The Royal College of Pathologists
Pathology: the science behind the cure

Financial report

2022–2023

Financial report

The income of the College amounted to £9.44 million, with expenditure of £9.41 million. Subscriptions continue to be the largest source of income amounting to £4 million. Income from postgraduate education and examinations has increased to £2.4 million, with expenditure on this activity of £2.7 million. The number of candidates sitting College examinations has increased generating both the increased revenue and increased costs.

The income from trading, undertaken through the wholly owned subsidiary company, has been remarkable. The Events@No6 conference centre has experienced a significant increase in turnover as demand for meeting space has exceeded expectations. Income from RCPath Consulting has also performed well, and the combination of these has meant a healthy surplus for this activity.

During the year we secured a tenant for the 5th floor of the Alie Street premises, which is generating much needed rental income. Income from bank deposits and the College's investment portfolio have improved over the prior year with the increase in interest rates.

While this is good news, our costs have increased over the prior year. Inflationary pressures have meant that the running costs associated with all College activities have gone up. The interest payable on the mortgage loan has increased as UK base rates have moved from their historic lows last year. To counter this, the Trustee Board will be looking at ways to reduce costs and generate additional income in the new financial year.

During the year the College tendered its investment management arrangements, which resulted in switching the portfolio from Canaccord to CCLA Investment Management. The switch took place in December 2022.

UK markets had a mixed performance from July to December. The market started the year strongly, but then declined in the latter part due to a number of factors, including concerns about the global economic slowdown and geopolitical uncertainty. Inflation has remained high during the year with the Bank of England raising interest rates in an effort to combat inflationary pressures.

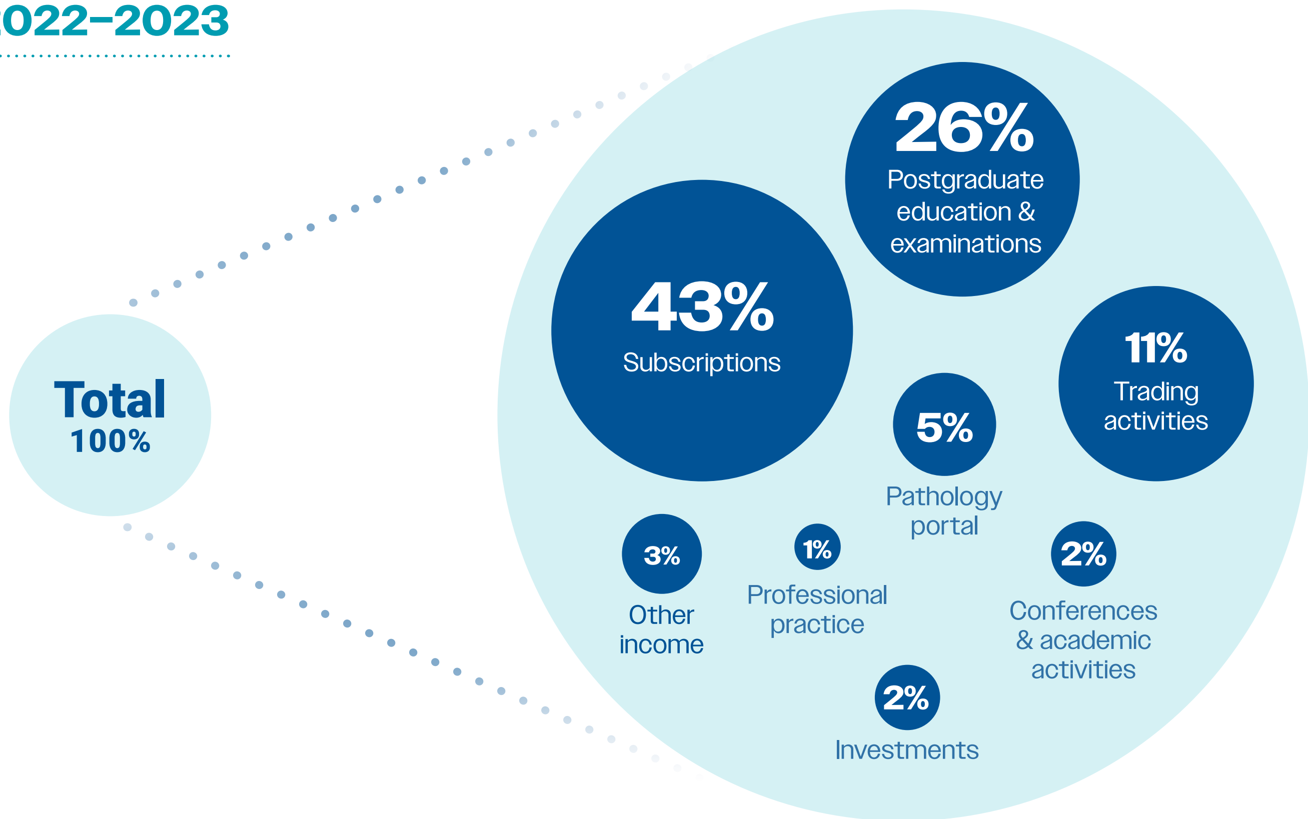
The total return from the COIF Charities Ethical Investment Fund over the 6-month period ended on 30 June 2023 was +1.7%. Within equities, which make up the majority of the portfolio, the Fund's returns were strong in absolute terms but lagged the equity market as a whole. This reflected the fact that as a diversified portfolio, the Fund's allocation to the handful of technology stocks which accounted for almost all of the market's total returns is lower than the dominant share these companies represent in the market as a whole. Elsewhere, some of the Fund's healthcare stocks had a weak period, although those focusing on medical technology and surgical devices continued to perform well. Conversely, the Fund's avoidance of traditional energy companies was supportive of relative returns at a time when that sector underperformed the rest of the market.

The accounts published overleaf are not the statutory accounts, but a summary of information relating to both the statement of financial activities and the balance sheet. The full financial statements have been audited and contain an unqualified audit report. They were approved by the Trustee Board on 3 August 2023 and have been submitted to the Charity Commission. Any member may request a copy of the full accounts by writing to the Chief Executive.

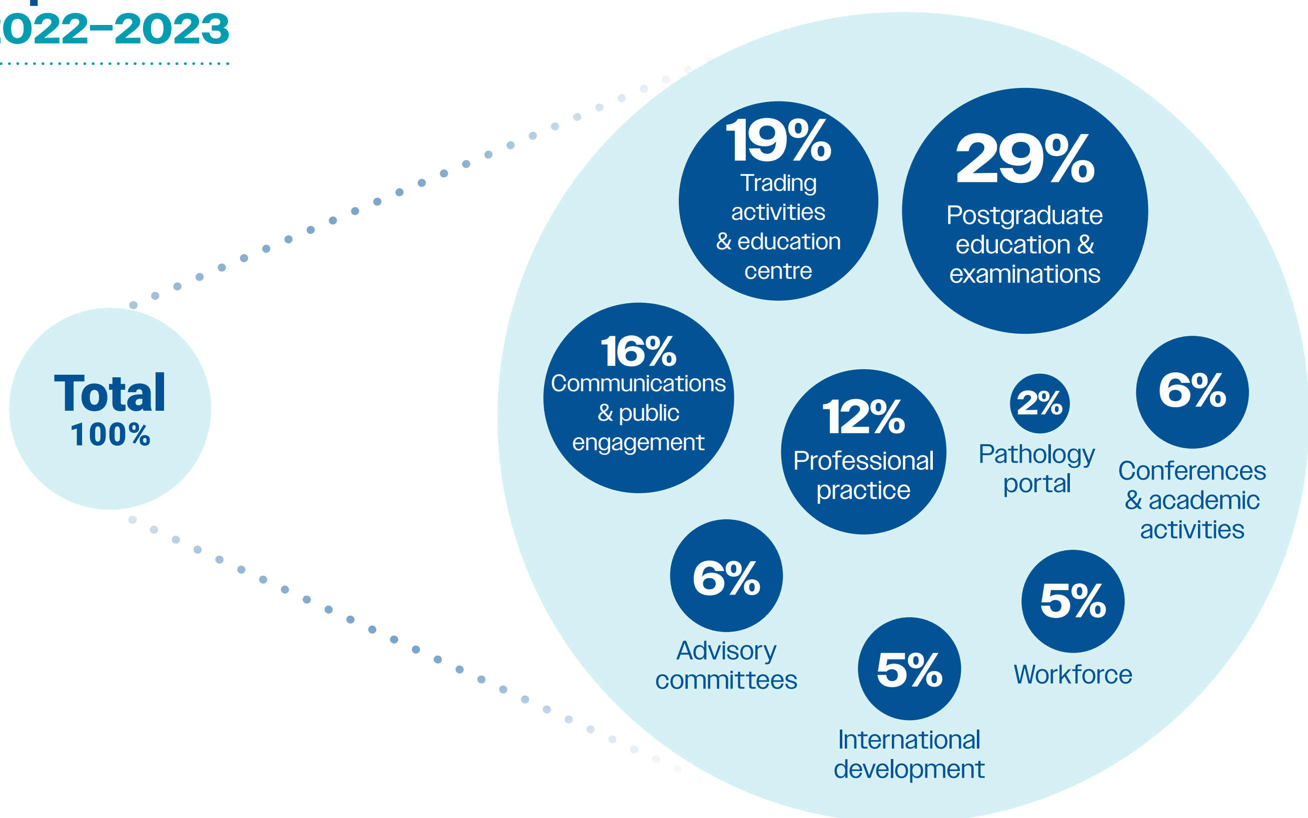
Dr John Ashcroft,
Treasurer

Mr Daniel Ross,
Chief Executive

Income
2022–2023



Expenditure
2022–2023



Consolidated Statement of Financial Activities
for the year ended 30 June 2023

	Unrestricted General Funds	Unrestricted Designated Funds	Restricted Funds	Total Funds 30 June 2023	Total Funds 30 June 2022
	£	£	£	£	£
Income from:					
Donations & legacies	588	-	-	588	588
Charitable activities					
Subscriptions	4,047,750	-	-	4,047,750	3,974,297
Postgraduate education & examinations	2,413,610	-	15,000	2,428,610	1,994,594
Pathology Portal	-	-	500,000	500,000	500,000
International development	44,290	-	12,294	56,584	45,239
Conferences & academic activities	207,090	-	-	207,090	190,467
Professional practice	64,777	-	-	64,777	57,844
Research	-	-	-	-	40,000
Communications & public engagement	-	-	-	-	115
Trading activities	1,713,200	-	-	1,713,200	901,377
Investments	153,171	-	14,746	167,917	79,477
Other	253,690	-	-	253,690	65,253
Total income	**8,898,166**	-	**542,040**	**9,440,206**	**7,849,251**
Expenditure on:					
Raising funds					
Trading activities & education centre	1,777,035	2,207	-	1,779,242	1,402,186
Investment management	16,876	-	-	16,876	41,682
Other	192,190	36,440	-	228,630	-
Charitable activities					
Postgraduate education & examinations	2,674,685	18,834	10,527	2,704,046	2,202,566
Pathology Portal	-	-	164,162	164,162	160,987
International development	413,675	5,738	7,166	426,579	359,539
Conferences & academic activities	501,518	4,930	-	506,448	415,176
Professional practice	1,042,478	16,309	-	1,058,787	734,713
Workforce	420,516	4,344	-	424,860	378,239
Communications & public engagement	1,468,333	20,286	19,836	1,508,455	1,218,610
Advisory committees	592,100	5,152	-	597,252	436,080
Total expenditure	**9,099,406**	**114,240**	**201,691**	**9,415,337**	**7,349,778**
Net income / (expenditure) before net gains on investments	**(201,240)**	**(114,240)**	**340,349**	**24,869**	**499,473**
Net gains / (losses) on investments	198,611	-	33,493	232,104	(1,035,948)
Net income / (expenditure)	**(2,629)**	**(114,240)**	**373,842**	**256,973**	**(536,475)**
Transfers between funds	(78,997)	77,997	1,000	-	-
Net movement in funds	**(81,626)**	**(36,243)**	**374,842**	**256,973**	**(536,475)**
Reconciliation of funds:					
Total funds brought forward	6,787,507	29,556,648	1,610,919	37,955,074	38,491,549
Total funds carried forward	**6,705,881**	**29,520,405**	**1,985,761**	**38,212,047**	**37,955,074**

Consolidated Balance Sheet
as at 30 June 2023

	2023	2022
	£	£
Fixed assets:		
Tangible assets	37,096,288	37,777,416
Investments	5,387,986	5,233,165
Total fixed assets	**42,484,274**	**43,010,581**
Current assets:		
Stocks	2,886	4,489
Debtors	958,743	803,693
Cash at bank and in hand	7,207,779	7,066,834
Total current assets	**8,169,408**	**7,875,016**
Liabilities:		
Creditors: Amounts falling due within one year	(4,484,144)	(4,607,566)
Net current assets	**3,685,264**	**3,267,450**
Total assets less current liabilities	46,169,538	46,278,031
Creditors: Amounts falling due after more than one year	(7,957,491)	(8,322,957)
Total net assets	**38,212,047**	**37,955,074**
The funds of the College:		
Unrestricted funds – general funds	6,705,881	6,787,507
Unrestricted funds – designated funds	29,520,405	29,556,648
Restricted funds	1,985,761	1,610,919
Total College funds	**38,212,047**	**37,955,074**

The financial statements were approved by the Trustee Board on 3 August 2023 and signed on behalf of the Trustee Board by:

Professor Mike Osborn,
President

Dr John Ashcroft,
Treasurer

Independent Auditor's Statement to the Trustees of the Royal College of Pathologists

The full financial statements were audited by Begbies, Chartered Accountants, and approved by the Trustee Board on 3 August 2023 and signed on their behalf by Professor Mike Osborn and Dr John Ashcroft.

Begbies,
Chartered Accountants and Registered Auditors,
9 Bonhill Street, London EC2A 4DJ,
3 August 2023

The Royal College of Pathologists
Pathology: the science behind the cure

6 Alie Street, London E1 8QT
020 7451 6700 | www.rcpath.org

@rcpath /rcpath