



The Royal College of **Pathologists**

Pathology: the science behind the cure

## **Annual report and financial statements**

**For the year ended 30 June 2021**

Registered charity number 261035



The Royal College of Pathologists  
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**The Royal College of Pathologists**  
**Index to the financial statements**

	<u>Page</u>
Report of the trustees	1 - 11
Report of the auditors	12- 14
Consolidated statement of financial activities	15
Consolidated and College balance sheets	16
Consolidated statement of cash flows	17
Accounting policies	18 - 20
Notes to the financial statements	20 - 32

# The Royal College of Pathologists

## Report of the trustees for the year ended 30 June 2021

The Trustee Board are pleased to present their report together with the financial statements of the College for the year ended 30 June 2021.

### Objectives & activities

The College's mission is to promote excellence in the practice of pathology and to be responsible for maintaining standards through training, assessments, examinations and professional development, to the benefit of the public. The trustees have complied with the duty in the Charities Act 2011 to have due regard to guidance published by the Charity Commission, including public benefit guidance.

Pathology is the science at the heart of modern medicine, vital for the understanding, diagnosis and planning clinical management of disease. 70 – 80% of all health care decisions affecting diagnosis or treatment involve a pathology investigation. *(Department of Health, England. Report of the Review of NHS Pathology Services in England, chaired by Lord Carter of Coles, 2006.)*

Pathologists study the causes of disease and the ways in which disease processes affect our bodies. Recognising the patterns that disease takes allows us to understand what's at the root of a problem, enabling accurate diagnosis. Following up this understanding helps treatments to be devised and preventative measures to be put in place.

The fact that much pathology goes on behind the scenes may account for the fact that many people are almost unaware of its ongoing contributions to modern medicine. Without the work of pathologists there could be no firm answers, and improving or even maintaining the quality of medical care would be impossible.

The College's unique role ensures that high quality standards of knowledge and expertise are maintained in all areas relating to pathology. The College ensures that pathologists are qualified and up to date in their practice by:

- Setting standards for education and training in pathology.
- Examining against these standards.
- Providing a leading continuing professional development programme.
- Running scientific seminars and expert workshops on a national and regional basis.

The College looks after the interests of patients by:

- Producing guidelines and other documents that set standards of best practice.
- Providing advice to pathologists and governments.
- Ensuring lay representation on all designated College committees.
- Working with organisations such as Lab Tests On-Line and Labs Are Vital as a resource for patients to find out about the various clinical tests that are used in their diagnosis and treatment.

The College helps in the search for cures to disease by committing to strengthening the research base of the specialty. This is achieved through:

- Supporting fellows and trainees who undertake research activities as part of their day to day work.
- Awarding bursaries and prizes for research.

**The Royal College of Pathologists**  
**Report of the trustees for the year ended 30 June 2021**

**Objectives & activities (continued)**

The College has a public engagement programme whose aims include inspiring secondary school students to learn about science through an innovative and creative programme focusing on health and disease. The goals of this programme are to:

- Raise awareness of pathology and its crucial role in treating and curing disease.
- Increase interest in pathology as a career option.
- Contribute to the wider initiative of engaging the public in contemporary science.
- Support the teaching of science in secondary schools.
- Change attitudes towards science, in particular pathology.

**Activities**

To achieve our objectives the College has undertaken significant activities during the year under review:

**Training, examinations and assessments:**

- Setting the standards for training in pathology through the provision of medical, clinical science and veterinary pathology curricula.
- Administering medical pathology training through College Specialist Training Committees, who advise and provide guidance on all major issues relating to specialist training in pathology.
- Managing the development, implementation and evaluation of workplace-based assessments for medical trainees and advising on the development of workplace-based assessments for clinical science trainees.
- Registering and monitoring Specialty Registrars for the duration of their training and recommending them for the award of a Certificate of Completion of Training (CCT) to the General Medical Council (GMC).
- Providing electronic training portfolios to allow registered trainees to record their progress in training.
- Development, implementation and delivery of the FRCPATH part 1 and part 2 examinations in the 17 pathology specialties, and the Stage A, Stage C, Certificate and Diploma examinations.
- Ensuring that curricula, assessments and examinations are approved by the appropriate regulator, and that transitional arrangements are in place where these change significantly.
- Recommending to the GMC whether or not the training and/or qualifications and experience of pathologists applying to the Specialist Register under the Certificate of Equivalence of Specialist Registration (CESR) rules is equivalent in content and duration to that required for a Certificate of Completion of Training.
- Responding to initiatives from the Departments of Health.
- Management of the process of admission to membership by published works.
- Attending, and providing support for local and national careers fairs.
- Supporting training through the provision of e-learning materials.
- Supporting the provision and promotion of pathology in undergraduate and foundation training.

**Patient safety**

- Support pathologists and their teams to improve safety and quality of care.
- Encourage shared learning to advance patient safety and quality improvement.

# The Royal College of Pathologists

## Report of the trustees for the year ended 30 June 2021

### Activities (continued)

#### Professional standards

- Deliver a leading continuing professional development scheme and user friendly online CPD and revalidation portfolio for members.
- Supporting the Professional Performance Panel to deal with revalidation queries and concerns about professional performance in all disciplines of pathology.
- Delivering invited reviews of pathology services for healthcare organisations and providing formal advice on professional performance in pathology.
- Supporting the external quality assessment stakeholders forum.

#### Consultancy services

- The provision of consultancy services to providers or commissioners where an authoritative independent review is required on the provision of high-quality pathology services.

#### Clinical Effectiveness

- Providing guidance and support to members and trainees on patient safety and quality improvement methodologies including clinical audit and to deliver continuous quality improvement awareness months.
- Ensuring pathology input into guidelines and standards produced by national bodies
- Continued membership of the International Collaboration on Cancer Reporting to support the production of common and internationally validated and evidence-based pathology datasets for cancer reporting for use throughout the world.
- The production of high-quality evidence based clinical guidelines in pathology to accredited standards.

#### Workforce

- Maintaining standards in pathology by reviewing and approving consultant level job descriptions and overseeing the College's statutory role in consultant advisory appointment committees (AAC's).
- Collecting data from direct surveys and the outcomes of appointments to enable the College to define the workforce required to deliver high quality patient centred pathology services throughout the UK.
- Providing data to enable the College to have a clear voice on pathology workforce planning.

#### Conferences and academic activities

- Management and development of the programme of in-house symposia and online webinars designed to keep participants up to date with current thinking and practice in the pathology disciplines.

#### Advisory committees

- Much of the work of the College is achieved through the College's committee structure reporting to Council. These activities provide professional advice and guidance through specialty advisory committees, intercollegiate and joint committees.
- Committees deal with generic matters crossing all pathology specialties whilst the specialty advisory committees advise on specialty specific matters such as histopathology and microbiology, etc.
- Establishment of a network of lay advisors to input into specific committees.
- Regional councils for Northern Ireland, Scotland and Wales maintain valuable regional and local influence and insight.
- Committees that report to the Trustee Board include Council, Nominations Committee, Governance Committee and the Remuneration Committee.

**The Royal College of Pathologists**  
**Report of the trustees for the year ended 30 June 2021**

**Activities (continued)**

**Communications**

- Production of the quarterly publication "*The Bulletin*" distributed to members and subscribers.
- Production of a range of publications and guidelines on best practice in pathology.
- Production of the monthly President's e-newsletter for members.
- Development and maintenance of the College's web site, including the members' area.
- Engagement with politicians, civil servants and other key stakeholders across the UK to raise awareness and understanding of the value of pathology and the role of the College.
- Responding to parliamentary questions and consultations.
- Identifying opportunities to promote the work of the College via the media and improve the understanding of pathology.
- Providing a professional point of contact for all media enquiries.
- Delivering the College's public engagement programme, including National Pathology Week and International Pathology Day.
- Managing grant schemes and awards.

**International development**

- Advocating for quality laboratory medicine training, research and services around the world.
- Establishing international development and exchange programmes between the UK and overseas.
- Administering the College sponsorship scheme, Medical Training Initiative, and International Trainee Support Scheme to support international medical graduates with their pathology training
- Coordinating the efforts of College members and other professionals in pathology in the UK who wish to collaborate with colleagues overseas to create sustainable development.
- Developing and implementing strategies to engage the College UK and international members on global health issues.
- Fostering international strategic partnerships, collaborations and alliances.

**Volunteers**

Many members give their time freely to help the College achieve its objects by attending committee meetings, sitting on working parties, acting as examiners, commenting on reports, acting in a local liaison capacity, assisting with the public engagement programme, or undertaking some other task or function on behalf of the College. The Trustee Board is greatly indebted to these individuals for their commitment and support.

**Achievements & performance**

The College produces a full Annual Report, which should be consulted for an analysis of the achievements and performance of the College for the year to 30<sup>th</sup> June 2021.

# **The Royal College of Pathologists**

## **Report of the trustees for the year ended 30 June 2021**

### **Investment performance**

The last 12 months proved eventful for world economies and markets. Thanks to vaccines and a combination of fiscal and monetary policy, we went from massively negative economic growth in the third and fourth quarters of 2020 to one of the sharpest recoveries ever in the second quarter of 2021. The US recovered faster than Europe, which in turn did better than the UK, but China, amazingly, avoided any GDP drop in the second half of 2020, albeit with a more limited recovery since. Unemployment was still a large lingering problem in the US, with underemployment falling from 18% at the beginning of the period to 10.2% at the end. The UK and European countries relied on furloughs and other schemes to keep workers from being laid off and hence the job movements were less brutal in both directions. In the second quarter of 2021, inflation surged as the comparison with 2020 and its mostly negative inflation data, plus the reopening bottlenecks and skills mismatches, created massive price pressures. Nowhere was this more visible than in the hospitality and retail sectors, but the most damaging sector for the global economy was semi-conductors due to a large chip shortage.

Equity and other risk markets have performed well against this backdrop, with financials, industrials and materials challenging technology returns for the first time in decades, their rally being prompted by the vaccine news in November. Unsurprisingly, given the strong economic upturn, defensive sectors like utilities and consumer staples, lagged at the bottom.

The College's portfolio has seen a good return of +24.5% in the 12 months to 30<sup>th</sup> June 2021. Over the longer term, the portfolio has delivered +40.5% and +74% on a three-year and five-year timeframe respectively

### **Financial review**

The income of the College amounted to £6.7 million, with expenditure of £5.9 million, and a resultant surplus of £803k.

During the previous financial year, the College was unable to run the spring 2020 diet of examinations due to the Covid-19 pandemic which were deferred until this financial year. The fees payable by candidates, although received in the bank account of the College, could not be brought into the accounts until the point in time that examinations had actually taken place, hence the reason why income from postgraduate education and examinations has increased to £2.2 million compared with £895k last year.

Income from the trading activities of the College through the Events@No6 conference centre had to cease operation in March 2020 and have operated on an extremely limited basis for allowable educational events as and when permitted to do so. Some staff from the commercial arm of the College, unfortunately, had to be made redundant because of the severe reduction in income.

Some other staff for this activity and generally across the College were furloughed under the Coronavirus Job Retention Scheme. All such staff have returned from furlough at the 30<sup>th</sup> June. Costs for the trading area of activity were reduced and managed wherever possible, with a conscious decision to retain the sales and marketing function in place to ensure that the College is on the front foot as this activity recommences. Further savings have been made against the salaries budget due to vacant positions which were not filled during the year, or which were delayed before being recruited to.

The College has been holding virtual committee meetings rather than face to face meetings throughout the year, so there have been savings on travel and related costs and the provision of refreshments at meetings. Most meetings will continue virtually for the ensuing financial year. Savings in building related costs (including cleaning, energy consumption, building maintenance) have been identified as a result of closing the building on 24<sup>th</sup> March 2020. All staff have been working remotely since that date. The date for reopening the office will be the 13<sup>th</sup> September 2021, with the conference centre opening fully from 19<sup>th</sup> July.

## **The Royal College of Pathologists Report of the trustees for the year ended 30 June 2021**

### **Reserves**

The Trustee Board has established a reserves policy, whereby the unrestricted funds not committed or invested in tangible fixed assets, or designated for specific purposes (the 'free reserves') held by the College, should normally be sufficient to allow the College to operate without income for up to 15 months. This level of reserves is essential, because our income is not guaranteed and can be subject to significant fluctuations year on year.

The College's reserves ensure that short term changes in revenue will not materially affect the College's activities, secures the long term funding of the College and enables the College to meet its duties under statute and its Royal Charter to promote standards of education and practice of pathology. This level of reserves would also enable the College to address any unforeseeable ad-hoc expenditure arising from topical issues in pathology, which the College feels should be addressed. At 30th June 2021 the level of free reserves of £7.0 million equated to 14.75 months of unrestricted expenditure. The total amount of restricted funds at 30 June 2021 amounted to £1.45 Million.

### **Going concern**

The trustees have reviewed the financial position and financial forecasts, taking into account the levels of investment reserves and cash, and the systems of financial control and risk management. As a result of this review, the trustees believe that they are well placed to manage operational and financial risks successfully.

Accordingly, the trustees consider that the College has adequate resources to continue in operational existence for the foreseeable future. They continue to support the going concern basis in accounting and in preparing the annual financial accounts.

### **Designated funds**

Designated funds are funds set aside by the Trustee Board out of unrestricted general funds for specific future purposes or projects, and are excluded from the value of the College's free reserves. An explanation of the College's designated funds is given in note 20 to these accounts.

### **Investment policy and objectives**

The Trustee Board's investment policy is to maximise the return on investments taking the medium to long-term view with a moderate level of risk. The capital value of the portfolio should be protected in line with the objective of generating an annual rate of return of inflation, as defined by the Consumer Price Index (CPI), plus 4% over a 5-year basis after expenses.

The Trustee Board may invest funds of the College in such stocks, funds, shares, or securities and other investments within the United Kingdom or elsewhere as the Board sees fit, provided that the Board is satisfied that such investment is not speculative, and will not expose such monies and other investments to undue risk. The Trustee Board has adopted an ethical investment policy precluding direct investment in fossil fuel, tobacco or armament companies. The total return approach is adopted, including for those investments relating to restricted funds.



# **The Royal College of Pathologists**

## **Report of the trustees for the year ended 30 June 2021**

### **Risk management**

The principal risks faced by the College relate to: (a) Covid-19, as this has affected most areas of operation of the College and the finances substantially, including the loss of revenue from the conference centre and how this will develop as the economy opens up as the Covid-19 restrictions are lifted; (b) examination risks, including errors in the processing of examinations and whether or not the face to face sittings can run during periods of the pandemic and (c) IT risks, including breach of security on systems, the failure to update or innovate IT systems, and reliance on the College database.

The risks associated with Covid-19 are being mitigated by continuing to deliver services to the membership, examination candidates and trainees whilst working remotely, continuing to run committee meetings and other events virtually, regular review by the trustee board, and by monitoring actual financial performance closely against the budget.

The risks associated with the conference centre are being mitigated by regular meetings with the contract caterers who are responsible for the sales and marketing of the space. The directors of the trading subsidiary company are meeting with them monthly, and the operational staff meet weekly. This will highlight any issues as they occur.

The IT risks are mitigated by conducting regular reviews of equipment and software. A review of the requirements for the College including the database is planned during the ensuing financial year. The examination risks are being mitigated by continuing the use of specialist examinations management software, introducing new examination methodologies and in a review of procedures and controls.

### **Auditors**

A resolution will be proposed at the Annual General Meeting that Begbies be re-appointed as auditors to the College for the ensuing year.

### **Plans for future periods**

Trustees have agreed a new strategy for 2021-24 that has 5 strategic aims.

Strategic aim 1 – to support all members through the delivery of high-quality member services.

This will be achieved by:

- Supporting current members in their continuing education by offering guidance and support.
- Encouraging future members by fostering their interest in a career in pathology and supporting career development.
- Promoting and encouraging inclusivity and diversity throughout our membership, the wider profession and our work.
- Advancing knowledge in pathology through the delivery of a range of resources to support continuing professional development for all our members.
- Implementing the use of technology that widens and improves consistency of access to services for members.

Strategic aim 2 – develop and maintain high standards of education, training and research across all pathology specialties.

This will be achieved by:

- Providing curricula, assessments and examinations for professional groups, ensuring that they meet the future requirements for the profession.
- Optimising the efficiency of the examination process by developing centralised systems and providing enhanced support to examiners.

**The Royal College of Pathologists**  
**Report of the trustees for the year ended 30 June 2021**

**Plans for future periods (continued)**

- Increasing international participation in College examinations.
- Encouraging and supporting our members and trainees to undertake and publish high-quality research to advance the practice of pathology.

Strategic aim 3 – promote excellence and advance knowledge in pathology practice across all specialties.

This will be achieved by:

- Advocating for a properly resourced, supported and sustainable pathology workforce.
- Continuing to develop excellent continuous professional development recording and support services.
- Delivering high-quality resources to benefit pathology practice.
- Developing a robust framework for governance and oversight of external quality assurance to ensure high standards.
- Promoting environmental sustainability in pathology and the ways in which we work.
- Supporting future innovation and delivery of digital resources in pathology.

Strategic aim 4 – increase the College's influence through a clear, coherent, professional voice.

This will be achieved by:

- Promoting the College as a vital contributor to health policy and decision making.
- Influencing policy to advance patient care and safety.
- Championing the College as the leading medical royal college in genomics services.
- Promoting pathology to the wider health professionals and the public to enhance our capacity and influence policy.

Strategic aim 5 – resource the future development of the College.

We will achieve this by:

- Increasing and developing new sources of income to support the work of the College.
- Delivering effective management of member services and providing an excellent place to work.
- Building corporate membership that benefits the College and its member partners.

**Structure, Governance & Management**

The College of Pathologists was founded on 21 June 1962 and was incorporated under Royal Charter on 28 February 1970, and registered as a Charitable Trust on 28 April 1970. The College is governed by its Royal Charter, Ordinances and By-laws, the “governing documents”.

The Trustee Board is responsible for the structure, governance and management of the College, including financial matters. Members of the Board are the trustees of the College. Committees reporting to the Trustee Board include the Council, Governance Committee, Nominations Committee and Remuneration Committee. Council is responsible for the clinical, educational and professional functions of the College. Council has sub committees, including standing advisory committees, examinations and training committees, and regional councils.

The trustees who served during the year are set out below. They comprise the 7 honorary officers, the chairs of each of the regional councils for Northern Ireland, Scotland and Wales, and 3 lay trustees. Trustees are elected or appointed for a three-year term of office after which they may serve again only after a one-year gap, unless elected to another honorary officer role. The Treasurer, Registrar and lay trustees can serve for two consecutive three-year terms of office.

**The Royal College of Pathologists**  
**Report of the trustees for the year ended 30 June 2021**

**Structure, Governance & Management (continued)**

The honorary officers are elected by the fellowship as a whole from amongst the fellows. The chairs of the regional councils are elected by the fellows in that region from amongst the fellows resident within the particular region. The three lay trustees are appointed following a process which includes advertising these positions, completion of an application form, shortlisting against the requirements contained in the role description and person specification, and a panel interview.

Trustees take decisions in the best interests of the College as a whole. They operate in accordance with a code of conduct that makes explicit reference to objectivity in decision-making. A register of interests is maintained in respect of each member of the Trustee Board and Council. On appointment to office trustees receive an induction pack and are invited to attend the annual induction training meeting.

The Trustee Board approves the College's annual budget and forward plan. Once approved, the implementation of the plan is delegated to the staff, who have the authority to work within the parameters set by the Board. Decisions of a strategic nature, or items outwith the agreed budget and plan, must be referred to the Board.

The College wholly owns a subsidiary company, RCPATH Trading Limited, which undertakes certain trading activities. The directors of the company are the College's President, Treasurer, Chief Executive, and an independent director appointed by the College's Trustee Board. The Trustee Board requires that the taxable profits of the company be paid to the College under gift aid.

**Responsibilities of the trustees**

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

The law applicable to charities in England and Wales 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 College and of the incoming resources and application of resources of the College for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principals of the Statement of Recommended Practice (Charities SORP);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities SORP (FRS 102) and the provisions of the Royal Charter, Ordinances and By-Laws. They are also responsible for safeguarding the assets of the College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**The Royal College of Pathologists**  
**Report of the trustees for the year ended 30 June 2021**

**Structure, Governance & Management (continued)**

**Key management personnel remuneration**

The trustees consider the Trustee Board and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the College on a day to day basis. All trustees give of their time freely and no trustee received remuneration in the year. Details of trustees' expenses are disclosed in note 6 to the accounts.

The pay of all staff, including the senior staff, is reviewed annually by the remuneration committee. Pay is benchmarked against the median of the range for similar roles in similar sized organisations in the London not for profit sector. Remuneration is based upon eight pay bands each with six pay points. Staff progress up the pay scale on successful completion of an annual performance review. The senior management team meet annually to review and agree performance review summaries for all staff, and the remuneration committee reviews and ratifies this decision. The remuneration committee reviews the performance reviews for all of the members of the senior management team and agrees their progression up the pay scale. No employee of the College or of its contractors is paid below the London living wage.

**Statement of disclosure to auditor**

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

**Reference & administrative details**

**Trustees**

Those who served as trustees during the year were as follows:

Dr Andy Boon	Treasurer
Prof Sarah Coupland	Vice President (appointed 26 November 2020)
Dr Bernie Croal	Chair Scotland regional council (appointed 26 November 2020)
Dr Angharad Davies	Vice President (appointed 26 November 2020)
Ms Jill Gauntlett	Lay Trustee
Prof Shelley Heard	Vice President (demitted office 26 November 2020)
Prof Peter Johnston	Chair Scotland regional council (demitted office 26 November 2020) Vice President (appointed 26 November 2020)
Dr Jonathan Kell	Chair Wales regional council
Dr Rachael Liebmann	Vice President (demitted office 26 November 2020)
Dr Tim Littlewood	Vice President (demitted office 26 November 2020)
Prof Jo Martin	President & Chair of Trustee Board (demitted office 26 November 2020)
Prof Ken Mills	Chair Northern Ireland regional council
Dr Mike Osborn	President (appointed 26 November 2020) President Elect (to 26 November 2020)
Dr Lance Sandle	Registrar
Mr Robert Smith	Lay Trustee & from 26 November 2020 Chair of Trustee Board
Mr Vincent Voon	Lay Trustee (appointed 13 May 2021)
Dr Esther Youd	Assistant Registrar

**The Royal College of Pathologists**  
**Report of the trustees for the year ended 30 June 2021**

**Reference & administrative details (continued)**

**Senior Staff**

Daniel Ross	Chief Executive
Joanne Brinklow	Director of Learning
Diane Gaston	Director of Communications
Nigel Pollard	Director of Corporate Services
Katherine Timms	Director of Professionalism (from 7 July 2021)

**Principal Office**

The Royal College of Pathologists, 6 Alie Street, London E1 8QT.  
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Website: [www.rcpath.org](http://www.rcpath.org)  
Registered charity number 261035 in England & Wales

**Professional advisors to the College**

**Auditors:** Begbies, 9 Bonhill Street, London EC2A 4DJ.

**Taxation advisors:** Crowe, 55 Ludgate Hill, London EC4M 7JW.

**Property advisors:** CBRE, Henrietta House, Henrietta Place, London W1G 0NB.

**Solicitors:** Womble Bond Dickinson, 4 More London Riverside, London SE1 2AU.

**Investment managers:** Canaccord Genuity, 41 Lothbury, London EC2R 7AE.

**Bankers:** HSBC, 69 Pall Mall, St. James's, London SW1Y 5EY.

Approved by the Trustee Board and signed on their behalf by:



**Dr Mike Osborn**  
**President**  
5 August 2021

# **Independent auditor's report to the trustees of The Royal College of Pathologists**

## **Opinion**

We have audited the financial statements of The Royal College of Pathologists (the 'charity') for the year ended 30 June 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and College Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the parent charity and its subsidiary undertaking's affairs as at 30 June 2021 and of their incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

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

## **Other information**

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

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 Pathologists**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified any material misstatements in the report of the trustees.

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

- The information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- Sufficient accounting records have not been kept; or
- The financial statements 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 trustees**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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:

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

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

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries and confirmation of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- Review of minutes of Board meetings throughout the period;
- Incorporating unpredictability into the nature, timing and/or extent of testing;
- Evaluation of the selection and application of the accounting policies chosen by the charity;

## Independent auditor's report to the trustees of The Royal College of Pathologists

- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 College's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the College's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Begbies  
Chartered Accountants  
Statutory Auditors

9 Bonhill Street  
London  
EC2A 4DJ  
22/9/2021

Begbies is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



**The Royal College of Pathologists**  
**Consolidated Statement of Financial Activities for the year ended 30 June 2021**

	Note	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
<b>Income from:</b>						
Donations & legacies	5	1,483	-	-	1,483	3,892
Charitable activities						
Subscriptions		3,785,867	-	-	3,785,867	3,622,145
Postgraduate education & examinations		2,194,501	-	5,000	2,199,501	894,774
Pathology portal		-	-	175,000	175,000	100,127
International development		14,316	-	-	14,316	108,787
Conferences & academic activities		262,107	-	-	262,107	187,950
Professional standards		52,626	-	-	52,626	59,788
Communications & public engagement		423	-	-	423	5,000
Trading activities		68,324	-	-	68,324	743,280
Investments	4	91,757	-	2,189	93,946	147,619
Other		79,820	-	-	79,820	79,751
<b>Total income</b>		<b>6,551,224</b>	<b>-</b>	<b>182,189</b>	<b>6,733,413</b>	<b>5,953,113</b>
<b>Expenditure on:</b>						
Raising funds						
Trading activities & education centre		945,670	600	-	946,270	1,408,765
Investment management fees		23,557	-	-	23,557	14,472
Charitable activities						
Postgraduate education & examinations		1,737,826	-	13,000	1,750,826	1,672,503
Pathology portal		-	-	138,871	138,871	26,153
International development		355,670	-	5,000	360,670	420,827
Conferences & academic activities		262,873	-	91,943	354,816	385,451
Research		-	-	3,462	3,462	3,884
Professional standards		269,543	-	-	269,543	332,372
Clinical effectiveness		251,717	7,583	-	259,300	299,697
Workforce		313,000	-	-	313,000	337,097
Communications & public engagement		1,095,270	-	820	1,096,090	1,235,916
Advisory committees		391,165	22,584	-	413,749	478,274
<b>Total expenditure</b>	8	<b>5,646,291</b>	<b>30,767</b>	<b>253,096</b>	<b>5,930,154</b>	<b>6,615,411</b>
<b>Net income / (expenditure) before net gains on investments</b>		<b>904,933</b>	<b>(30,767)</b>	<b>(70,907)</b>	<b>803,259</b>	<b>(662,298)</b>
Net gains on investments	14	871,548	-	164,075	1,035,623	150,475
<b>Net income / (expenditure)</b>		<b>1,776,481</b>	<b>(30,767)</b>	<b>93,168</b>	<b>1,838,882</b>	<b>(511,823)</b>
Transfers between funds	19	(604,420)	603,420	1,000	-	-
<b>Net movement in funds</b>		<b>1,172,061</b>	<b>572,653</b>	<b>94,168</b>	<b>1,838,882</b>	<b>(511,823)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		6,424,037	28,864,164	1,364,466	36,652,667	37,164,490
<b>Total funds carried forward</b>	19	<b>7,596,098</b>	<b>29,436,817</b>	<b>1,458,634</b>	<b>38,491,549</b>	<b>36,652,667</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 18 to 32 form part of these accounts.

**The Royal College of Pathologists  
Consolidated and College Balance Sheets as at 30 June 2021**

	Note	Consolidated		College	
		2021 £	2020 £	2021 £	2020 £
<b>Fixed Assets:</b>					
Tangible assets	13	38,403,585	39,036,481	38,403,585	39,036,481
Investments	14	6,294,113	5,281,517	6,294,213	5,281,617
<b>Total fixed assets</b>		<b>44,697,698</b>	<b>44,317,998</b>	<b>44,697,798</b>	<b>44,318,098</b>
<b>Current assets:</b>					
Stocks	15	4,900	11,231	4,900	11,231
Debtors	16	477,465	564,210	844,610	837,148
Cash at bank and in hand		6,143,921	5,202,564	6,138,929	5,104,139
<b>Total current assets</b>		<b>6,626,286</b>	<b>5,778,005</b>	<b>6,988,439</b>	<b>5,952,518</b>
<b>Liabilities:</b>					
Creditors: Amounts falling due within one year	17	(4,040,079)	(4,332,997)	(3,958,939)	(4,270,803)
<b>Net current assets</b>		<b>2,586,207</b>	<b>1,445,008</b>	<b>3,029,500</b>	<b>1,681,715</b>
<b>Total assets less current liabilities</b>		<b>47,283,905</b>	<b>45,763,006</b>	<b>47,727,298</b>	<b>45,999,813</b>
Creditors: Amounts falling due after more than one year	17	(8,792,356)	(9,110,339)	(8,792,356)	(9,110,339)
<b>Total net assets</b>		<b>38,491,549</b>	<b>36,652,667</b>	<b>38,934,942</b>	<b>36,889,474</b>
<b>The funds of the College:</b>					
Unrestricted funds - general funds	21	7,596,098	6,424,037	8,039,491	6,660,843
Unrestricted funds - designated funds	21	29,436,817	28,864,164	29,436,817	28,864,164
Restricted funds	21	1,458,634	1,364,466	1,458,634	1,364,467
<b>Total College funds</b>		<b>38,491,549</b>	<b>36,652,667</b>	<b>38,934,942</b>	<b>36,889,474</b>

The notes on pages 18 to 32 form part of these accounts.

The financial statements were approved by the Trustee Board on 5th August 2021 and signed on behalf of the Trustee Board by



Dr Mike Osborn  
President



Dr Andrew Boon  
Treasurer

**The Royal College of Pathologists**  
**Consolidated statement of cash flows for the year ended 30 June 2021**

	2021 £	2020 £
<b>Cash flows from operating activities:</b>		
Net cash provided by / (used in) operating activities (note 1 below)	1,190,575	267,188
<b>Cash flows from investing activities:</b>		
Dividends and interest received	93,946	147,619
Purchase of property, plant and equipment	(39,688)	(107,407)
Proceeds from the sale of investments	1,529,147	1,768,666
Purchase of investments	(1,680,003)	(821,936)
<b>Net cash provided by / (used in) investing activities</b>	(96,598)	986,942
<b>Cash flows from financing activities</b>		
Repayment of borrowing	(326,503)	(2,963,311)
Cash inflows from new borrowing	-	172,530
<b>Net cash provided by / (used in) financing activities</b>	(326,503)	(2,790,781)
Change in cash and cash equivalents in the year	767,474	(1,136,650)
Cash and cash equivalents at the beginning of the year	5,380,746	6,517,396
<b>Cash and cash equivalents at the end of the year (note 2 below)</b>	6,148,220	5,380,746

**Notes to the statement of cash flows**

**1. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2021 £	2020 £
<b>Net income/(expenditure) for the year (as per the statement of financial activities)</b>	1,838,882	(511,823)
<b>Adjustments for:</b>		
Depreciation charges	672,584	675,668
(Gains)/losses on investments	(1,035,623)	(150,475)
Dividends and interest	(93,946)	(147,619)
(Increase)/decrease in stocks	6,331	2,501
(Increase)/decrease in debtors	86,745	120,066
Increase/(decrease) in creditors	(284,398)	278,870
<b>Net cash provided by / (used in) operating activities</b>	1,190,575	267,188

**2. Analysis of cash and cash equivalents**

	2021 £	2020 £	Change in year £
Cash at bank	6,143,921	5,202,564	941,357
Cash at broker	4,299	178,182	(173,883)
<b>Total cash and cash equivalents</b>	6,148,220	5,380,746	767,474

**Analysis of changes in net debt**

	2021 £	Cash flows £	2020 £
Cash	6,143,921	941,357	5,202,564
Cash at broker	4,299	(173,883)	178,182
Loans falling due within one year	(317,830)	8,520	(326,350)
Loans falling due more than one year	(8,792,356)	317,983	(9,110,339)
	(2,961,966)	1,093,977	(4,055,943)

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

**1. Accounting policies**

**(a) Basis of preparation**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

**(b) Public benefit entity**

The College meets the definition of a public benefit entity under FRS 102.

**(c) Going concern**

The trustees consider that there are no material uncertainties about the College's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**(d) Group financial statements**

The financial statements consolidate the results of the College and its wholly owned subsidiary, RCPATH Trading Limited, on a line by line basis.

**(e) Income**

Income is included on a receivable basis. Income from subscriptions, trainee registration and fees for participation in the continuing professional development scheme are recognised in the accounting period to which the services covered by those fees relate. Fees received in advance are accounted for as deferred income within creditors.

Income from examinations and conferences & academic activities are included in the accounting period in which the examination or conference takes place.

**(f) Expenditure and irrecoverable VAT**

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

Expenditure on charitable activities includes the costs of delivering examinations, training and educational activities undertaken to further the purposes of the College and their associated support costs.

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

**(g) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned, based on staff numbers engaged in each activity. Governance costs are apportioned on the same basis.

**(h) Foreign currencies**

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange prevailing at the time of the transaction.

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

**(i) Tangible fixed assets and depreciation**

Tangible fixed assets costing more than £1,000 are capitalised. Depreciation is charged on fixed assets at rates calculated to write off their cost evenly as follows:

Freehold buildings	over 50 years to residual value
Land	not depreciated
Fixtures, fittings and office equipment	over 3 to 5 years
Computer systems and software	over 2 to 5 years

The College has adopted an accounting policy of capitalising borrowing costs that are directly attributable to the construction of the new building. From the date of occupation of the premises in November 2019 interest has been charged to the Statement of Financial Activities.

As explained in note 14, heritage assets have not been capitalised or depreciated as no reliable value can be attributed.

**(j) Operating leases**

Instalments under operating lease commitments arising in the year are included in the Statement of Financial Activities for the year in which they arise.

**(k) Stocks**

These are stated at the lower of cost and net realisable value.

**(l) Funds accounting**

Funds held by the College are:

*Unrestricted general funds* - these are funds which can be used in accordance with the charitable objects at the discretion of the Trustee Board.

*Unrestricted Designated funds* - these are funds set aside by the Trustee Board out of unrestricted general funds for specific future purposes or projects.

*Restricted funds* - these are funds that can only be used for particular restricted purposes within the objects of the College. Restrictions arise when specified by the donor or where funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

**(m) Pension schemes**

The College participates in 2 pension schemes: the defined benefit scheme, operated by SAUL (Superannuation Arrangements of the University of London) and the defined contribution scheme operated by Royal London.

For SAUL, the actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets at 31 March 2020 was £3,612 million representing 94% of the liabilities. The market value of SAUL's assets at 30 April 2021 was £4,369 million representing 109% of the estimated liabilities. It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. The College accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts) in accordance with paragraphs 28.11 of FRS102. Although there was a Technical Provisions deficit at 31 March 2020, allowing for post valuation experience to 30 April 2020, SAUL had a Technical Provisions surplus. Therefore no deficit contributions were required following the 2020 valuation and there is no defined benefit liability (i.e. the present value of any deficit contributions due to SAUL) to be recognised by the College.

For the Royal London scheme, the pension charge represents the contributions payable by the College.

**(n) Research grants**

Grants payable and receivable are recognised in the statement of financial activities in the period to which the grant relates and where conditions relating to the grant have been fulfilled.

**(o) Termination payments**

Termination payments are recognised in the Statement of Financial Activities when incurred.

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

**(p) Fixed asset investments**

Fixed asset investments are included at their fair values (market value) at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

**(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 at bank and in hand**

Cash at bank and cash in hand 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. Cash balances exclude any funds held on behalf of service users.

**(s) Creditors and provisions**

Creditors and provisions are recognised where the charity 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

**2. Trading income and expenditure**

RCPATH Trading Limited

The College owns 100% of RCPATH Trading Limited (Company number 04535296). The main activities of the company are to undertake various trading activities of the College. The company supplies consultancy services under the trading name of RCPATH consulting, and operates a commercial conference centre called Events@No6 at the College's Alie Street premises. The latter operation commenced in January 2019 and is currently in a planned loss making start-up situation. It will donate future taxable profits to the College under gift aid. Trading results extracted from its audited accounts are as follows:

	2021	2020
	£	£
<b>Profit &amp; Loss account</b>		
Turnover	68,325	852,289
Cost of sales and administrative expenses	(274,909)	(823,033)
Net profit	(206,584)	29,256
Payable under gift aid to The Royal College of Pathologists	-	-
(Loss) / Profit retained in RCPATH Trading Limited	(206,584)	29,256
<b>Balance sheet</b>		
	2021	2020
	£	£
Debtors	19,402	50,031
Cash at bank	4,993	98,425
	24,395	148,456
Creditors: amounts falling due within one year	(81,139)	(62,193)
Net current assets	(56,744)	86,263
Creditors: amounts falling due after more than one year	(386,547)	(322,970)
Net assets / (liabilities)	(443,291)	(236,707)
Share capital	100	100
Profit and loss account	(443,391)	(236,807)
Capital and reserves at 30 June	(443,291)	(236,707)

The College has agreed a formal loan to financially support its trading subsidiary company's losses during the start-up phase of its conference centre operations, and due to the effects of Covid-19. The loan is for a period of up to 10 years.

The College purchased £Nil (2020 - £109,009) of services from its wholly owned subsidiary during the year and received a payment of £Nil (2020 - £22,500) towards the cost of shared overheads. In accordance with the SORP, these transactions have been removed on consolidation.

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

**3. Detailed comparatives for the statement of financial activities in 2020**

	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Total Funds 30 June 2020 £
<b>Income from:</b>				
Donations & legacies	3,892	-	-	3,892
Charitable activities				
Subscriptions	3,622,145	-	-	3,622,145
Postgraduate education & examinations	831,274	-	63,500	894,774
Digital education project	-	-	100,127	100,127
International development	50,337	-	58,450	108,787
Conferences & academic activities	100,112	-	87,838	187,950
Professional standards	59,788	-	-	59,788
Communications & public engagement	-	-	5,000	5,000
Trading activities	743,280	-	-	743,280
Investments	139,066	-	8,553	147,619
Other	79,751	-	-	79,751
<b>Total income</b>	<b>5,629,645</b>	<b>-</b>	<b>323,468</b>	<b>5,953,113</b>
<b>Expenditure on:</b>				
Raising funds				
Trading activities	1,396,959	11,806	-	1,408,765
Investment management fees	14,472	-	-	14,472
Charitable activities				
Postgraduate education & examinations	1,661,517	-	10,986	1,672,503
Digital education project	-	-	26,153	26,153
International development	419,748	-	1,079	420,827
Conferences & academic activities	364,815	-	20,636	385,451
Research	-	-	3,884	3,884
Professional standards	330,716	-	1,656	332,372
Clinical effectiveness	291,658	8,039	-	299,697
Workforce	337,097	-	-	337,097
Communications & public engagement	1,232,585	-	3,331	1,235,916
Advisory committees	478,274	-	-	478,274
<b>Total expenditure</b>	<b>6,527,841</b>	<b>19,845</b>	<b>67,725</b>	<b>6,615,411</b>
<b>Net income / (expenditure) before net gains on investments</b>	<b>(898,196)</b>	<b>(19,845)</b>	<b>255,743</b>	<b>(662,298)</b>
Net gains on investments	94,274	-	56,201	150,475
<b>Net income / (expenditure)</b>	<b>(803,922)</b>	<b>(19,845)</b>	<b>311,944</b>	<b>(511,823)</b>
<b>Transfers between funds</b>	<b>466,447</b>	<b>(419,951)</b>	<b>(46,496)</b>	<b>-</b>
<b>Net movement in funds</b>	<b>(337,475)</b>	<b>(439,796)</b>	<b>265,448</b>	<b>(511,823)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	6,761,512	29,303,960	1,099,018	37,164,490
<b>Total funds carried forward</b>	<b>6,424,037</b>	<b>28,864,164</b>	<b>1,364,466</b>	<b>36,652,667</b>

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

**4. Income from investments**

	2021	2020
	£	£
Bank deposit interest	6,164	33,873
Income from UK listed investments	51,077	75,618
Income from overseas listed investments	7,410	12,053
Income from investment properties	29,295	26,075
	93,946	147,619

**5. Donations & Legacies**

	2021	2020
	£	£
College members	850	2,648
Other donations	633	1,244
	1,483	3,892

**6. Staff costs, trustee remuneration and expenses, and the cost of key management personnel**

	2021	2020
	£	£
The total cost of salaries and wages were		
Salaries and wages	2,391,857	2,491,341
Redundancy and termination costs	-	32,600
Social security costs	238,755	252,271
Pension contributions	328,813	324,735
	2,959,425	3,100,947

The redundancy and termination costs were settled and paid at the balance sheet date.

The number of employees whose emoluments exceeded £60,000 in the year was as follows:

	2021	2020
	No.	No.
£60,001 - £70,000	-	1
£70,001 - £80,000	3	3
£120,001 - £130,000	1	1

Contributions were made to a defined benefit pension scheme amounting to £57,968 (2020 - £65,080) in respect of the staff noted above.

The key management personnel of the charity comprise the trustees, the Chief Executive and the 3 (2020 - 4) other senior managers. The total employee remuneration of the key management personnel amounted to £465,666 (2020 - £577,255).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020 - £Nil). No charity trustee received payment for professional or other services supplied to the charity (2020 - £Nil).

Travel, subsistence and accommodation costs incurred amounting to £209 (2020 - £27,179) were reimbursed to 2 (2020 - 13) members of the Trustee Board.

During the year there were no other related party transactions (2020 - £Nil).



**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

**7. Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Postgraduate education & examinations	20.0	19.5
Conferences & academic activities	4.9	4.6
Professional standards	4.4	4.2
Clinical effectiveness	2.8	3.8
Advisory committees	4.5	4.9
Communications & public relations	13.4	13.6
Workforce	4.2	4.3
Education centre	1.2	1.6
International development	4.8	5.8
	60.2	62.3
The average number of full time equivalent employees during the year was	54.8	56.1

**8. Total expenditure**  
(Current year)

	Direct Costs £	Staff Costs £	Support Costs £	Total 2021 £	Total 2020 £
Trading activities & education centre	210,623	65,194	670,453	946,270	1,408,765
Investment management fee	23,557	-	-	23,557	14,472
Postgraduate education & examinations	402,381	908,043	440,402	1,750,826	1,672,503
Pathology Portal	64,099	74,772	-	138,871	26,153
International development	10,211	213,985	136,474	360,670	420,827
Conferences & academic activities	(7,101)	246,775	115,142	354,816	385,451
Research	3,462	-	-	3,462	3,884
Professional standards	3,713	155,596	110,234	269,543	332,372
Clinical Effectiveness	10,248	176,257	72,795	259,300	299,697
Workforce	888	203,570	108,542	313,000	337,097
Communications & public engagement	128,893	687,045	280,152	1,096,090	1,235,916
Advisory committees	55,626	228,188	129,935	413,749	478,274
Total for the year ended 30 June 2020	906,600	2,959,425	2,064,129	5,930,154	6,615,411

**8. Total expenditure**  
(Prior year)

	Direct Costs £	Staff Costs £	Support Costs £	Total 2020 £
Trading activities & education centre	749,178	79,510	580,077	1,408,765
Investment management fee	14,472	-	-	14,472
Postgraduate education & examinations	213,681	923,346	535,476	1,672,503
Pathology Portal	17,069	9,084	-	26,153
International development	13,720	276,133	130,974	420,827
Conferences & academic activities	58,532	225,820	101,099	385,451
Research	3,884	-	-	3,884
Professional standards	6,444	215,971	109,957	332,372
Clinical Effectiveness	11,343	219,034	69,320	299,697
Workforce	1,086	231,283	104,728	337,097
Communications & public engagement	277,870	682,734	275,312	1,235,916
Advisory committees	64,104	238,032	176,138	478,274
Total for the year ended 30 June 2019	1,431,383	3,100,947	2,083,081	6,615,411

Governance costs are contained within support costs and are not shown separately. They comprise the expenditure in relation to the trustee board of £Nil (2020 - £16,978), trustee recruitment costs of £8,617 (2020 - £Nil), legal costs of £20,832 (2020 - £45,862) and the auditors remuneration as detailed in note 9.

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

**9. Net incoming resources for the year**

	2021	2020
	£	£
This is stated after charging:		
Depreciation	672,584	675,668
Auditor's remuneration - external audit	9,500	9,394
Auditor's remuneration - payroll bureau services	5,429	6,141
Trustee liability indemnity insurance	831	1,024
	831	1,024

**10. Pensions**

The College participates in 2 pension schemes: the defined benefit scheme, operated by SAUL (Superannuation Arrangements of the University of London) and the defined contribution scheme, operated by Royal London.

***SAUL scheme***

The College participates in the Superannuation Arrangements of the University of London ("SAUL"), which is a centralised defined benefit scheme within the United Kingdom and was contracted-out of the Second State Pension (prior to April 2016).

SAUL is an independently-managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on a Career Average Revalued Earnings ("CARE") basis.

The College is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

**Funding Policy**

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2020. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed by the Trustee and Employers in June 2021 and are due to be reviewed again at SAUL's next formal valuation in 2023.

At the 31 March 2020 valuation SAUL was 94% funded on its Technical Provisions basis. However, market movements following the valuation date were positive and the Trustees and the Employers agreed to allow for post-valuation experience up to 30 April 2021. As SAUL was in surplus on its Technical Provisions basis at that date, no deficit contributions were required. However, the Trustee and Employers have agreed that the ongoing Employers' contributions will increase from a rate of 16% of CARE salaries to 19% of CARE salaries from 1 April 2022 and to 21% of CARE salaries from 1 January 2023.

***Royal London scheme***

The College operates a defined contribution scheme for staff other than senior managers who joined the College after 1 April 2021. The assets of the scheme are held separately from those of the College in an independently administered fund with Royal London. The pension cost charged represents the contributions payable under the scheme by the College to the fund. The College has no liability under the scheme other than for payment of these contributions.

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2020**

**11. Allocation of costs**

Support costs as per note 8 above, can be broken down by activity, as follows:

(Current year)	Information technology £	Finance £	Secretariat £	Premises £	Total £
Postgraduate education & examinations	166,005	99,942	25,943	148,512	440,402
International development	54,509	32,796	8,513	40,656	136,474
Conferences & academic activities	46,183	28,139	7,304	33,516	115,142
Professional standards	45,477	27,363	7,103	30,291	110,234
Clinical effectiveness	29,996	18,048	4,685	20,066	72,795
Workforce	41,607	25,034	6,498	35,403	108,542
Communications & public engagement	136,046	70,250	18,236	55,620	280,152
Trading activities & education centre	20,959	12,614	3,274	633,606	670,453
Advisory committees	48,702	29,303	7,607	44,323	129,935
<b>Total support costs year ended 30 June 2021</b>					<b>2,064,129</b>

  

(Prior year)	Information technology £	Finance £	Secretariat £	Premises £	Total £
Postgraduate education & examinations	106,696	128,090	33,179	267,511	535,476
International development	31,989	38,404	9,948	50,633	130,974
Conferences & academic activities	17,814	21,387	5,540	56,358	101,099
Professional standards	27,009	32,425	8,399	42,124	109,957
Clinical effectiveness	17,814	21,387	5,540	24,579	69,320
Workforce	24,711	29,665	7,684	42,668	104,728
Communications & public engagement	69,343	83,247	21,563	101,159	275,312
Trading activities & education centre	11,684	14,028	3,186	551,179	580,077
Advisory committees	36,587	43,923	9,974	85,654	176,138
<b>Total support costs year ended 30 June 2020</b>					<b>2,083,081</b>

The basis of allocation of support costs is as follows:

Information technology costs have been allocated on the basis of the number of computers used by each department.

Finance costs and secretariat costs have been allocated on the basis of the headcount.

Premises costs have been allocated on the basis of the usage of floor areas.

Salary costs as per note 8 above can be further analysed as follows:

(Current year)	Directly Attributable £	HR, Payroll & IT £	Finance £	Secretariat £	Premises £	Total £
Postgraduate education & examinations	632,280	78,602	95,604	61,542	40,015	908,043
Digital education project	74,772	-	-	-	-	74,772
International development	130,554	23,529	28,977	18,740	12,185	213,985
Conferences & academic activities	174,648	20,595	24,999	16,079	10,454	246,775
Professional standards	86,088	19,524	24,183	15,635	10,166	155,596
Clinical effectiveness	129,944	13,282	16,013	10,313	6,705	176,257
Workforce	139,519	18,228	22,218	14,304	9,301	203,570
Communications & public engagement	506,657	51,752	62,395	40,141	26,100	687,045
Trading activities & education centre	33,208	8,953	11,139	7,208	4,686	65,194
Advisory committees	152,839	21,454	26,264	16,744	10,887	228,188
<b>Total salary costs year ended 30 June 2021</b>						<b>2,959,425</b>

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

**11. Allocation of costs (continued)**

(Prior year)	Directly Attributable £	HR, Payroll & IT £	Finance £	Secretariat £	Premises £	Total £
Postgraduate education & examination	626,979	98,472	100,990	55,792	41,113	923,346
Digital education project	9,084	-	-	-	-	9,084
International development	186,035	29,867	30,723	16,989	12,519	276,133
Conferences & academic activities	168,251	19,836	19,400	10,555	7,778	225,820
Professional standards	141,224	24,578	25,550	14,174	10,445	215,971
Clinical effectiveness	167,486	18,018	17,292	9,349	6,889	219,034
Workforce	161,909	23,281	23,569	12,968	9,556	231,283
Communications & public engagement	487,067	66,128	66,333	36,390	26,816	682,734
Trading activities & education centre	55,344	8,094	8,215	4,524	3,333	79,510
Advisory committees	157,786	26,480	27,401	15,179	11,186	238,032
<b>Total salary costs year ended 30 June 2020</b>						<b>3,100,947</b>

The basis of allocation of salary costs is as follows:

Information technology costs have been allocated on the basis of the number of computers used by each department.

Finance costs, secretariat costs, premises costs and HR & payroll costs have been allocated on the basis of the headcount.

**12. Taxation**

As a registered charity the College is exempt from corporation tax since all income is applied for charitable purposes.

**13. Tangible fixed assets**

Consolidated and College	Freehold Property £	Computer Systems & Software £	Fixtures, Fittings & Equipment £	Total £
Cost or valuation				
At 1 July 2020	38,625,892	1,199,696	902,149	40,727,737
Additions	9,628	14,602	15,458	39,688
Disposals	-	-	-	-
<b>At 30 June 2021</b>	<b>38,635,520</b>	<b>1,214,298</b>	<b>917,607</b>	<b>40,767,425</b>
Depreciation				
At 1 July 2020	459,883	795,322	436,051	1,691,256
Provided in year	372,710	143,064	156,810	672,584
Disposals	-	-	-	-
<b>At 30 June 2021</b>	<b>832,593</b>	<b>938,386</b>	<b>592,861</b>	<b>2,363,840</b>
<b>Net book value at 30 June 2021</b>	<b>37,802,927</b>	<b>275,912</b>	<b>324,746</b>	<b>38,403,585</b>
<b>Net book value at 30 June 2020</b>	<b>38,166,009</b>	<b>404,374</b>	<b>466,098</b>	<b>39,036,481</b>

In addition to the capitalised fixed assets held for the Charity's own use, the College also has a number of assets on trust for retention in perpetuity as a permanent record of the College's history. These comprise a unique collection of paintings depicting the College's 19 Presidents since its founding in 1962, together with a library collection and other artefacts whose intrinsic value is also bound up with the College's history. These are irreplaceable originals to which no reliable cost or value can be attributed and accordingly these assets have not been capitalised in the financial statements.

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

**14. Investments**

	Consolidated		College	
	2021	2020	2021	2020
	£	£	£	£
Market value at 1 July 2020	5,281,517	5,164,735	5,281,617	5,164,835
Additions at cost	1,680,003	1,000,118	1,680,003	1,000,118
Reclassification from Tangible Fixed Assets	-	734,855	-	734,855
Disposals at market value	(1,703,030)	(1,768,666)	(1,703,030)	(1,768,666)
Net gain on revaluation	1,035,623	150,475	1,035,623	150,475
Market value at 30 June 2021	<u>6,294,113</u>	<u>5,281,517</u>	<u>6,294,213</u>	<u>5,281,617</u>
Historical cost at 30 June 2021	<u>4,350,188</u>	<u>3,698,133</u>	<u>4,350,288</u>	<u>3,698,233</u>
Investments at market value comprised:				
UK listed fixed interest securities	126,488	131,565	126,488	131,565
UK listed equity shares	1,294,232	553,856	1,294,232	553,856
UK listed investment trusts and unit trusts	1,718,912	1,381,856	1,718,912	1,381,856
Overseas listed fixed interest securities	107,460	100,430	107,460	100,430
Overseas listed investment trusts and unit trusts	1,298,628	2,194,538	1,298,628	2,194,538
Cash held by investment manager awaiting reinvestment	4,299	184,417	4,299	184,417
Investment property	698,112	734,855	698,112	734,855
Unlisted investments	-	-	100	100
Market value as at 30 June 2021	<u>6,294,113</u>	<u>5,281,517</u>	<u>6,294,213</u>	<u>5,281,617</u>

The investment property is valued by reference to the market value of similar properties in the development, which, in the opinion of the Trustees, is the fair value at 30 June 2021.

Unlisted investments at cost comprise:

	2021	2020
	£	£
RCPATH Trading Limited - 100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

The College owns 100% of the ordinary share capital of RCPATH Trading Limited, company number 4535296, which has been consolidated as a subsidiary undertaking throughout. The registered address of the company is 6 Alie Street, London E1 8QT.

**15. Stocks**

	2021	2020
Consolidated and College	£	£
Memorabilia for resale	4,900	10,381
Wines	-	850
	<u>4,900</u>	<u>11,231</u>

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

**16. Debtors**

	Consolidated		College	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	27,327	68,798	7,925	18,766
Prepayments and accrued income	137,470	187,956	137,470	187,956
Other debtors	312,668	307,456	312,668	307,456
Amounts due from subsidiary undertaking	-	-	386,547	322,970
	<u>477,465</u>	<u>564,210</u>	<u>844,610</u>	<u>837,148</u>

The amount due from the subsidiary undertaking of £386,547 is due after more than one year.

**17. Creditors**

	Consolidated		College	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year				
Deferred income (note 18)	2,777,290	3,129,527	2,746,855	3,129,527
Trade Creditors	183,253	217,182	138,698	190,262
Bank loan	317,830	326,350	317,830	326,350
Other creditors	92,992	131,123	92,992	98,249
Taxation and social security	63,685	61,595	63,685	61,595
Accruals	605,029	467,220	598,879	464,820
	<u>4,040,079</u>	<u>4,332,997</u>	<u>3,958,939</u>	<u>4,270,803</u>

Amounts falling due after more than one year  
Consolidated and College

	2021	2020
	£	£
Bank loan - amount due between 2 and 5 years	1,323,430	1,302,329
Bank loan - amount due after 5 years	7,468,926	7,808,010
	<u>8,792,356</u>	<u>9,110,339</u>

The loan is a commercial mortgage loan secured by a first legal charge over the land and building owned by the College at 6 Alie Street. The original total loan amount was £12 million. Of this, £2.5 million of capital was repaid in January 2020. Interest is charged at 1.5% above base rate.

**18. Deferred income**

	Consolidated		College	
	2021	2020	2021	2020
	£	£	£	£
Balance at 1 July 2020	3,129,527	2,286,976	3,129,527	2,225,506
Amount released to incoming resources	(3,129,527)	(2,286,976)	(3,129,527)	(2,225,506)
Amount deferred in the year	2,777,290	3,129,527	2,746,855	3,129,527
Balance as at 30 June 2021	<u>2,777,290</u>	<u>3,129,527</u>	<u>2,746,855</u>	<u>3,129,527</u>

Deferred income comprises income from subscriptions, trainee registration, examinations, conferences and continuing professional development, received in advance, that will form part of incoming resources during the following financial year.

The College was in receipt of £198,570 of statutory funding for the year (2020 - £139,522) by way of grants for specific projects and the Coronavirus Job Retention Scheme. All conditions relating to these grants have been met in full.

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

19. Movements in Funds (Current year)	Balance at 1 July 2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	Gains and Losses £	Balance at 30 June 2021 £
<b>Restricted funds</b>						
Research Pool Fund	25,725	15	(3,462)	-	-	22,278
Oliver Memorial Fund	145,895	596	(15,621)	-	33,345	164,215
Bhagwan Singh Fund	62,853	212	-	-	25,421	88,486
Flynn Lecture & Bursary Fund	153,733	829	-	-	85,494	240,056
Kohn Memorial Fund	28,707	2	-	-	12,581	41,290
Developmental Pathology Fund	18,814	2	-	-	7,234	26,050
Medical Examiner Training Fund	101,491	68	(76,942)	-	-	24,617
E-learning Project Fund	50,243	28	-	-	-	50,271
International Challenge Events Fund	27,705	16	(5,000)	-	-	22,721
Public Engagement Fund	2,529	1	-	-	-	2,530
Furness Prize Fund	559	-	(200)	-	-	359
Summer School Fund	14,521	5,008	-	1,000	-	20,529
William Tong Memorial Fund	2,686	2	-	-	-	2,688
Pathology Portal Fund	566,112	175,319	(138,871)	-	-	602,560
MTI Fund	50,243	28	-	-	-	50,271
Arise Project Fund	57,650	32	-	-	-	57,682
Galea Prize Fund	5,000	3	-	-	-	5,003
Undergraduate Pathology Fund	50,000	28	(13,000)	-	-	37,028
	<b>1,364,466</b>	<b>182,189</b>	<b>(253,096)</b>	<b>1,000</b>	<b>164,075</b>	<b>1,458,634</b>
<b>Unrestricted Funds</b>						
Designated funds						
Property Fund	28,729,321	-	-	(36,580)	-	28,692,741
Cancer Reporting Fund	46,649	-	(7,583)	-	-	39,066
EQA Fund	50,000	-	-	-	-	50,000
Premises Marketing Fund	38,194	-	(600)	-	-	37,594
60th Anniversary Fund	-	-	-	10,000	-	10,000
Examinations Development Fund	-	-	-	100,000	-	100,000
Technology Replacement Fund	-	-	-	400,000	-	400,000
Major Repairs Fund	-	-	-	100,000	-	100,000
Corporate Membership Fund	-	-	(22,584)	30,000	-	7,416
General unrestricted fund	6,424,037	6,551,224	(5,646,291)	(604,420)	871,548	7,596,098
<b>Total Funds</b>	<b>36,652,667</b>	<b>6,733,413</b>	<b>(5,930,154)</b>	<b>-</b>	<b>1,035,623</b>	<b>38,491,549</b>

The transfer to the summer schools fund represents the College's share of funding for this activity to match that made by other individual pathology associations who jointly run this event.

The transfer from the designated property fund is so as to maintain the balance on the fund being equal to the net book value of the land and buildings less the capital outstanding on the mortgage loan.

The transfer to the designated 60th anniversary fund is to set aside monies to support the 60th anniversary of the College which will be on 21 June 2022, and for events to commemorate this occasion.

The transfer to the examinations development fund is to set aside money in support of the digitisation of examinations.

The transfer to the major repairs fund is to establish a sinking fund for replacement of plant and equipment at Alie Street.

The transfer to the corporate membership fund is to pump prime the project to attract a number of corporates into membership of the College.

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

19. Movements in Funds (Prior period)	Balance at 1 July 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	Gains and Losses £	Balance at 30 June 2020 £
<b>Restricted funds</b>						
Research Pool Fund	29,468	141	(3,884)	-	-	25,725
Oliver Memorial Fund	130,540	1,792	(1,115)	-	14,678	145,895
Bhagwan Singh Fund	55,222	597	-	-	7,034	62,853
Flynn Lecture Fund	103,938	805	(600)	-	49,590	153,733
Kohn Memorial Fund	39,472	1,080	(1,000)	-	(10,845)	28,707
Developmental Pathology Fund	22,449	621	-	-	(4,256)	18,814
Medical Examiner Training Fund	80,366	88,257	(20,636)	(46,496)	-	101,491
Quality in Pathology Fund	1,656	-	(1,656)	-	-	-
E-learning Project Fund	50,000	243	-	-	-	50,243
International Challenge Events Fund	27,567	138	-	-	-	27,705
Public Engagement Fund	2,931	14	(416)	-	-	2,529
Furness Prize Fund	755	4	(200)	-	-	559
Neera Patel Fund	-	-	-	-	-	-
Summer School Fund	11,981	13,526	(10,986)	-	-	14,521
William Tong Memorial Fund	2,673	13	-	-	-	2,686
Digital Now Fund	490,000	102,265	(26,153)	-	-	566,112
MTI Fund	50,000	243	-	-	-	50,243
Arise Project Fund	-	58,729	(1,079)	-	-	57,650
Galea Prize Fund	-	5,000	-	-	-	5,000
Undergraduate Pathology Fund	-	50,000	-	-	-	50,000
	<b>1,099,018</b>	<b>323,468</b>	<b>(67,725)</b>	<b>(46,496)</b>	<b>56,201</b>	<b>1,364,466</b>
<b>Unrestricted Funds</b>						
Designated Property Fund	29,149,272	-	-	(419,951)	-	28,729,321
Designated Cancer Reporting Fund	54,688	-	(8,039)	-	-	46,649
Designated EQA Fund	50,000	-	-	-	-	50,000
Designated Premises Marketing Fund	50,000	-	(11,806)	-	-	38,194
General unrestricted fund	6,761,512	5,629,645	(6,527,841)	466,447	94,274	6,424,037
<b>Total Funds</b>	<b>37,164,490</b>	<b>5,953,113</b>	<b>(6,615,411)</b>	<b>-</b>	<b>150,475</b>	<b>36,652,667</b>

**20. Restricted and designated funds**

The Research Pool Fund was established in 1995 to promote research in pathology.

The Oliver Memorial Fund was established to perpetuate the name of Percy Lane Oliver, by providing an annual national award for service to blood transfusion, and for the furtherance of knowledge relating to the principles and practices of blood transfusion.

The Bhagwan Singh Fund was established in 1982 to sponsor occasional visits between the UK and Malaysia, to promote Malaysian pathology.

The Flynn Lecture Fund was established in 1998 to fund an annual lecture in clinical biochemistry. Additionally, a number of bursaries are awarded to trainees to attend the scientific meeting where the lecture is delivered.

The Kohn Memorial Fund was established in 1987 to fund an annual lecture mainly in clinical biochemistry.

The Developmental Pathology Fund was established in July 2004 as a gift from the Developmental Pathology Society to fund an occasional named "Emery" lecture in paediatric pathology.

The Medical Examiner Training Fund was established by grant in aid from the Department of Health (England) to support the development of e-learning materials and face to face training for medical examiners of the cause of death.

The E-learning Project Fund was established to fund the provision of electronic learning for pathology consultants and trainees, and is supported by grant in aid from e-Learning for Healthcare, part of Health Education England.



**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

**20. Restricted and designated funds (continued)**

The Pathology Portal Fund was established by grant in aid from Health Education England to develop and implement a competence based model of learning support on a digital platform for pathology which would include digitisation of examinations.

The International Challenge Events Fund was established to raise funds for the College's international development projects.

The Public Engagement fund was established by way of a prize awarded by The Royal Society to Dr Suzy Lishman for her work on behalf of the College on public engagement and is available for the College's public engagement work.

The Furness Prize fund was established in 2010 to fund an annual prize in science communication in relation to pathology.

The Neera Patel Memorial Fund was established by way of gift from the family of the late Neera Patel to provide funds to support a named College lecture in Neera's name and also a travelling bursary award for trainees in head, neck or breast pathology.

The Summer School Fund was established to collect and administer the funds to run the annual pathology summer school, which is funded and run in association with a number of pathology specialist societies.

The William Tong Memorial Fund was established by way of donations from the family and friends of the late William Tong to provide an annual prize to a trainee in virology on the basis of a piece of work submitted as a poster.

The MTI Fund was established by grant in aid from the West London Cancer Alliance to deliver training opportunities across London for international medical graduates in histopathology as part of the medical training initiative.

The Arise Project Fund was established by Grant in Aid from the European Union to fund the College's involvement in a multi-partner research project to share and spread best practice in newborn screening, diagnosis and treatment of Sickle Cell Disease, leading to improvements in overall disease outcome.

The undergraduate pathology fund was established by Grant in Aid from Health Education England to create undergraduate and foundation taster events and materials to support recruitment in pathology.

The Galea Prize Fund was established by way of gift from Metabolic Support UK to fund an annual prize to encourage research into a therapy that will ameliorate and in future help find a cure for metabolic disorders and inherited rare conditions.

The designated property fund was established following the disposal of the College's previous functional property to hold the funds that will be required (excluding the amount to be borrowed by way of mortgage loan) for the acquisition and redevelopment of the Alie Street premises.

The designated cancer reporting fund was established to fund the College's share of the commitment to the International Collaboration on Cancer Reporting, whose aims are to pursue global harmonisation of cancer datasets for pathology reporting. The ICCR has been incorporated as a not for profit organisation and the College is a foundation member.

The designated EQA fund was established to fund initial expenditure on interpretive EQA and technical EQA monitoring systems.

The designated premises marketing fund was established for expenditure on the marketing of the facilities at Alie Street that will generate revenue for the College in subsequent years.

The designated 60th anniversary fund was established to fund activities associated with the 60th anniversary of the founding of the College, which will be on 21st June 2022.

The designated examinations development fund was established to fund the development of the digitisation of College examinations.

The designated technology replacement fund was established to fund the replacement of the College's central database system, which is an enterprise wide system incorporating membership, finance, examinations, training, CPD, academic symposia, and a dynamic link that integrates to the College website.

The designated major repairs fund was established to create a sinking fund for the repair and replacement of major pieces of plant and equipment within the College's premises at Alie Street.

The designated corporate membership fund was established to fund the development and expansion of the College's corporate membership scheme.

**The Royal College of Pathologists**  
**Notes to the Financial Statements as at 30 June 2021**

<b>21. Analysis of group net assets between funds (Current year) - Consolidated</b>	Tangible fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
General unrestricted	600,658	5,736,776	1,258,664	-	7,596,098
Designated	37,802,927	-	426,246	(8,792,356)	29,436,817
Restricted	-	557,337	901,297	-	1,458,634
<b>Net assets as at 30 June 2021</b>	<b>38,403,585</b>	<b>6,294,113</b>	<b>2,586,207</b>	<b>(8,792,356)</b>	<b>38,491,549</b>

<b>21. Analysis of group net assets between funds (Current year) - College</b>	Tangible fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
General unrestricted	600,658	5,736,876	1,701,957	-	8,039,491
Designated	37,802,927	-	426,246	(8,792,356)	29,436,817
Restricted	-	557,337	901,297	-	1,458,634
<b>Net assets as at 30 June 2021</b>	<b>38,403,585</b>	<b>6,294,213</b>	<b>3,029,500</b>	<b>(8,792,356)</b>	<b>38,934,942</b>

<b>21. Analysis of group net assets between funds (Prior year) - Consolidated</b>	Tangible fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
General unrestricted	870,472	4,888,255	665,310	0	6,424,037
Designated	38,166,009	-	(191,506)	(9,110,339)	28,864,164
Restricted	-	393,262	971,204	-	1,364,466
<b>Net assets as at 30 June 2020</b>	<b>39,036,481</b>	<b>5,281,517</b>	<b>1,445,008</b>	<b>(9,110,339)</b>	<b>36,652,667</b>

<b>21. Analysis of group net assets between funds (Prior year) - College</b>	Tangible fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
General unrestricted	870,472	4,888,355	902,016	0	6,660,843
Designated	38,166,009	-	(191,506)	(9,110,339)	28,864,164
Restricted	-	393,262	971,205	-	1,364,467
<b>Net assets as at 30 June 2020</b>	<b>39,036,481</b>	<b>5,281,617</b>	<b>1,681,715</b>	<b>(9,110,339)</b>	<b>36,889,474</b>

**22. Presentational currency**

The presentational currency is Sterling.