisory Group to help shape our thinking, our policies and the direct action we need to take as an organisation to address equality, diversity and inclusion. The call for members to join this group resulted in an overwhelming response from our College community. There was clearly a desire and a will from people across our whole College to get involved. As a result, we have established both an Inclusion Advisory Group to oversee our EDI policy and action plan, and an Inclusion Forum for members who want to influence positive change, inspire our inclusion priorities, and provide insights on key EDI issues.

We produced a new EDI policy that reinforces our purpose and values, and makes a commitment to monitoring and reviewing all aspects of equality, diversity and inclusion, taking action to address discrimination and inequality. The ethos of treating people fairly and with respect is inherent in putting this policy into practice.

We reviewed our governance structures and processes and updated our regulations around voting rights for Fellows and Members who do not live in the UK or Ireland. The resolution was passed at our AGM in December 2020. In addition, new seats were opened up on College Council and our Faculty Executive Boards to enable Fellows and Members living outside the UK to hold office and participate in the governance of the College and its Faculties.

In order to continue moving forward, we need to also acknowledge our past. Inequalities exist in every aspect of society, in every period of history, and many institutions have been built on foundations of inequality and exclusion. Throughout 2020-21 we have run a series of digital events that reframe our College's heritage and address issues of equality, diversity and inclusion. These events, which involved conversations with experts with different viewpoints were often difficult and challenging, but also helped to begin a process of change. Some of the areas discussed included the 'white saviour complex', admitting women to the College, and records of mental illness.

While looking inside our own College, we have also reached out to government, calling on action to address the inequalities we see across our societies, within our leadership, and in our healthcare systems. The Covid pandemic has been a stark reminder of the inequalities that exist in our society – evidence has shown that those from deprived areas are significantly more likely to die from the virus than those in affluent areas. ***Both independently, and with colleagues in the Scottish Academy of Medical Royal Colleges and Faculties we have called for:***

- An income for all that supports healthy living and proactive public health measures such as healthy diet and active transport
- Access to high-quality education for all and barriers to higher educational attainment removed
- Bold action to address the societal damage of drug and alcohol misuse
- Mandatory health impact assessments integrated into policy making at all levels of government
- Assessing and addressing the additional health risks faced by people from a BAME background, and promoting equal access to the health service for all
- Increased support for school students from areas of multiple deprivation and from non-traditional backgrounds to help them choose a career in medicine and additional funding for medical schools and organisations supporting students from these groups.

Despite the advancement of previously under-represented groups in the health workforce, more work needs to be done to ensure those in leadership roles are representative of the wider workforce and the patients in our care. We have called for an expansion of the Scottish Clinical Leadership Fellowship scheme providing more opportunities for people from under-represented groups. Our College's first Leadership Development programme for women completed in 2020, and will provide a springboard for many colleagues. And our College leadership team has maintained a good balance of diversity over the last number of years. However, a reminder of the challenges that still exist in our society, was the lack of female nominations for our most recent Council elections. There is clearly a lot more work to be done to continue to develop and encourage people from all backgrounds into leadership roles – there is great strength in diversity.

ADVOCACY, RAISING AWARENESS AND PROMOTING BEST PRACTICE

Throughout the year, we have supported many campaigns and initiatives that celebrate and promote people and initiatives, such as Allied Health Professionals Day and World Diabetes Day.

Obesity Action Scotland continued in its valuable and important work to achieve healthy weight in the Scottish population through advocacy for effective preventative public health measures. Our College and Obesity Action Scotland published two joint briefings and held an MSP engagement event about the links between Covid-19 and obesity. Obesity Action Scotland also undertook public polling during the first national UK lockdown to understand the secondary impacts on diet and physical activity.



Throughout the year they have published other important reports including 'Primary School Meals in Scotland: a snapshot and a future vision' and 'Survey of Food and Drink Promotions in an Online Environment'. They also supplied briefing to civil servants and MSPs throughout the year and provided submissions to many of the national Covid-19 recovery groups.

We joined the **Inequalities and Health Alliance** and the **UK Health Alliance on Climate Change** to ensure our position and voice could shape and influence work in these areas.



UK HEALTH
ALLIANCE ON
CLIMATE CHANGE

We published '**Good Practice Guidance for Providing a Travel Health Service**' which will form a foundation for the development of education, regulation and consistency across travel health services.



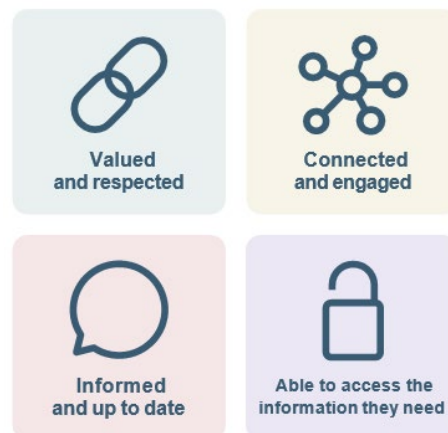
Through our **HOPE Foundation**, we promoted and supported the Scotland-Malawi Partnership Appeal for Oxygen equipment and monitors.



EMPOWERING OUR STAFF

The first lockdown in Glasgow in March 2020 was shock for many of us. Our 100+ members of staff who were used to working together in our offices in the city centre, were suddenly required to cope with delivering their work from home while also coping with the other life-changing implications of the pandemic – social isolation, home schooling, inability to care for loved ones, fears for their wellbeing, and severe restrictions in movement and the usual freedoms we enjoy.

We made a commitment to ensure our staff felt:



And we delivered on this commitment by:

- Rapidly shifting to Microsoft Teams and ensuring staff had access to adequate equipment and resources to work from home
- Developing a new staff intranet with access to information and resources
- Reviewing and relaunching our staff wellbeing benefit to support mental and physical health needs
- Expanding access to flexible working and early closing on Friday afternoons to give a better work-life balance
- Regular staff email newsletters, interactive staff meetings, and coffee breaks with colleagues
- Launching a Staff Recognition Scheme Award to celebrate staff who demonstrate our values
- Conducting regular polls and providing opportunities for feedback to monitor staff wellbeing
- Awarding all staff with an end of year non-consolidated payment to recognise their outstanding performance

PEOPLE STRATEGY

We commenced work on a new People Strategy, setting out a vision to be an inspiring and agile organisation with an open, inclusive, and transparent culture that enables our people; employees, trustees, council members and clinical volunteers; to be the best version of their professional selves.

The People Strategy has been built on five pillars of recruitment and onboarding; reward, recognition and retention; learning and development; wellbeing; and HR processes, procedures and systems. Work on the strategy was developed throughout 2020-21 and will be implemented in 2021-22.



IMPROVING ONLINE ACCESS AND SERVICES

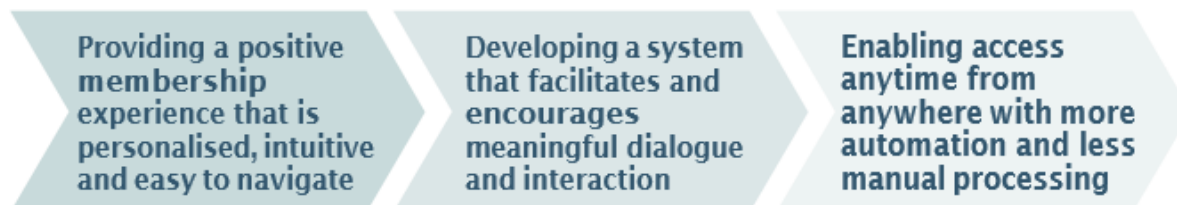
At the beginning of 2020, it was apparent that our ICT infrastructure and associated services were nearing end of life and were no longer fit for purpose. Before the pandemic we had already commenced a programme of digital transformation with the key objectives of:



TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The initial challenge, driven by the pandemic, was to get our staff and core internal and external services online. Rapid deployment of Microsoft Teams facilitated business as usual through home working. The implementation of our new online exams platform, and technology improvements in education delivery ensured a successful transition to online business.

We subsequently embarked on an ambitious project to put in place a new CRM platform by the end of March 2021 which would enable us to deliver on our strategic priorities more efficiently and effectively with the key benefits of:



Following detailed requirements gathering and tendering in 2019-20, in April 2020 we announced a partnership with Centrepoint Computer Service to use their OOMI platform to develop and deliver our new CRM system. Development of the system involved extensive commitment from our staff and members who inputted to the requirements, development, testing and installation of the many different components of the system.

Phase 1 of the project completed in December 2020 with a focus on delivering key services within the areas of:

- Assessments
- Membership Management
- Self-service portal
- Finance processes

During phase 1, we also completed a review and refresh of our members' dashboard to develop new functionalities and access to improve our members' experience.

Phase 2 was also well underway with work ongoing on a number of modules including:

A digital first approach to our communications

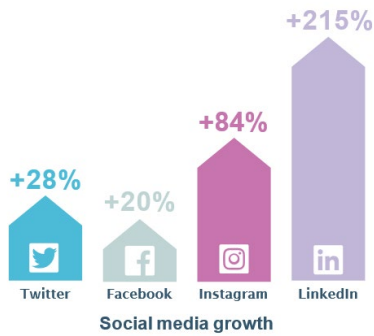
We transformed our communications from a predominantly print based approach to a fully integrated communications and marketing strategy.

This incorporated a number of elements to support our marketing and communications with our members and others who interact and engage with our College, including:

- Enhanced self-service portal
- More intelligent, automated communications
- Development of a digital asset library
- A new staff intranet
- Improved online access to content and resources
- Digital-first marketing strategy incorporating targeted email marketing, online advertising and social media engagement

By adapting to a digital-first model of communications, we have been able to demonstrate significant improvements in levels of interaction and engagement across all of our communications channels.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

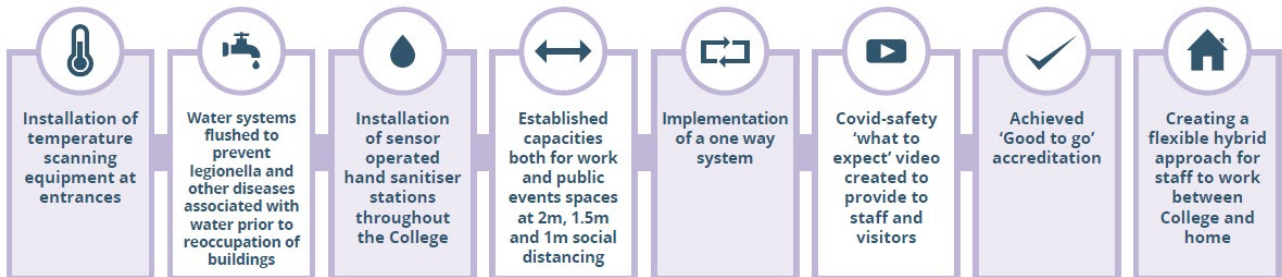


69 marketing campaigns were delivered, including the production of 1,233 creative items

Above industry average open and click rates on our email communications

CREATING A COVID-SAFE ENVIRONMENT

While a significant proportion of our delivery was moved onto online platforms, it was also critical that we were in a position to deliver procedural skills courses and clinical face-to-face examinations that are essential for the progression of medical, surgical and dental training. Comprehensive risk assessments were completed to ensure a Covid-secure environment for all activities taking place in our College and at remote locations. Measures were also put in place to ensure the safety of all those who visit our College. This included:



TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

The significant disruption to College's Assessment and Education activity due to the worldwide lockdowns created major financial challenges for College. These challenges were met through a combination of close management of cash flows, rigorous reforecasting, careful use of government's Coronavirus Job Retention Scheme and internal secondments, and a move to online delivery.

As a result, despite a **£1.65M** reduction in charitable income compared with the year to 31st March 2020, the unrestricted loss before movements in investment and fixed asset valuations only increased by **£371K** to **£993K**.

UNRESTRICTED COLLEGE OPERATIONAL RESULTS	2021		2020		Variance	
	£'000	%	£'000	%	£'000	%
Unrestricted Income	5,068		6,571		(1,503)	-23%
Unrestricted Expenditure	6,061		7,193		1,132	16%
Deficit before movement in investments	(993)		(622)		(371)	-60%

The College's principal source of income remains its charitable activity, with 80% (2020:80%) of its revenues being generated by membership subscriptions, examination fees and education activity. Overall total College income reduced by **£2M**, or **27%** due to Covid lockdowns resulting in no Assessment or Education activity in the first five months of the year and reduced activity thereafter.

Donations and legacies increased due to the Government's Coronavirus Job Retention Scheme, other trading activities were completely wiped out as a result of the closure of the hospitality sector for the full year, and the reduction in investment income reflected listed companies reducing or cancelling dividends in the first part of the year in order to retain cash in the face of the significant economic uncertainties brought about by worldwide lockdowns.

TOTAL COLLEGE INCOME	2021		2020		Variance	
	£'000	% of total	£'000	% of total	£'000	% variance
Donations and legacies	712	13%	457	6%	255	56%
Charitable activities	4,426	80%	6,077	80%	(1,651)	-27%
Other trading activities	(4)	0%	437	6%	(441)	-101%
Investment income	388	7%	597	8%	(209)	-35%
Other Income	17	0%	2	0%	15	750%
TOTAL CONSOLIDATED INCOME	5,539		7,570		(2,031)	-27%

Income from Assessment and Education fell 45% and 40% respectively as a result of Covid related lockdowns. Activity and income would have reduced even further but for a successful move to online delivery of both activities where possible. Membership income fell by only 2%, a good result given the challenges facing Colleges members in the year.

CONSOLIDATED INCOME FROM CHARITABLE ACTIVITIES	2021		2020		Variance	
	£'000	% of total	£'000	% of total	£'000	% variance
Assessment	1,490	34%	2,723	45%	(1,233)	-45%
Education	554	13%	917	15%	(363)	-40%
Membership	2,382	54%	2,437	40%	(55)	-2%
TOTAL INCOME FROM CHARITABLE ACTIVITIES	4,426		6,077		(1,651)	-27%

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Despite a consolidated loss before movement on investments of **£1.085M** College's overall net assets increased by **£4.806M**. This was due to a combination of College's investments increasing by **£2.973M** in line with general market movements during the year, and College's Heritage Assets valuation increasing by **£2.917M** following an insurance valuation in the year. At 31st March 2021 College's investments were valued at **£15,936M** (2020: £13,738M).

This is the first year College has recognised the value of its Heritage Assets on the balance sheet. On the completion of the insurance revaluation exercise, College reviewed the requirements of the FRS 102 Charities SORP and concluded that a change in accounting policy was required. At 31st March 2021 College's Heritage Assets were valued at **£6.087M**, and the previous year's Balance Sheet has been restated to include the previous Heritage Assets insurance valuation of **£3.169M**.

The reductions in the endowment, unrestricted and restricted funds primarily reflect the proportion of the College's investments which are allocated to each fund.

CONSOLIDATED BALANCE SHEET	2021	2019	Variance
	£'000	£'000	£'000
Fixed assets	29,392	24,262	5,130
Current assets	2,980	3,321	(341)
Liabilities	(4,309)	(4,326)	17
Net assets	28,063	23,257	4,806
Endowment funds	2,576	2,220	356
Unrestricted funds	21,673	17,573	4,100
Restricted funds	3,814	3,464	350
Total funds	28,063	23,257	4,806

At the year end, Group held cash balances of **£2.166M** (2020 **£1.842M**). College held these relatively high cash balances due to the very significant uncertainties facing College as a result of the significant curtailment of its activities during the lockdowns in 2020 and 2021. At the time of writing, these uncertainties are significantly reduced, and College is in the process of investing its excess cash balances.

Reserves Policy

The College was founded in 1599 and has built up considerable funds. These have arisen in three different ways. The principal **Endowment Funds**, representing gifts and bequests granted for the specific purposes set out, are shown in note 27 to the accounts. **Restricted Funds**, representing grants awarded to the College for specific purposes are shown in note 29 to the accounts. The remaining funds are held as **General Reserves** and represent a combination of:

- The originating funds of the College.
- Non-specific gifts and bequests.
- Unrestricted funds arising from past operating results.
- Capital growth over the years of the investments in which these general reserves are invested.

College's Trustees are in the process of reviewing the purpose and use of its reserves (Unrestricted, Endowed and Restricted) with the aim of maximising their contribution to fulfilling College's charitable objectives and aims in the coming years.

Investment Policy

The Finance and Investment Committee, along with the Chief Executive Officer and Finance Director regularly review the investment strategy with the College's investment advisors. The portfolio is also discussed regularly by the Executive Board and the Audit and Risk Committee. This enables the College to maintain and improve services to members while allowing sufficient flexibility to meet the external challenges and opportunities presented by its diverse operating environment. Regular meetings are held with Rathbones, the College's investment managers, to review the performance of the portfolio and their professional advice is taken where necessary.

A detailed review of College's Investment Policy will be undertaken in 2021/22 to ensure consistency with College's broader strategic aims.

At 31 March 2020, the portfolio was valued at **£15,936,004**, an increase of **£2,198,332** on the **£13,737,672** valuation at 31 March 2020. The increase in value was in line with general market movements in the year.

Risk Management

The Council continues to assess the major risks to which the charity is exposed, in particular those related to the operations and finances of the College and is satisfied that systems are in place to mitigate its exposure to the major risks.

The key risks currently identified are:

- **Covid-19:** College adapted rapidly and generally successfully to the new risks presented by Covid-19 and the related lockdowns. As outlined elsewhere in this document, new delivery models were developed to replace activity which otherwise wouldn't have been possible during lockdown, finances and in particular cash were carefully managed, day to day operations continued with limited disruption, and the significant new health and safety risks relating to both staff working from home and ensuring our buildings were 'Covid-Secure' were all successfully addressed. Going forward, the work done to date will continue to mitigate the major ongoing Covid-19 related risks.
- **Clinicians' time and volunteering:** COVID-19 has placed even greater pressures on all healthcare professionals at every stage of their careers. We have placed membership support and clinician engagement at the heart of all our messaging and engagement communications, underpinned by our vision to be the 'Go To' College, and setting out who we are, what we stand for and what we do. However, capacity and time for clinical volunteering will be an ongoing constraint that we are actively managing at all levels of College activity through our work on resilience, engagement, wellbeing, workforce, and inclusivity.
- **Organisational Capacity – People:** Key appointments were made during the year, helping drive progress in delivering efficiencies in systems and processes, largely through development of ICT systems. Short term capacity issues, both Covid-19 and systems and processes related, have been to an extent mitigated through fixed term appointments. College is currently undergoing a detailed review of its operational model and resource requirements which will help ensure sufficient staff resource across the organisation to deliver its strategic goals.
- **Organisational Capacity – Systems:** A new Head of ICT and Digital Transformation joined the College in early 2021, in part to develop and improve College's ICT systems. In addition the Digital Transformation Board meets monthly, with the Executive Board receiving regular updates on progress.
- **College UK share of Physicians and Surgeons Fellowship and Membership:** Membership retention and growth has been a major College focus during the past 18 months. College's membership continued to grow during the past year, despite the impact of Covid-19, with overall growth of 1% and a retention rate of 93%, the highest retention rate achieved by College in recent times.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The College is a charity registered in Scotland. It is a body incorporated by Royal Charter whose principal concerns are with education and training for medical, surgical and dental practice and for the maintenance of high standards of professional competence and conduct. In practice, the College works collaboratively with a number of other Royal Colleges via intercollegiate committees to fulfil its purposes.

The following documents are the governing documents of the College:

- Royal Charter of King James VI of Scotland of 29 November 1599;
- Act of the Scottish Parliament of 11 September 1672;
- Act of the British Parliament of 1850 (13 and 14 Vict CXX); and
- Royal College of Physicians and Surgeons of Glasgow Order Confirmation Act 1962.

At its AGM in December 2020, College amended its governance arrangements following a detailed internal and legal review.

The principal change was to the roles and functions of Council and the Executive Board. Following the changes, Council articulates strategy and the future development of the College's role, while the Executive Board is responsible for guiding the day to day running of the College and dealing with matters of finance and employment. In addition, the Investment Committee and the Finance Audit and Risk Committee have been replaced by two new committees, the Finance and Investment Committee and the Audit and Risk Committee, both with lay Chairs. The definition of College's trustees was amended to only include the 15 members of the Executive Board. Council members would no longer be trustees unless they were also a member of the Executive Board. Finally, the two lay Chairs of the new Finance and Investment and Audit and Risk Committees would join the Executive Board as trustees, meaning College would for the first time, have lay trustees.

Key Management Personnel

The College Leadership Team is responsible for designing policies and procedures to support the strategies authorised by the Board of Trustees, as well as managing the daily operations of the organisation. The College Leadership Team comprises Chief Executive Officer, the Deputy CEO and Director of Membership and Engagement, the Director of Education and Assessment, the Finance Director, the Head of Corporate Communications and Marketing and the Head of ICT and Digital Transformation.

Remuneration is set using a scale which is related to the job description and responsibilities of the role. Increases are approved by the Trustees annually.

TRUSTEES' RESPONSIBILITIES STATEMENT IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and charity and of the income and expenditure for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the FRS 102 Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and charity, and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, and regulation 8 of the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Royal Charter. They are also responsible for safeguarding the assets of the group and charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The trustees' report was approved by the trustees on signed on their behalf by:

.....
Prof Jackie Taylor
President

.....
Mr Drummond Mansbridge
Honorary Treasurer

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

CHARITY INFORMATION

Charity registration number	SC000847
Registered office	232 – 242 St Vincent Street Glasgow G2 5RJ
Independent auditor	Chiene+Tait 61 Dublin Street Edinburgh EH3 6NL
Bankers	Santander 301 St. Vincent Street Glasgow G2 5NB
Solicitors	Burness Paul LLP Aurora Building 120 Bothwell Street G2 7JL
Investment Managers	Rathbone Brothers Plc George House 50 George Square Glasgow G2 1EH

CHARITY INFORMATION

MEMBERS OF COUNCIL

Trustees and Executive Board

Prof J Taylor FRCP(Glasg)	President	
Mr M McKirdy FRCS(Glasg)	President Elect	from Dec 2020
Mrs A Lannigan FRCS(Glasg)	Vice President (Surgical)	to Dec 2020
Prof A Rane FRCSGlasg(Urol)	Vice President (Surgical)	
Mr John Scott FRCS(Glasg)	Vice President (Surgical)	from Dec 2020
Dr H Eteiba FRCP(Glasg)	Vice President (Medical)	to Dec 2020
Prof A Stanley FRCP(Glasg)	Vice President (Medical)	
Prof A Gallagher FRCP(Glasg)	Vice President (Medical)	from Dec 2020
Dr A Edwards FDS RCPS(Glasg)	Vice President (Dental)	
Dr R Madhok FRCP(Glasg)	Honorary Treasurer	to Jun 2021
Mr D Mansbridge FRCS(Glasg)	Honorary Treasurer	from Jun 2021
Dr R Hull FRCP(Glasg)	Honorary Secretary	
Dr M McElroy FRCP(Glasg)	Honorary Librarian	
Dr R Neilson FRCP(Glasg)	Registrar	
Mrs C Skinner FFPM RCPS(Glasg)	Dean of the Faculty of Podiatric Medicine	
Mrs J Chiodini FFTM RCPS(Glasg)	Dean of the Faculty of Travel Medicine	
Mr S Mccallum	Chair: Finance and Investment Committee	from Jun 2021
Mr M Allison	Chair: Audit and Risk Committee	from Jun 2021

Council Members (non-trustees)

Dr A Forgie FDS RCPS(Glasg)	Honorary Secretary, Faculty of Dental Surgery	
Dr G Tait FRCP(Glasg)	Ordinary Councillor	
Dr M Oo FRCP(Glasg)	Ordinary Councillor	
Dr A Laws MRCP(S Glasg)	Ordinary Councillor	
Mr J Hannay FRCS(Glasg)	Ordinary Councillor	
Mr S Mannion FRCS(Glasg)	Ordinary Councillor	
Mr D Mansbridge FRCS(Glasg)	Ordinary Councillor	to Jun 2021
Prof C Mackay FRCS(Glasg)	Ordinary Councillor	
Mr R Anderson MRCS(Glasg)	Ordinary Councillor	
Prof A Gallagher FRCP(Glasg)	Ordinary Councillor	to Dec 2020
Prof M Walters FRCP(Glasg)	Ordinary Councillor	
Dr Graham Curry (FRCP(Glasg)	Ordinary Councillor	from Dec 2020

Regional Councillors (non-trustees)

Mr J Camilleri-Brennan FRCS(Glasg)	Regional Councillor (Scotland East)	
Dr A Naqvi FRCP(Glasg)	Regional Councillor	to Dec 2020
Mr A Hon-Chi Leung FRCSGlasg(Tr&Orth)	Regional Councillor (Surgeon working outwith Scotland)	
Dr H Wilson FRCP(Glasg)	Regional Councillor (Scotland West)	
Dr S McNally FRCSGlasg(GenSurg)	Regional Councillor (Scotland North)	
Dr D Tripathi FRCP(Glasg)	Regional Councillor (Physician working outwith Scotland)	from Dec 2020
Dr C Kelly FRCP(Glasg)	Regional Councillor (Physician working outwith Scotland)	from Dec 2020
Major A Sharma FRCS(Glasg)	Regional Councillor (Surgeon working outwith Scotland)	from Dec 2020

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

CHARITY INFORMATION

LAY ADVISORS

Mr M Allison	Chair: Audit & Risk Committee	to Jun 2021
Dr E Crichton FRCP(Glasg)	Faculty of Public Health Medicine Representative	
Mrs E Condie	Chair, Lay Advisory Board	
Mr M J McKirdy FRCS(Glasg)	Global Health Director	to Dec 2020
Ms M Chakrabarti MRCS(Glasg)	Advisory Co-optee (Non Trustee)	to Dec 2020
Prof G McKay	Faculty of Pharmaceutical Medicine representative	
Prof H Eteiba	International Director	from Dec 2020
Dr S Chitnis	Co-Chair, Trainees' Committee	
Dr J Cathcart	Co-Chair, Trainees' Committee	

NEW COMMITTEES CREATED FOLLOWING OF GOVERNANCE REVIEW from June 2021

Finance and Investment Committee

Mr S McCallum	Chair
Prof J Taylor FRCP(Glasg)	President
Mr M McKirdy FRCS(Glasg)	President Elect
Mr D Mansbridge FRCS(Glasg)	Honorary Treasurer
Dr A Edwards FDS RCPS(Glasg)	Vice President (Dental)
Dr H Eteiba FRCP(Glasg)	International Director
Mr I Anderson FRCS(Glasg)	
Dr S Graham	Chief Executive Officer
Mr K Osborne	Finance Director

Audit and Risk Committee

Mr M Allison	Chair
Prof J Taylor FRCP(Glasg)	President
Mr M McKirdy FRCS(Glasg)	President Elect
Dr R Neilson FRCP(Glasg)	Registrar
Dr A Forgie FDS RCPS(Glasg)	Honorary Secretary, Faculty of Dental Surgery
Mrs C Skinner FFPM RCPS(Glasg)	Dean of the Faculty of Podiatric Medicine
Dr S Graham	Chief Executive Officer
Mr K Osborne	Finance Director

LEGACY COMMITTEES until May 2021

Finance, Audit and Risk Committee

Mr M Allison	Chair	
Prof J Taylor	President	
Dr R Madhok FRCP(Glasg)	Honorary Treasurer	to Jun 2021
Dr H Eteiba FRCP(Glasg)		
Dr S Graham (Non-Trustee)	Chief Executive Officer	
Prof C Mackay FRCS(Glasg)		
Mr D Mansbridge FRCS(Glasg)		
Ms L Metta		

Investment Committee

Prof J Taylor FRCP(Glasg)	President	
Dr R Madhok FRCP(Glasg)	Honorary Treasurer	to Jun 2021
Mr I Anderson FRCS(Glasg)		
Dr S Graham	Chief Executive Officer	

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

College Senior Management Team

Dr S Graham
Dr L Irvine
Mr K Osborne
Mrs F Winter
Dr E Mulcahy
Mr I Grinbergs

Chief Executive Officer
Deputy CEO and Director of Membership and Engagement
Finance Director (from Aug 2020)
Director of Education and Assessment
Head of Corporate Communications and Marketing
Head of ICT and Digital Transformation

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of the Royal College of Physicians and Surgeons Glasgow (the parent charity) and its subsidiary (the group) for the year ended 31 March 2021 which comprise the Consolidated and Parent Charity Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheet, the Consolidated and Parent Charity Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2021 and of their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 accounts section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Council 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 trustees' annual report, other than the financial statements and our auditor's report thereon. The Council is 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW FOR THE YEAR ENDED 31 MARCH 2021

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

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

Responsibilities of Council

As explained more fully in the Council's Responsibilities Statement set out on page 19, the Council is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council 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 Council is responsible for assessing the group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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

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

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Charities and Trustee Investment (Scotland) Act 2005.

Our audit procedures were designed to respond to risks of material misstatement in the accounts, 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.

We focused on laws and regulations that could give rise to a material misstatement in the charity's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of senior management and the Council;
- review of minutes of Council meetings throughout the year;
- review of legal correspondence or invoices, and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL COLLEGE OF PHYSICIANS
AND SURGEONS OF GLASGOW
FOR THE YEAR ENDED 31 MARCH 2021

Auditor's responsibilities for the audit of the accounts (continued)

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the accounts, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by members of the Council that represented a risk of material misstatement due to fraud.

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

Use of our report

This report is made solely to the Council, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Council as a body, for our audit work, for this report, or for the opinions we have formed.

Jeremy Chittleburgh (Senior Statutory Auditor)
For and on behalf of Chiene + Tait LLP

Chartered Accountants & Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

Date –

Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Endowment Funds 2021 £	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £	Endowment Funds 2020 Restated £	Restricted Funds 2020 Restated £	Unrestricted Funds 2020 Restated £	Total Funds 2020 Restated £
Income and endowments from:									
Donations and legacies	5	150	349,148	363,200	712,498	150	426,298	30,971	457,419
Charitable activities	6	-	-	4,425,980	4,425,980	-	-	6,076,560	6,076,560
Other trading activities	7	-	-	(3,553)	(3,553)	-	-	437,168	437,168
Investments	8	-	125,569	262,403	387,972	-	187,512	409,104	596,616
Other		-	-	16,983	16,983	-	-	2,000	2,000
Total income		150	474,717	5,065,013	5,539,880	150	613,810	6,955,803	7,569,763
Expenditure on:									
Raising funds	9	-	-	77,795	77,795	-	-	375,323	375,323
Charitable activities	10,11	-	503,815	6,042,854	6,546,669	-	434,012	7,148,934	7,582,946
Other		-	-	-	-	-	-	10,212	10,212
Total expenditure		-	503,815	6,120,649	6,624,464	-	434,012	7,534,469	7,968,481
Surplus/(deficit) before movements in investments		150	(29,098)	(1,055,636)	(1,084,584)	150	179,798	(578,666)	(398,718)
Net (losses)/gains on investments		355,339	356,214	2,261,637	2,973,190	(319,615)	(396,903)	(1,558,126)	(2,274,644)
Net (expenditure)		355,489	327,116	1,206,001	1,888,606	(319,465)	(217,105)	(2,136,792)	(2,673,362)
Transfers between funds		-	23,437	(23,437)	-	-	-	-	-
Other Recognised Gains									
Gains on revaluation of fixed assets				2,917,330	2,917,330				
Net movement in funds	4	355,489	350,553	4,099,894	4,805,936	(319,465)	(217,105)	(2,136,792)	(2,673,362)
Reconciliation of funds									
Total funds brought forward	26,27,28	2,220,559	3,463,930	17,572,889	23,257,378	2,540,024	3,681,035	19,709,681	25,930,740
Total funds carried forward	26,27,28	2,576,048	3,814,483	21,672,783	28,063,314	2,220,559	3,463,930	17,572,889	23,257,378

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The notes form part of these financial statements.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

CHARITY STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Endowment Funds 2021 £	Restricted Funds 2021 £	Unrestricted Funds 2021 £	Total Funds 2021 £	Endowment Funds 2020 Restated £	Restricted Funds 2020 Restated £	Unrestricted Funds 2020 Restated £	Total Funds 2020 Restated £
Income and endowments from:									
Donations and legacies	5	150	349,148	363,200	712,498	150	426,298	30,971	457,419
Charitable activities	6	-	-	4,425,980	4,425,980	-	-	6,076,560	6,076,560
Other trading activities	7	-	-	-	-	-	-	52,163	52,163
Investments	8	-	125,569	262,403	387,972	-	187,512	409,104	596,616
Other		-	-	16,983	16,983	-	-	2,000	2,000
Total income		150	474,717	5,068,566	5,543,433	150	613,810	6,570,798	7,184,758
Expenditure on:									
Raising funds	9	-	-	22,115	22,115	-	-	49,172	49,172
Charitable activities	10,11	-	503,815	6,039,229	6,543,044	-	434,012	7,144,206	7,578,218
Total expenditure		-	503,815.0	6,061,344	6,565,159	-	434,012	7,193,378	7,627,390
Surplus/(deficit) before movements in investments		150	(29,098)	(992,778)	(1,021,726)	150	179,798	(622,580)	(442,632)
Net (losses)/gains on investments		355,339	356,214	2,261,637	2,973,190	(319,615)	(396,903)	(1,558,126)	(2,274,644)
Net (expenditure)		355,489	327,116	1,268,859	1,951,464	(319,465)	(217,105)	(2,180,706)	(2,717,276)
Transfers between funds			23,437	(23,437)	-	-	-	-	-
Other Recognised Gains									
Gains on revaluation of fixed assets				2,917,330	2,917,330				
Net movement in funds	4	355,489	350,553	4,162,752	4,868,794	(319,465)	(217,105)	(2,180,706)	(2,717,276)
Reconciliation of funds									
Total funds brought forward	26,27,28	2,220,559	3,463,930	17,529,217	23,213,706	2,540,024	3,681,035	19,709,923	25,930,982
Total funds carried forward	26,27,28	2,576,048	3,814,483	21,691,969	28,082,500	2,220,559	3,463,930	17,529,217	23,213,706

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The notes form part of these financial statements.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

CONSOLIDATED BALANCE SHEET AND CHARITY BALANCE SHEET
AS AT 31 MARCH 2021

	Note	Group 2021 £	Group 2020 Restated £	Charity 2021 £	Charity 2020 Restated £
Fixed assets:					
Tangible assets	17	7,369,041	7,354,939	7,369,041	7,354,939
Heritage assets	18	6,086,680	3,169,350	6,086,680	3,169,350
Investments	19	15,936,004	13,737,672	15,936,104	13,737,772
Total fixed assets		29,391,725	24,261,961	29,391,825	24,262,061
Current assets:					
Stocks	21	8,543	8,619	8,543	8,619
Debtors	22	805,491	1,470,159	798,791	1,472,391
Cash at bank and in hand	23	2,166,585	1,842,248	2,157,098	1,734,430
Total current assets		2,980,619	3,321,026	2,964,432	3,215,440
Liabilities:					
Creditors falling due within one year	24	(2,509,030)	(2,525,609)	(2,473,757)	(2,463,795)
Net current assets/(liabilities)		471,589	795,417	490,675	751,645
Creditors falling due after one year	26	(1,800,000)	(1,800,000)	(1,800,000)	(1,800,000)
Total net assets		28,063,314	23,257,378	28,082,500	23,213,706
The funds of the charity:					
Endowment funds	27	2,576,048	2,220,559	2,576,048	2,220,559
Unrestricted funds	28	21,672,783	17,572,889	21,691,969	17,529,217
Restricted income funds	29	3,814,483	3,463,930	3,814,483	3,463,930
Total charity funds		28,063,314	23,257,378	28,082,500	23,213,706

The financial statements were approved by the Trustees on and signed on their behalf by:

.....
Prof Jackie Taylor
President

.....
Mr Drummond Mansbridge
Honorary Treasurer

.....
Mr Mark Allison
Chair: Audit & Risk Committee

The notes form part of these financial statements.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

CONSOLIDATED STATEMENT OF CASH FLOWS AND CHARITY STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash flows from operating activities:					
Net cash used in operating activities	31	115,171	(1,392,888)	213,502	(1,438,510)
Cash flows from investing activities:					
Dividends, interest and rents from investments		387,972	596,616	387,972	596,616
Purchase of property, plant and equipment		(593,006)	(286,366)	(593,006)	(286,366)
Proceeds from investments		1,082,381	2,064,563	1,082,381	2,064,563
Purchase of investments		(307,523)	-	(307,523)	-
Net cash provided by investing activities		569,824	2,374,813	569,824	2,374,813
Change in cash and cash equivalents in the year		684,995	981,925	783,326	936,303
Cash and cash equivalents at 1 April		1,479,623	497,698	1,371,805	435,502
Cash and cash equivalents at 31 March		2,164,618	1,479,623	2,155,131	1,371,805
Cash and cash equivalents comprise the following:					
Cash at bank and in hand		2,166,585	1,842,248	2,157,098	1,734,430
Bank overdraft		(1,967)	(362,625)	(1,967)	(362,625)
Cash and cash equivalents at 31 March		2,164,618	1,479,623	2,155,131	1,371,805

The notes form part of these financial statements.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General Information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the group's transactions are denominated. These financial statements are of the Royal College of Physicians and Surgeons of Glasgow and its subsidiary 1599 Limited.

The mission of the Royal College of Physicians and Surgeons of Glasgow is to provide career support to membership through education, training, professional development, examination and assessment, whilst acting as a charity and leading voice on health issues in order to set the highest possible standards of health care.

The principal activity of 1599 Limited during the year was that of establishing the College building as a first class venue for corporate functions, weddings and private dining.

Royal College of Physicians and Surgeons of Glasgow is body incorporated by Royal Charter, recognised as a charity for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC000847. Details of the registered office can be found on the charity information page of these financial statements.

2. Accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including the Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102), the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)", the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Royal College of Physicians and Surgeons of Glasgow meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transition value unless otherwise stated in the relevant accounting policy.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires trustees to exercise their judgement in the process of applying the accounting policies (see note 3).

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented, in dealing with items which are considered material in relation to the group's financial statements unless otherwise stated.

b) Consolidation

The group financial statements consolidate the financial statements of the Royal College of Physicians and Surgeons of Glasgow and its subsidiary 1599 Limited. The results of the subsidiary are consolidated on a line-by-line basis.

c) Going concern

The trustees have reviewed the level of funds, together with the budgeted expectations for the forthcoming year and having considered the effects of Covid-19, consider it reasonable that the group will remain in operation for a period of twelve months from the date of approval of these financial statements.

2. Accounting policies (continued)

d) Income recognition

All income is included in the Statement of Financial Activities (SOFA) when the group is entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donation and legacy income is received by way of grants, donations, legacies and gifts and is included in full in the Statement of Financial Activities when the group is entitled to the funds. Grants, where entitlement is not conditional on the delivery of a specific performance by the group, are recognised when the group becomes unconditionally entitled to the grant.
- Income from legacies is credited to the Statement of Financial Activities on an accruals basis when the income can be measured and it is probable that the group will receive the income.
- Income from grants, where related to performance and specific deliverables, is accounted for as the group earns the right to consideration by its performance.
- Income from charitable and commercial trading activities is accounted for when earned.
- Overseas subscriptions are paid for the year ended 31 March 2020, and are accounted for in the period to which they relate.
- UK subscriptions are paid for the year ended 31 March 2020, and are accounted for in the period to which they relate.
- Investment income is included when receivable and is allocated to funds on an appropriate basis.

Income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions that must be met before the group has unconditional entitlement.

e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the group has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the group of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Fellows and Members is not recognised, nor is the volunteer time of the library volunteers.

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

2. Accounting policies (continued)

f) Expenditure recognition

Expenditure is recognised once there is a legal and constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure includes any VAT that cannot be fully recovered and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the group in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the group and include the audit fees and costs linked to the strategic management of the group.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

g) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the group and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the number of individual grant awards made in recognition that the administrative costs of awarding, monitoring and assessing research grants, salary support grants and postgraduate scholarships are broadly equivalent. The allocation of support and governance costs is analysed in notes 12 and 13.

h) Redundancy payments

Redundancy payments are amounts payable to end an individual's employment and are charged on an accruals basis to the Statement of Financial Activities when the group is demonstrably committed to this course of action.

i) Gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

j) Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities. The obligation to pay future rentals on operating leases is shown by way of a note to the accounts.

2. Accounting policies (continued)

k) Pension scheme

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are administered by Trustees in a fund independent from those of the group.

The money purchase plan is managed by Standard Life and the plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan. The pension fund is then converted into a pension upon the employee's normal retirement age which is defined as when they are eligible for a state pension. The group has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

l) Taxation

The charity is a charitable entity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

The subsidiary company is not exempt from taxation. The tax expense for the year comprises corporation tax. Tax is recognised in the Consolidated Statement of Financial Activities, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in funds is also recognised in other comprehensive income or directly in funds respectively.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the company operates and generates income.

m) Tangible fixed assets

Fixed assets are stated at cost net of depreciation and impairment losses. Where more than £4,000 has been spent on an item that the group gains long-term benefit from, it is capitalised. Smaller sums may be capitalised if they are part of a larger project.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives on the following bases:

Freehold land and buildings	40 years
Refurbishment of buildings	40 years/20 years
Fixtures and fittings	5 years
Plant and machinery	15 years
IT software	10 years/5 years
IT equipment	5 years/3 years

No depreciation is applied in the year of purchase. Depreciation on IT software will be charged from the year it becomes operational. The rate applied is dependent on the estimated life span of the software and this also applies to IT hardware. Refurbishment costs are capitalised and depreciated on a straight-line basis over a 20 or 40 year period, dependent on the nature of the refurbishment. Permanent structural refurbishment is depreciated over a 40 year period, while internal, cosmetic office refurbishment is depreciated over 20 years.

n) Heritage assets

Heritage assets are stated at their most recent valuation. They are revalued periodically. In addition they are reviewed annually for any material impairments.

Valuations are conducted by reputable valuers with experience and expertise relevant to the classes of heritage assets held by College.

2. Accounting policies (continued)

n) Heritage assets (continued)

College holds four categories of heritage asset, its Art Collection, its Library, other heritage assets including its Museum Collection, and its archive.

Of the four categories of heritage asset, College only has a reliable valuation for its Art Collection, Library and other heritage assets. Its archive is therefore not recognised in the financial statements.

o) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance Sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Investment in the subsidiary undertaking is included at cost.

p) Stock

Stock is included at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

q) Debtors

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

r) Cash and cash equivalents

Cash and cash equivalents includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

s) Creditors and provisions

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

t) Financial instruments

The group only enter into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other debtors and creditors, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors or creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and the liability simultaneously.

2. Accounting policies (continued)

u) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the group.

Endowment funds are restricted funds where any capital together with subsequent investment gains and losses can only be distributed in accordance with the terms imposed by the donor.

Restricted funds are only available for the use specified by the donor.

Further details of each fund are disclosed in notes 26, 27 and 28.

3. Judgements and significant estimates

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The trustees are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied to the depreciation rates. The depreciation rates are deemed to be appropriate for the class of asset.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Net movement in funds

This is stated after charging:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Auditor's remuneration				
Audit fees	23,710	22,219	20,760	17,971
Non-audit services	3,780	5,100	3,300	4,620
Depreciation	394,540	347,361	394,540	347,361
Operating lease costs – Other	4,320	6,720	4,320	6,720
Staff pension costs	247,767	238,553	244,765	233,959
	<u>247,767</u>	<u>238,553</u>	<u>244,765</u>	<u>233,959</u>

5. Income from donations and legacies

	Endowment Funds	Restricted Funds	Unrestricted Funds	2021 Total
	£	£	£	£
Group and Charity				
Donations & legacies	150	5,130	-	5,280
General grants	-	344,018	363,200	707,218
	<u>150</u>	<u>349,148</u>	<u>363,200</u>	<u>712,498</u>
	<u>150</u>	<u>349,148</u>	<u>363,200</u>	<u>712,498</u>
	<i>Endowment Funds</i>	<i>Restricted Funds</i>	<i>Unrestricted Funds</i>	<i>2020 Total</i>
	£	£	£	£
Group and Charity				
Donations & legacies	150	200,060	30,971	231,181
General grants	-	226,238	-	226,238
	<u>150</u>	<u>426,298</u>	<u>30,971</u>	<u>457,419</u>
	<u>150</u>	<u>426,298</u>	<u>30,971</u>	<u>457,419</u>

6. Income from charitable activities

	2021 Total	2020 Total
	£	£
Group and Charity		
Examinations	1,490,164	2,723,165
Education	553,570	916,791
Membership	2,382,246	2,436,604
	<u>4,425,980</u>	<u>6,076,560</u>
	<u>4,425,980</u>	<u>6,076,560</u>

All income from charitable activities in 2021 and 2020 is unrestricted.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7. Income from other trading activities

	2021 Total £	2020 Total £
Group		
Letting	-	52,163
Other income	-	-
1599 event income	(3,553)	385,005
	<u>(3,553)</u>	<u>437,168</u>
	2021 Total £	2020 Total £
Charity		
Letting	-	52,163
Other income	-	-
	<u>-</u>	<u>52,163</u>

All income from other trading activities in 2021 and 2020 is unrestricted.

8. Investment income

	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	2021 Total £
Group and Charity				
Dividends	-	125,569	262,371	387,940
Interest	-	-	32	32
	<u>-</u>	<u>125,569</u>	<u>262,403</u>	<u>387,972</u>
	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	2020 Total £
Group and Charity				
Dividends	-	187,512	407,760	595,272
Interest	-	-	1,344	1,344
	<u>-</u>	<u>187,512</u>	<u>409,104</u>	<u>596,616</u>

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Expenditure on raising funds

Group	2021 Total £	2020 Total £
Letting of College accommodation	-	35,391
1599 Limited commercial activities	55,680	326,151
Investment management fees	22,115	13,781
	<u>77,795</u>	<u>375,323</u>

Charity	2021 Total £	2020 Total £
Letting of College accommodation	-	35,391
Investment management fees	22,115	13,781
	<u>22,115</u>	<u>49,172</u>

All expenditure on raising funds in 2021 and 2020 relates to unrestricted funds.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. Expenditure on charitable activities

Group	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	2021 Total £
Examinations	-	-	1,808,932	1,808,932
Education	-	231,902	1,871,376	2,103,278
Membership	-	271,913	2,362,546	2,634,459
	-	503,815	6,042,854	6,546,669
Group	<i>Endowment Funds £</i>	<i>Restricted Funds £</i>	<i>Unrestricted Funds £</i>	<i>2020 Total £</i>
Examinations	-	-	2,518,799	2,518,799
Education	-	189,962	2,012,019	2,201,981
Membership	-	244,050	2,618,116	2,862,166
	-	434,012	7,148,934	7,582,946
Charity	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	2021 Total £
Examinations	-	-	1,807,831	1,807,831
Education	-	231,902	1,870,206	2,102,108
Membership	-	271,913	2,361,192	2,633,105
	-	503,815	6,039,229	6,543,044
Charity	<i>Endowment Funds £</i>	<i>Restricted Funds £</i>	<i>Unrestricted Funds £</i>	<i>2020 Total £</i>
Examinations	-	-	2,517,363	2,517,363
Education	-	189,962	2,010,495	2,200,457
Membership	-	244,050	2,616,348	2,860,398
	-	434,012	7,144,206	7,578,218

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11. Analysis of expenditure on charitable activities

Group	Examinations £	Education £	Membership £	2021 £
Staff costs	521,716	930,138	957,023	2,408,877
Venue and catering costs	63,456	1,884	-	65,340
Administrative costs	91,497	87,908	449,929	629,334
Other costs	119,754	20,895	5,300	145,949
Travel costs	22,370	10,923	5,079	38,372
Support costs (note 12)	990,139	1,051,530	1,217,128	3,258,797
	<u>1,808,932</u>	<u>2,103,278</u>	<u>2,634,459</u>	<u>6,546,669</u>

Group	Examinations £	Education £	Membership £	2020 £
Staff costs	583,961	795,143	894,406	2,273,510
Venue and catering costs	202,353	68,098	16,546	286,997
Administrative costs	202,695	85,442	732,602	1,020,739
Other costs	6,352	202,085	5,555	213,992
Travel costs	586,909	56,617	61,828	705,354
Support costs (note 12)	936,529	994,596	1,151,229	3,082,354
	<u>2,518,799</u>	<u>2,201,981</u>	<u>2,862,166</u>	<u>7,582,946</u>

Charity	Examinations £	Education £	Membership £	2021 £
Staff costs	521,716	930,138	957,023	2,408,877
Venue and catering costs	63,456	1,884	-	65,340
Administrative costs	91,497	87,908	449,929	629,334
Other costs	119,754	20,895	5,300	145,949
Travel costs	22,370	10,923	5,079	38,372
Support costs (note 12)	989,038	1,050,360	1,215,774	3,255,172
	<u>1,807,831</u>	<u>2,102,108</u>	<u>2,633,105</u>	<u>6,543,044</u>

Charity	Examinations £	Education £	Membership £	2020 £
Staff costs	583,961	795,143	894,406	2,273,510
Venue and catering costs	202,353	68,098	16,546	286,997
Administrative costs	202,695	85,443	732,601	1,020,739
Other costs	6,352	202,085	5,555	213,992
Travel costs	586,909	56,617	61,828	705,354
Support costs (note 12)	935,093	993,071	1,149,462	3,077,626
	<u>2,517,363</u>	<u>2,200,457</u>	<u>2,860,398</u>	<u>7,578,218</u>

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

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FOR THE YEAR ENDED 31 MARCH 2021

12. Support costs

Group	Examinations £	Education £	Membership £	2021 £
Staff costs	324,050	344,142	398,339	1,066,531
Property	58,562	62,194	71,987	192,743
IT costs	144,040	152,970	177,060	474,070
Other costs	263,052	279,361	323,356	865,769
Depreciation	119,875	127,308	147,357	394,540
Governance (note 13)	80,560	85,555	99,029	265,144
	<u>990,139</u>	<u>1,051,530</u>	<u>1,217,128</u>	<u>3,258,797</u>

Group	Examinations £	Education £	Membership £	2020 £
Staff costs	305,504	324,800	375,130	1,005,434
Property	89,620	95,126	110,224	294,970
IT costs	86,839	92,174	106,803	285,816
Other costs	261,877	277,968	322,084	861,929
Depreciation	105,538	112,022	129,801	347,361
Governance (note 13)	87,151	92,506	107,187	286,844
	<u>936,529</u>	<u>994,596</u>	<u>1,151,229</u>	<u>3,082,354</u>

Charity	Examinations £	Education £	Membership £	2021 £
Staff costs	324,050	344,142	398,339	1,066,531
Property	58,562	62,194	71,987	192,743
IT costs	144,040	152,970	177,060	474,070
Other costs	263,052	279,361	323,356	865,769
Depreciation	119,875	127,308	147,357	394,540
Governance (note 13)	79,459	84,385	97,675	261,519
	<u>989,038</u>	<u>1,050,360</u>	<u>1,215,774</u>	<u>3,255,172</u>

Charity	Examinations £	Education £	Membership £	2020 £
Staff costs	305,504	324,800	375,130	1,005,434
Property	89,620	95,126	110,224	294,970
IT costs	86,839	92,174	106,803	285,816
Other costs	261,877	277,968	322,084	861,929
Depreciation	105,538	112,022	129,801	347,361
Governance (note 13)	85,715	90,981	105,420	282,116
	<u>935,093</u>	<u>993,071</u>	<u>1,149,462</u>	<u>3,077,626</u>

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Support costs (continued)

Support costs are apportioned to the charitable activities based on an estimated amount attributable to that activity in the year and using various bases of apportionment including square footage, staff numbers and PC numbers according to which best reflects the use of the resources.

13. Governance costs

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trustees expenses (note 15)	947	18,499	947	18,499
Staff costs	197,407	192,532	197,407	192,532
Auditor remuneration	27,490	27,319	24,060	22,591
Legal fees	13,948	12,441	13,753	12,441
Cost of meetings	25,352	36,053	25,352	36,053
	265,144	286,844	261,519	282,116

14. Staff costs and numbers

Staff costs were as follows:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Wages and salaries	3,187,135	3,203,269	3,153,690	2,992,610
Social security costs	281,887	240,992	276,261	233,753
Other pension costs	247,767	256,724	244,765	245,113
	3,716,789	3,700,985	3,674,716	3,471,476

	Group		Charity	
	2021	2020	2021	2020
	No	No	No	No
Average monthly number of employees during the period	129	128	129	128

The number of employees whose emoluments in the year exceeded £60,000 were:

	Group		Charity	
	2021	2020	2021	2020
	No	No	No	No
£60,001 - £70,000	2	1	2	1
£70,001 - £80,000		1		1
£80,000 - £90,000	1		1	
£90,001 - £100,000	1	1	1	1
£100,001 - £110,000		1		1
£110,000 - £120,000	1		1	

All employees are members of the defined contribution pension scheme.

Key Management Personnel of the College consists of the Chief Executive Officer and the heads of department detailed on the Charity Information page. Total remuneration costs for the year including employer national insurance contributions and employer pension contributions for the above were £467,907 (2020 - £482,706).

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

During the year, 0 staff members (2020: 1) received payments in respect of redundancy and termination of £nil (2020: £31,713).

15. Trustees remuneration

No trustees received any remuneration in the year (2020: £nil). Travel and hotel costs amounting to £947 (2020: £18,199) were reimbursed to 5 (2020: 19) Trustees.

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the group or charity during the year (2020 - None).

16. Government grants

Income from government grants includes a grant from the Scottish Government Public Health Division of £239,018 (2020: £200,000) for the purpose of supporting and developing an Obesity Action Scotland Unit. The Unit has been set up in order to deliver an independent policy and plan to reduce obesity in Scotland.

The grant is provided under section 1A of the National Health Service (Scotland) Act 1978 (as inserted by section 9 of the National Health Service Reform (Scotland) Act 2004) which permits the Scottish Ministers to promote the improvement of the physical and mental health of the people of Scotland.

Obesity Action Scotland provides leadership and advocacy on preventing and reducing obesity and overweight in Scotland by:

- Raising awareness and understanding;
- Identifying and pursuing prevention strategies; and
- Promoting healthy weight.

Income from government grants also includes £363,200 of grants due from HMRC under the Coronavirus Job Retention Scheme. These grants were made towards the employment costs of eligible individuals who agreed to being 'furloughed' and were temporarily not working or not working their hours due to the Coronavirus related restrictions during the year.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Tangible fixed assets

Group and Charity	Freehold land & buildings £	Fixtures and fittings £	IT equipment £	IT software £	Plant & equipment £	Total £
Cost						
As at 1 April 2021	6,775,131	904,165	279,994	1,232,080	175,678	9,367,048
Additions	317	-	-	592,689	-	593,006
Disposals	-	-	-	(453,984)	-	(453,984)
As at 31 March 2021	6,775,448	904,165	279,994	1,370,785	175,678	9,506,070
Depreciation						
As at 1 April 2020	467,646	803,897	120,798	569,886	49,882	2,012,109
Charge for the year	200,734	32,691	48,664	103,474	8,977	394,540
Disposals	-	-	-	(269,620)	-	(269,620)
As at 31 March 2021	668,380	836,588	169,462	403,740	58,859	2,137,029
Net book value						
As at 31 March 2021	6,107,068	67,577	110,532	967,045	116,819	7,369,041
<i>As at 31 March 2020</i>	<i>6,307,485</i>	<i>100,268</i>	<i>159,196</i>	<i>662,194</i>	<i>125,796</i>	<i>7,354,939</i>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

18. Heritage Assets

Group and Charity	Library £	Art Collection £	Other Heritage Assets £	Total £
Valuation at 1 April 2020 Restated	2,395,100	566,950	207,300	3,169,350
Revaluation in year	2,649,250	94,650	173,430	2,917,330
Valuation at 31 March 2021	5,044,350	661,600	380,730	6,086,680

College owns a number of historical, scientific and artistic assets held principally for their contribution to knowledge and culture. Those assets for which College has a reliable valuation have been recognised as heritage assets and are described below.

Library

The College library houses over 30,000 volumes and dates back to 1698. The earliest volume dates to 1491, resulting in a collection that spans over 500 years of medical and surgical history. There are also books relating to the history of Glasgow and the West of Scotland and a half set of the world renowned 'The Birds of North America' by Audubon.

Art Collection

The art collection contains portraits of past presidents by famous artists such as Sir Henry Raeburn and Sir Daniel Macnee as well as a number of works by contemporary artists purchased from exhibitions of the Royal Glasgow Institute of Fine Arts. The collection also contains.

Other Heritage Assets

Museum Collection:

The museum collection consists of items of a medical and surgical nature and includes the instruments of William Beatty, surgeon aboard HMS Victory at the Battle of Trafalgar.

Other Heritage Assets:

College owns a variety of other heritage assets including antique furniture, badges of office, ceramics, silver, coins and memorabilia.

In addition College retains the College Archive which dates from the first Minute Book in 1602. College has been unable to obtain a reliable valuation of its Archive. The archive contains papers relating to physicians, surgeons and dentists with connections to the College.

During the past five years, College has purchased paintings at a cost of £18,045, has acquired by donation various documents and papers, books, and surgical instruments and associated items with no material cash value but related to the College's heritage.

Management of Heritage Assets

The College's heritage assets span over 6 centuries and are an excellent resource for exploring the history of medicine and the history of the city of Glasgow. Many items from its collections have been digitised and are available to view online. College's collections have obtained full museum accreditation status.

College's heritage assets are managed by a dedicated team with experience and expertise in managing historic collections.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Investments

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Listed investments at fair value				
Equities	15,528,529	13,369,130	15,528,529	13,369,130
Fixed rate securities	407,475	368,542	407,475	368,542
Unlisted investments at cost				
Investment in subsidiary (note 20)	-	-	100	100
	<u>15,936,004</u>	<u>13,737,672</u>	<u>15,936,104</u>	<u>13,737,772</u>

Listed investments

Group and Charity	2021	2020
	£	£
Market value at 1 April	13,737,672	18,076,879
Additions at cost	307,523	-
Disposals at opening book value	(882,303)	(1,100,270)
Unrealised movement in market value	2,773,112	(3,238,937)
Market value at 31 March	<u>15,936,004</u>	<u>13,737,672</u>
Historical cost at 31 March	<u>9,344,886</u>	<u>10,416,342</u>

All listed investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The group and charity are reliant on dividend yield in part to finance its work and this leads to a greater exposure to international companies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The group and charity's investments are mainly traded in markets with good liquidity and high trading volumes. The group and charity have no material investment holdings in markets subject to exchange controls or trading restrictions.

The group and charity manage these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The group and charity do not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

20. Subsidiary undertaking

The charity owns 100% of 1599 Limited, a private company limited by shares and incorporated in Scotland, company number SC424139. The principal activity of the subsidiary is that of establishing the College building as a first class venue for corporate functions, weddings and private dining. When the company has distributable reserves, all profits are gifted to the parent charity. A summary of the financial position of the subsidiary is given below.

	2021 £	2020 £
Turnover	(3,553)	378,589
Cost of sales and administration costs	(54,108)	(330,879)
Operating profit	(57,661)	47,710
Amount gift aided to the charity	-	-
Profit after tax	(57,661)	47,710
Tax on profit	-	(8,992)
Retained in subsidiary	(57,661)	38,718
The assets and liabilities of the subsidiary were:		
Current assets	3,539	156,712
Current liabilities	(22,624)	(118,136)
Net assets/(liabilities)	(19,085)	38,576
Aggregate share capital and reserves	(19,085)	38,576

21. Stock	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Goods for sale	8,543	8,619	8,543	8,619

There is no material difference between the book value of stocks and replacement cost.

22. Debtors	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	89,859	131,004	87,588	75,668
Accrued income	280,517	921,940	276,088	921,940
Other debtors	327,925	245,080	327,925	245,080
Taxation	-	13,730	-	13,730
Prepayments	107,190	158,405	107,190	158,405
Amounts owed by group undertakings	-	-	-	57,568
	805,491	1,470,159	798,791	1,472,391

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

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FOR THE YEAR ENDED 31 MARCH 2021

23. Cash at bank and in hand	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Cash at bank and in hand	2,166,585	1,842,248	2,157,098	1,734,430
	<u>2,166,585</u>	<u>1,842,248</u>	<u>2,157,098</u>	<u>1,734,430</u>
24. Creditors: Amounts falling due within one year	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Bank loan	200,000	200,000	200,000	200,000
Bank overdraft	1,967	362,625	1,967	362,625
Trade creditors	18,272	146,570	7,661	136,941
Other creditors	355,379	525,364	342,868	506,898
Social security and other taxes	95,957	73,190	93,919	73,164
Deferred income (note 25)	1,107,809	578,080	1,099,862	557,899
Accruals	729,646	629,568	727,396	626,268
Amounts owed to group undertakings			84	
Corporation tax	-	10,212	-	-
	<u>2,509,030</u>	<u>2,525,609</u>	<u>2,473,757</u>	<u>2,463,795</u>

Included in Other Creditors is a balance of £265,699 (2020: £307,028) relating to the Livingston Fellowship, an award funded by the Scottish Government and administered by the College to support physicians and surgeons in training from Malawi and Zambia to undertake a year's Speciality training in the Scottish National Health Service.

25. Deferred income	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Balance at 1 April	578,080	652,722	557,899	619,512
Released in the year to income	(551,413)	(652,722)	(539,179)	(619,512)
Received in the year	1,081,142	578,080	1,081,142	557,899
	<u>1,107,809</u>	<u>578,080</u>	<u>1,099,862</u>	<u>557,899</u>

Deferred Income relates to examination and education fees, members' subscriptions room hire income and grants received in advance. Grants are recognised as deferred income where performance conditions have not yet been met.

26. Creditors: Amounts falling due after one year	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Bank loan	1,800,000	1,800,000-	1,800,000	1,800,000-
	<u>1,800,000</u>	<u>1,800,000-</u>	<u>1,800,000</u>	<u>1,800,000-</u>

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
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26. Creditors: Amounts falling due after one year (continued)

Group and Charity

Amounts are due within the following periods:

	2021 £	2020 £
Within one year	200,000	200,000
Between one and two years	200,000	180,000
Between two and five years	1,600,000	1,620,000
Greater than five years	-	-
	<u>2,000,000</u>	<u>2,000,000</u>

27. Endowment funds

Group and Charity	Balance at 1 April 2020 £	Income £	Expenditure £	Losses £	Balance at 31 March 2021 £
Permanent endowments					
Ethicon Fund	194,147			31,068	225,215
Lock Hospital Trust	1,313,417			210,176	1,523,593
Mr & Mrs Walker Trust	515,164			82,438	597,602
Ben Walton Trust fund	84,549	150		13,530	98,229
	<u>2,107,277</u>	<u>150</u>	<u>-</u>	<u>337,212</u>	<u>2,444,639</u>
Expendable endowments					
Lachlan McNeill	35,772			5,724	41,496
David Murdoch Memorial	76,240			12,200	88,440
Cameron Lockie Fund	1,270			203	1,473
	<u>113,282</u>	<u>-</u>	<u>-</u>	<u>18,127</u>	<u>131,409</u>
	<u>2,220,559</u>	<u>150</u>	<u>-</u>	<u>355,339</u>	<u>2,576,048</u>
<i>Balance at 31 March 2020</i>					
Group and Charity	Balance at 1 April 2019 £	Income £	Expenditure £	Gains £	Balance at 31 March 2020 £
Permanent endowments					
Ethicon Fund	222,093	-	-	(27,946)	194,147
Lock Hospital Trust	1,502,476	-	-	(189,059)	1,313,417
Mr & Mrs Walker Trust	589,319	-	-	(74,155)	515,164
Ben Walton trust fund	96,548	150	-	(12,149)	84,549
	<u>2,410,436</u>	<u>150</u>	<u>-</u>	<u>(303,309)</u>	<u>2,107,277</u>
Expendable endowments					
Lachlan McNeill	40,921	-	-	(5,149)	35,772
David Murdoch Memorial	87,214	-	-	(10,974)	76,240
Cameron Lockie Fund	1,453	-	-	(183)	1,270
	<u>129,588</u>	<u>-</u>	<u>-</u>	<u>(16,306)</u>	<u>113,282</u>
	<u>2,540,024</u>	<u>150</u>	<u>-</u>	<u>(319,615)</u>	<u>2,220,559</u>

Details of the funds are included in note 28.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

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FOR THE YEAR ENDED 31 MARCH 2021

28. Unrestricted Funds Group	Balance at 1 April 2020	Income	Expenditure	Gains	Transfer	Balance at 31 March 2021
	Restated £					£
Honeyman fund	10,000	-	-	-	-	10,000
Designated assets fund	10,467,508	-	-	2,917,330	14,102	13,398,940
	<u>10,477,508</u>	<u>-</u>	<u>-</u>	<u>2,917,330</u>	<u>14,102</u>	<u>13,408,940</u>
General fund	7,095,381	5,065,013	(6,120,649)	2,261,637	(37,539)	8,263,843
	<u>17,572,889</u>	<u>5,065,013</u>	<u>(6,120,649)</u>	<u>5,178,967</u>	<u>(23,437)</u>	<u>21,672,783</u>
	<u><u>17,572,889</u></u>	<u><u>5,065,013</u></u>	<u><u>(6,120,649)</u></u>	<u><u>5,178,967</u></u>	<u><u>(23,437)</u></u>	<u><u>21,672,783</u></u>
	<i>Balance at 1 April 2019</i>					<i>Balance at 31 March 2020</i>
Unrestricted Funds Group	<i>Restated</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains</i>	<i>Transfer</i>	<i>Restated</i>
	£	£	£	£	£	£
Honeyman fund	10,000	-	-	-	-	10,000
Designated assets fund	10,504,813	-	-	-	(37,305)	10,467,508
	<u>10,514,813</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(37,305)</u>	<u>10,477,508</u>
General fund	9,194,868	6,955,803	(7,534,469)	(1,558,126)	37,305	7,095,381
	<u>19,709,681</u>	<u>6,955,803</u>	<u>(7,534,469)</u>	<u>(1,558,126)</u>	<u>-</u>	<u>17,572,889</u>
	<u><u>19,709,681</u></u>	<u><u>6,955,803</u></u>	<u><u>(7,534,469)</u></u>	<u><u>(1,558,126)</u></u>	<u><u>-</u></u>	<u><u>17,572,889</u></u>
	<i>Balance at 1 April 2020</i>					<i>Balance at 31 March 2021</i>
Charity	<i>Restated</i>	<i>Income</i>	<i>Expenditure</i>	<i>Losses</i>	<i>Transfer</i>	<i>Restated</i>
	£	£	£	£	£	£
Honeyman fund	10,000	-	-	-	-	10,000
Designated assets fund	10,467,508	-	-	2,917,330	14,102	13,398,940
	<u>10,477,508</u>	<u>-</u>	<u>-</u>	<u>2,917,330</u>	<u>14,102</u>	<u>13,408,940</u>
General fund	7,051,709	5,068,566	(6,061,344)	2,261,637	(37,539)	8,283,029
	<u>17,529,217</u>	<u>5,068,566</u>	<u>(6,061,344)</u>	<u>5,178,967</u>	<u>(23,437)</u>	<u>21,691,969</u>
	<u><u>17,529,217</u></u>	<u><u>5,068,566</u></u>	<u><u>(6,061,344)</u></u>	<u><u>5,178,967</u></u>	<u><u>(23,437)</u></u>	<u><u>21,691,969</u></u>
	<i>Balance at 1 April 2019</i>					<i>Balance at 31 March 2020</i>
Charity	<i>Restated</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains</i>	<i>Transfer</i>	<i>Restated</i>
	£	£	£	£	£	£
Honeyman fund	10,000	-	-	-	-	10,000
Designated assets fund	10,504,813	-	-	-	(37,305)	10,467,508
	<u>10,514,813</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(37,305)</u>	<u>10,477,508</u>
General fund	9,195,110	6,570,798	(7,193,378)	(1,558,126)	37,305	7,051,709
	<u>19,709,923</u>	<u>6,570,798</u>	<u>(7,193,378)</u>	<u>(1,558,126)</u>	<u>-</u>	<u>17,529,217</u>
	<u><u>19,709,923</u></u>	<u><u>6,570,798</u></u>	<u><u>(7,193,378)</u></u>	<u><u>(1,558,126)</u></u>	<u><u>-</u></u>	<u><u>17,529,217</u></u>

Honeyman fund

This fund was set up to provide the College with funds to purchase works of art.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

29. Unrestricted funds (continued)

Designated fund

This fund represents the net book value of the charity's fixed assets at the year-end (excluding the CASC and Macewen skills lab equipment which is covered by the William and Elizabeth Davies Restricted Fund).

30. Restricted funds

Group and Charity	Balance at	Income	Expenditure	Losses	Transfer	Balance at
	1 April 2020					31 March
	£	£	£	£	£	2021
						£
Ethicon Fund	72,365	5,483	(2,700)	-		75,148
Lachlan McNeill Scholarship	9,501	1,010	-	-		10,511
Glasgow Lock Hospital Trust	529,530	37,090	-	-		566,620
The Aileen Lynn Bequest	99,483	2,809	(5,000)	15,919		113,211
David Murdoch Memorial Fund	22,480	2,153	-	-		24,633
Ritchie Trust Fund	583,383	16,474	(30,000)	93,354		663,211
Mr & Mrs Walker Trust Fund	142,790	14,548	-	-		157,338
Professor TC White Bequest	1,543,166	43,578	(221,373)	246,941		1,612,312
William and Elizabeth Davies Foundation Trust – Skills Centre Funding	291,781	105,000	-	-		396,781
NES Equipment Grant	5,159	-	-	-		5,159
Revalidation Project	13,054	-	-	-		13,054
Revalidation Helpdesk	16,798	-	-	-		16,798
Staff Benevolent Fund	709	-	-	-		709
Obesity Action Scotland	57,602	239,018	(231,902)	-		64,718
Innovation Fund	24,560	-	-	-		24,560
Diana Cawson Fund	53,000	-	-	-		53,000
Ben Walton Trust Fund	(1,479)	2,388	-	-		909
Cameron Lockie Fund	48	36	-	-		84
Hope Foundation	-	5,130	(12,840)	-	23,437	15,727
	<u>3,463,930</u>	<u>474,717</u>	<u>(503,815)</u>	<u>356,214</u>	<u>23,437</u>	<u>3,814,483</u>

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

29. Restricted funds (continued)

Group and Charity	Balance at 1 April 2019 £	Income £	Expenditure £	Gains £	Transfer £	Balance at 31 March 2020 £
Ethicon Fund	65,051	7,314	-	-	-	72,365
Lachlan McNeill Scholarship	8,153	1,348	-	-	-	9,501
Glasgow Lock Hospital Trust	480,053	49,477	-	-	-	529,530
The Aileen Lynn Bequest	121,515	4,577	(9,120)	(17,489)	-	99,483
David Murdoch Memorial Fund	19,608	2,872	-	-	-	22,480
Ritchie Trust Fund	652,743	24,586	-	(93,946)	-	583,383
Mr & Mrs Walker Trust Fund	123,384	19,406	-	-	-	142,790
Professor TC White Bequest	1,983,442	74,705	(229,513)	(285,468)	-	1,543,166
William and Elizabeth Davies Foundation Trust – Skills Centre Funding	91,781	200,000	-	-	-	291,781
NES Equipment Grant	5,159	-	-	-	-	5,159
Revalidation Project	13,054	-	-	-	-	13,054
Revalidation Helpdesk	16,798	-	-	-	-	16,798
Staff Benevolent Fund	1,408	60	(759)	-	-	709
Obesity Action Scotland	21,326	226,238	(189,962)	-	-	57,602
Innovation Fund	24,560	-	-	-	-	24,560
Diana Cawson Fund	53,000	-	-	-	-	53,000
Ben Walton Trust Fund	-	3,179	(4,658)	-	-	(1,479)
Cameron Lockie Fund	-	48	-	-	-	48
	<u>3,681,035</u>	<u>613,810</u>	<u>(434,012)</u>	<u>(396,903)</u>	<u>-</u>	<u>3,463,930</u>

Ethicon Fund

This fund was provided to promote international goodwill in medicine and surgery by means of grants to assist the overseas travel of surgeons, or for such other purposes as the Council may from time to time determine.

Lachlan McNeill Scholarship

The fund was established to further knowledge in Ophthalmology. The favoured use is to provide funding to junior doctors for travel to events that could help expand their knowledge in their particular discipline.

Glasgow Lock Hospital Trust

This fund was provided to support:

- Research into venereal disease;
- Counselling and advertising on the prevention of venereal disease; and
- Such other purposes for the advancement of medical science as the Council may think fit.

The Aileen Lynn Bequest

This bequest from the late Aileen Lynn has enabled the College to establish a fund to be used in the field of cancer research. The Scholarship Committee will award small equipment grants of up to £5,000 each. One or two grants may be awarded each year dependent on the quality of submissions and the balance on the fund.

29. Restricted funds (continued)

The David Murdoch Memorial Fund

This fund was provided to support Scholarships to enable Fellows and Members of the College to travel to other medical centres in the United Kingdom or overseas in furtherance of their knowledge of cardiology.

Ritchie Trust Fund

Initially the Ritchie Trust Fund will support a Research Fellowship. As the Fund grows, it may be used to support training fellowships, travelling fellowships, visiting scholarships, travel grants or any other educational activity that the Scholarship Committee considers appropriate.

Mr & Mrs Walker Trust Fund

This fund was provided to support:

- The acquisition of literature relating to rheumatic diseases;
- A Lectureship in some subject relating to rheumatic diseases;
- A Scholarship or Scholarships (no subject specified); and
- Such other purposes as the Council may think fit.

Professor TC White Bequest

This fund was provided for the furtherance of postgraduate dental education and research.

William and Elizabeth Davies Foundation Trust

The College is the major beneficiary of the William and Elizabeth Davies Foundation Trust. In September 2009, the College received £525,910 from the Foundation Trust to fund an agreed programme of events in the financial years 2009/10 through to 2013/14. During the year to 31 March 2012, the Trust provided further funding of £350,000 towards specific College activities, including £275,000 towards the costs of the Clinical Anatomy Skills Centre. In the year to 31 March 2013, a further £725,000 was received to help fund the Clinical Anatomy Skills Centre collaboration with Glasgow University.

NES Equipment Grant

In March 2012, the College received £17,600 from NHS Education for Scotland to fund the purchase of equipment for skills based learning courses.

Revalidation Project

In January 2010, the College was awarded a grant of £80,000 from The Academy of Medical Royal Colleges to provide an e-system for validation and recertification of its Members and Fellows.

Revalidation Helpdesk

In August 2012, the College was awarded a grant of £20,409 from The Academy of Medical Royal Colleges to set a Help Desk programme to aid Fellows and Members through the process of revalidation.

Staff Benevolent Fund

In December 2012, the retiring President, Mr Ian Anderson, donated £3,697.50 to be used for the benefit of the College Staff.

Obesity Action Scotland

Obesity Action Scotland was established as an independent advocacy group in June 2015 and provides leadership and advocacy on preventing and reducing obesity and overweight in Scotland by raising awareness and understanding; identifying and pursuing prevention strategies and promoting healthy weight.

Innovation Fund

During 2016, this fund was established to assist College healthcare activities in areas such as Malawi and other developing countries.

Diana Cawson Fund

This fund was provided to establish the J MacDougall Travelling Fellowship along with funding Scholarships in Oral Pathology.

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

29. Restricted funds (continued)

Ben Walton Trust Fund

In 2018 funds were received to provide resources for a biannual lecture on oral cancer care and also fund oral cancer care projects.

Cameron Lockie Fund

In 2015 a fund was established to cover the costs of the prize for the best Diploma in Travel Medicine student.

Hope Foundation

The Hope Foundation is the fund through which College makes charitable donations with the aim of making a positive difference to the health of people living in challenging circumstances where access to quality healthcare is, for whatever reason, limited. The Hope Foundation funds have been donated by members, family and friends of the College. Decisions on awarding grants are made by the Hope Foundation Board, which is made up of both College members and lay advisors. Administration support is provided at nil cost by College staff.

31. Analysis of net assets between funds

Group	Endowment Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total £
Tangible fixed assets	-	7,369,041	-	7,369,041
Heritage assets	-	6,086,680	-	6,086,680
Investments	2,576,048	10,777,710	2,582,246	15,936,004
Current assets	-	1,748,382	1,232,237	2,980,619
Creditors due in less than one year	-	(2,509,030)	-	(2,509,030)
Creditors due after more than one year	-	(1,800,000)	-	(1,800,000)
	<u>2,576,048</u>	<u>21,672,783</u>	<u>3,814,483</u>	<u>28,063,314</u>
	<i>Endowment Funds</i>	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>2020 Restated Total</i>
Group	£	£	£	£
Tangible fixed assets	-	7,354,939	-	7,354,939
Heritage assets	-	3,169,350	-	3,169,350
Investments	2,220,559	8,759,413	2,757,700	13,737,672
Current assets	-	2,614,796	706,230	3,321,026
Creditors due in less than one year	-	(2,525,609)	-	(2,525,609)
Creditors due after more than one year	-	(1,800,000)	-	(1,800,000)
	<u>2,220,559</u>	<u>17,572,889</u>	<u>3,463,930</u>	<u>23,257,378</u>
Charity	Endowment Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total £
Tangible fixed assets	-	7,369,041	-	7,369,041
Heritage assets	-	6,086,680	-	6,086,680
Investments	2,576,048	10,777,810	2,582,246	15,936,104
Current assets	-	1,732,195	1,232,237	2,964,432
Creditors due in less than one year	-	(2,473,757)	-	(2,473,757)
Creditors due after more than one year	-	(1,800,000)	-	(1,800,000)
	<u>2,576,048</u>	<u>21,691,969</u>	<u>3,814,483</u>	<u>28,082,500</u>

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

30. Analysis of net assets between funds (continued)

Charity	Endowment Funds	Unrestricted Funds	Restricted Funds	2020 Restated Total
	£	£	£	£
Tangible fixed assets	-	7,354,939	-	7,354,939
Heritage assets	-	3,169,350	-	3,169,350
Investments	2,220,559	8,759,513	2,757,700	13,737,772
Current assets	-	2,509,210	706,230	3,215,440
Creditors due in less than one year	-	(2,463,795)	-	(2,463,795)
Creditors due after one year	-	(1,800,000)	-	(1,800,000)
	<u>2,220,559</u>	<u>17,529,217</u>	<u>3,463,930</u>	<u>23,213,706</u>

32. Reconciliation of net expenditure to net cash flow from operating activities

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Net expenditure for the year (as per the Statement of Financial Activities)	1,888,606	(2,673,362)	1,951,464	(2,717,276)
Adjustments for:				
Net loss/(gain) on investments	(2,973,190)	2,274,644	(2,973,190)	2,274,644
Loss on disposal of fixed assets	184,364	-	184,364	-
Depreciation charges	394,540	347,361	394,540	347,361
Dividends, interest and rents from investments	(387,972)	(596,616)	(387,972)	(596,616)
Decrease in stocks	76	7,366	76	7,366
(Increase)/decrease in debtors	664,668	(523,309)	673,600	(562,930)
(Decrease)/increase in creditors	344,079	(228,972)	370,620	(191,059)
Net cash used in operating activities	<u>115,171</u>	<u>(1,392,888)</u>	<u>213,502</u>	<u>(1,438,510)</u>

33. Analysis of net debt

	Balance at 1 April 2020	Cashflows	Other non cash changes	Balance at 31 March 2021
	£	£	£	£
Group				
Cash	1,842,248	324,337	-	2,166,585
Cash equivalents	(362,625)	360,658	-	(1,967)
Debt due within one year	(200,000)	-	-	(200,000)
Debt due greater than one year	(1,800,000)	-	-	(1,800,000)
	<u>(520,377)</u>	<u>684,995</u>	<u>-</u>	<u>164,618</u>

ROYAL COLLEGE OF PHYSICIANS AND SURGEONS OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

32. Analysis of net debt (continued)

	Balance at 1 April 2020 £	Cashflows £	Other non cash changes £	Balance at 31 March 2021 £
Charity				
Cash	1,734,430	422,668	-	2,157,098
Cash equivalents	(362,625)	360,658	-	(1,967)
Debt due within one year	(200,000)	-	-	(200,000)
Debt due greater than one year	(1,800,000)	-	-	(1,800,000)
	<u>(628,195)</u>	<u>783,326</u>	<u>-</u>	<u>155,131</u>

34. Lease commitments

	2021 £	2020 £
Group and Charity		
Operating leases payable		
Within 1 year	4,680	6,720
Later than 1 year and not later than 5 years	5,850	9,520
	<u>10,530</u>	<u>16,240</u>

35. Pension

The charity operates a defined contribution scheme for the benefit of its employees. At 31 March 2021 £1,359 (2020 - £97,912) was payable to the administrators of the scheme. This balance is included in other creditors.

36. Related party transactions

During the year, the College President, Professor Jackie Taylor, was an employee of NHS Greater Glasgow & Clyde who agreed that a proportion of her contracted sessions can be devoted to fulfilling her role as the College's President. During the year the College paid £64,669 (2020: £52,195) to NHS Greater Glasgow & Clyde as compensation for this commitment.

37. Federation of the Royal Colleges of Physicians of the UK

The Federation of the Royal Colleges of Physicians of the UK (the Federation), based in the UK and with international reach, is a collaboration between the three UK royal colleges of physicians: us, the Royal College of Physicians, and the Royal College of Physicians of Edinburgh. The Federation delivers the MRCP(UK) exams and training to physicians throughout the UK and internationally.

The collaboration is governed by a Memorandum of Agreement which sets out each College's entitlement to or responsibility for any Federation surpluses, deficits, assets and liabilities.

Included in the College's Balance Sheet a debtor of £110,437 (2020: £242,051) being the balance due to the College at 31 March 2021 from the Federation for its share of the Federation's surplus during the preceding 12 months.

The Balance Sheets in these Financial Statements do not include consolidated balances from Federation as they are not of a sufficiently material value to warrant their inclusion. The balances not included are College's share of Federation's fixed assets, £100,244, and pension liability relating to Federation staff, £66,191.

38. Change to Heritage Assets accounting policy

Following a review of the requirements of the FRS102 Charities SORP and a revaluation of College's Heritage Assets in 2020, the Trustees concluded that the value of College's Heritage Assets should be recognised in its financial statements.

This change in accounting policy has resulted in a material change in the balance sheet as at 31st March 2020. Fixed Assets, Total Net Assets, and Unrestricted Funds all increased by £3,169,350, being the value of the previous insurance valuation of College's Heritage Assets.