



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

Annual report and financial statements
For the year ended 30 June 2022

Registered charity number 261035



The Royal College of Pathologists
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The Royal College of Pathologists

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The Royal College of Pathologists

Report of the trustees for the year ended 30 June 2022

The Trustee Board are pleased to present their report together with the financial statements of the College for the year ended 30 June 2022.

Objectives & activities

The College's mission is to promote excellence in the practice of pathology and maintain 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. 95% of patients will have a pathologist involved in their healthcare journey. (<https://www.england.nhs.uk/wp-content/uploads/2014/02/pathol-dig-first.pdf>)

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.

Much of pathology goes on behind the scenes which may account for the fact that many people are almost unaware of its ongoing and vital contributions to modern medicine. Without the work of pathologists there could be no evidence to support the diagnosis and clinical management of disease, 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, webinars 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.
- Making our case to parliamentarians through the Health Committee, All Party Health Groups, individual ministers and civil servants to raise awareness of the role pathology plays in providing safe patient care.
- 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 provide information about the range of 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.

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Report of the trustees for the year ended 30 June 2022

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:

- Increase interest in pathology as a career option.
- Raise awareness of pathology and its crucial role in treating and curing disease.
- 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, as well as the Certificate and Diploma examinations and the Stage A and Stage C BMS 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.
- Management of the review and approval of applications for Fellowship by published works.
- Supporting training and continuing professional development through the provision of the Pathology Portal.
- 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.

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Report of the trustees for the year ended 30 June 2022

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 ongoing oversight of, and governance for, external quality assessment stakeholders.

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 delivering 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.
- Hosting webinars for new guidance documents to support pathologist understanding and apply them in practice.

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.

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Report of the trustees for the year ended 30 June 2022

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.
- Managing grant schemes and awards.

International development

- Providing support for the work of the International Committee, chaired by the Clinical Director of International Activities, and the International Regional Advisors and Country Advisors.
- Supporting current international medical graduates through provision of the College sponsorship scheme and Medical Training Initiative, and the International Trainee Support Scheme.
- Supporting future international pathologists throughout their careers through the provision of the International Pathology School.
- Providing support for examinations and candidates based outside of the UK.
- Providing support for refugee pathologists in the UK.
- Providing resources for members and healthcare workers in regions affected by challenge and conflict.
- Fostering international strategic partnerships, collaborations and alliances through the development of Memorandums of Understanding and delivering the work agreed.
- Delivering International Pathology Day annually.
- Advocating and promoting the role of the College internationally, including through the delivery of projects (e.g. ARISE).
- Supporting the professional development of international members and trainees.
- Raising awareness and understanding about the role and contribution of pathology to global health.

Equality, diversity and inclusion (EDI)

- Hosting regular meetings of the EDI Network to ensure EDI is embedded in all the College does
- Developing an action plan to increase diversity and ensure inclusion.
- Progressing work to initiate a survey of member characteristics and barriers to engagement to better inform the College’s policies and procedures.
- Hosting events to raise awareness of EDI matters and generate discussion.

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.

The Royal College of Pathologists

Report of the trustees for the year ended 30 June 2022

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 30th June 2022.

Investment performance

The last 12 months were a tale of two contrasting halves. The second half of 2021 was still cheerful for markets, whereas the first half of 2022 destroyed value almost everywhere. In sterling terms, the first period saw global equities rising 8.5%, whereas the second period witnessed a drop of 12.5%, for a net 12 month return of -5%. UK Government bonds showed something surprisingly similar in direction, but much worse in outcome, with the first period up 0.6% and the second down -14% for a net 12 month return of -13.5%.

Inflation was the main economic (and human) issue throughout the whole period, with the UK CPI jumping from 2.5% to 9.1%. Part of the increase was due to the Ukraine war raising energy and food prices across the world, but the inflationary surge had started well before that. Central banks responded with celerity, announcing plans to increase rates to levels sufficient to tame inflation. A further concern was recently added to investors' worry list: economic growth.

Within equities, the value and growth styles tracked each other during the first half and then growth collapsed during the second half. The energy, commodities and defence sectors have soared in the last 6 months whilst all other sectors fell sharply. Most of that move was due to circa 60% rise in oil and gas prices caused by the Ukraine war. As the investment mandate is to ensure that securities in the portfolio do not contravene the specific ethical requirements regarding direct investment in fossil fuels, mining, tobacco, and armaments, this has affected the overall portfolio, resulting in a fall in value over the last 12 months. However, over the longer term the investments have still delivered good positive returns.

Financial review

The total income of the College amounted to £7.85 million, with expenditure of £7.35 million and a resultant surplus of £499k. The investment portfolio decreased by £1.03 million, resulting in a deficit for the year of £536k

Membership subscriptions continue to be the largest source of income, amounting to £3.97 million. We measure our success by membership numbers, which stood at 12,500 at the beginning of the financial year and 13,000 at the end. Income from postgraduate education and examinations amounted to £2 million compared to £2.2 million last year. The prior year was unusual in terms of income as we were dealing with catch up as a result of Covid-19, effectively running an additional examination sitting. Examination operations have now normalised, with candidate numbers continuing to be strong. The College continued to hold many meetings virtually, this saving on travel and accommodation costs.

Income from the trading activities of the College through the Events @ No 6 conference centre amounted to £901k, a considerable increase over the prior year. Following the relaxation of the restrictions that had to be imposed because of the Covid-19 pandemic, the centre has been able to operate throughout the year, with bookings returning slowly for the second half of 2021 and then more robustly for the first half of 2022. Due to a strong performance in the last 3 months of the financial year, the budget for the whole year has been exceeded, and bookings continue to hold up well going forward. The decision to retain the sales and marketing staff so that we could be on the front foot as the economy opened up was the right one, as we were able to respond quickly to booking enquiries and convert these into firm contracted business. The trading subsidiary currently has a net deficit and the trustees anticipate it will return to surplus within the next 5 years.

The Royal College of Pathologists Report of the trustees for the year ended 30 June 2022

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 2022 the level of free reserves of £6.4 million equated to 10.6 months of unrestricted expenditure. The total amount of restricted funds at 30 June 2022 amounted to £1.61 million. Total College funds amounted to £37.96 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. The total of designated funds at 30 June 2022 amounted to £29.56 million.

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 investment in fossil fuel, tobacco, mining or armament companies. The portfolio is managed by an investment management company. The total return approach where income and capital gains are considered in aggregate is adopted, including for those investments relating to restricted funds.

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Report of the trustees for the year ended 30 June 2022

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) IT risks, including breach of security on systems, the failure to update or innovate IT systems, and reliance on the College database; and (c) economic factors including inflation and their impact on the costs of the College and the ability to match these with rising income streams.

The risks associated with Covid-19 are being mitigated by continuing to run committee meetings and other events virtually or on a hybrid basis, ensuring technology is up to date to allow this to happen, 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 increasing marketing activities, and 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 having replaced on-premises IT systems with cloud hosted technologies and conducting regular reviews of equipment and software. A review of the requirements for the College including the database has commenced, and a technology transformation steering group has been established that reports directly to the trustee board to oversee the governance and progress of this significant project.

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 2022**

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 2022**

Structure, Governance & Management (continued)

The honorary officers are elected by the fellows and diplomate members as a whole from amongst the fellows. The chairs of the regional councils are elected by the fellows and diplomate members 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 2022**

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 five 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
Dr Bernie Croal	Chair, Scotland regional council
Prof Angharad Davies	Vice President
Ms Jill Gauntlett	Lay Trustee
Dr Anita Hill	Co-opted Trustee (appointed 18 November 2021)
Prof Peter Johnston	Vice President
Dr Jonathan Kell	Chair, Wales regional council
Dr Elijah Matovu	Co-opted Trustee (appointed 18 November 2021)
Dr Gareth McKeeman	Chair, Northern Ireland regional council (appointed 18 November 2021)
Prof Ken Mills	Chair, Northern Ireland regional council (demitted office 18 November 2021)
Dr Stephen Morley	Assistant Registrar (appointed 18 November 2021)
Prof Mike Osborn	President
Dr Lance Sandle	Registrar
Mr Robert Smith	Lay Trustee & Chair of Trustee Board
Mr Vincent Voon	Lay Trustee
Dr Esther Youd	Assistant Registrar (demitted office 13 October 2021)

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Report of the trustees for the year ended 30 June 2022

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

Principal Office

The Royal College of Pathologists, 6 Alie Street, London E1 8QT.
Telephone: 020 7451 6700
E-mail: info@rcpath.org
Website: www.rcpath.org

Registered charity number 261035 in England & Wales
Company registration number RC000127

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:



Professor Mike Osborn
President
4 August 2022

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 2022 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 2022 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.

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;
- 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

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

- 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.

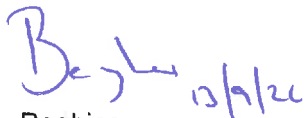
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, 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. 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 13/11/22

Begbies
Chartered Accountants
Statutory Auditors

9 Bonhill Street
London
EC2A 4DJ

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 2022

	Note	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income from:						
Donations & legacies	5	588	-	-	588	1,483
Charitable activities						
Subscriptions		3,974,297	-	-	3,974,297	3,785,867
Postgraduate education & examinations		1,981,094	-	13,500	1,994,594	2,199,501
Pathology portal		-	-	500,000	500,000	175,000
International development		35,218	-	10,021	45,239	14,316
Conferences & academic activities		190,467	-	-	190,467	262,107
Professional standards		57,844	-	-	57,844	52,626
Research		-	-	40,000	40,000	-
Communications & public engagement		115	-	-	115	423
Trading activities		901,377	-	-	901,377	68,324
Investments	4	77,614	-	1,863	79,477	93,946
Other		65,253	-	-	65,253	79,820
Total income		7,283,867	-	565,384	7,849,251	6,733,413
Expenditure on:						
Raising funds						
Trading activities & education centre		1,350,735	1,154	50,297	1,402,186	946,270
Investment management		41,682	-	-	41,682	23,557
Charitable activities						
Postgraduate education & examinations		2,202,566	-	-	2,202,566	1,750,826
Pathology portal		-	-	160,987	160,987	138,871
International development		343,197	-	16,342	359,539	360,670
Conferences & academic activities		390,508	-	24,668	415,176	354,816
Research		-	-	-	-	3,462
Professional standards		361,753	-	-	361,753	269,543
Clinical effectiveness		365,192	7,768	-	372,960	259,300
Workforce		378,239	-	-	378,239	313,000
Communications & public engagement		1,217,789	-	821	1,218,610	1,096,090
Advisory committees		436,080	-	-	436,080	413,749
Total expenditure	8	7,087,741	8,922	253,115	7,349,778	5,930,154
Included in the above expenditure is £121,623 relating to non-recurrent IT costs	11					
Net income / (expenditure) before net gains on investments		196,126	(8,922)	312,269	499,473	803,259
Net (losses) / gains on investments	14	(874,964)	-	(160,984)	(1,035,948)	1,035,623
Net income / (expenditure)		(678,838)	(8,922)	151,285	(536,475)	1,838,882
Transfers between funds	19	(129,753)	128,753	1,000	-	-
Net movement in funds		(808,591)	119,831	152,285	(536,475)	1,838,882
Reconciliation of funds:						
Total funds brought forward		7,596,098	29,436,817	1,458,634	38,491,549	36,652,667
Total funds carried forward	19	6,787,507	29,556,648	1,610,919	37,955,074	38,491,549

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 2022

	Note	Consolidated		College	
		2022 £	2021 £	2022 £	2021 £
Fixed Assets:					
Tangible assets	13	37,777,416	38,403,585	37,777,416	38,403,585
Investments	14	5,233,165	6,294,113	5,233,265	6,294,213
Total fixed assets		43,010,581	44,697,698	43,010,681	44,697,798
Current assets:					
Stocks	15	4,489	4,900	4,489	4,900
Debtors	16	803,693	477,465	1,137,333	844,610
Cash at bank and in hand		7,066,834	6,143,921	6,822,340	6,138,929
Total current assets		7,875,016	6,626,286	7,964,162	6,988,439
Liabilities:					
Creditors: Amounts falling due within one year	17	(4,607,566)	(4,040,079)	(4,277,229)	(3,958,939)
Net current assets		3,267,450	2,586,207	3,686,933	3,029,500
Total assets less current liabilities		46,278,031	47,283,905	46,697,614	47,727,298
Creditors: Amounts falling due after more than one year	17	(8,322,957)	(8,792,356)	(8,322,957)	(8,792,356)
Total net assets		37,955,074	38,491,549	38,374,657	38,934,942
The funds of the College:					
Unrestricted funds - general funds	21	6,787,507	7,596,098	7,207,090	8,039,491
Unrestricted funds - designated funds	21	29,556,648	29,436,817	29,556,648	29,436,817
Restricted funds	21	1,610,919	1,458,634	1,610,919	1,458,634
Total College funds		37,955,074	38,491,549	38,374,657	38,934,942

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

The financial statements were approved by the Trustee Board on 4th August 2022 and signed on behalf of the Trustee Board by



Professor Mike Osborn
President



Dr Andrew Boon
Treasurer

The Royal College of Pathologists
Consolidated statement of cash flows for the year ended 30 June 2022

	2022 £	2021 £
Cash flows from operating activities:		
Net cash provided by / (used in) operating activities (note 1 below)	1,375,059	1,190,575
Cash flows from investing activities:		
Dividends and interest received	79,477	93,946
Purchase of property, plant and equipment	(61,466)	(39,688)
Proceeds from the sale of investments	1,536,205	1,529,147
Purchase of investments	(1,382,352)	(1,680,003)
Net cash provided by / (used in) investing activities	171,864	(96,598)
Cash flows from financing activities		
Repayment of borrowing	(495,979)	(326,503)
Cash inflows from new borrowing	-	-
Net cash provided by / (used in) financing activities	(495,979)	(326,503)
Change in cash and cash equivalents in the year	1,050,942	767,474
Cash and cash equivalents at the beginning of the year	6,148,220	5,380,746
Cash and cash equivalents at the end of the year (note 2 below)	7,199,162	6,148,220

Notes to the statement of cash flows

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

	2022 £	2021 £
Net income/(expenditure) for the year (as per the statement of financial activities)	(536,475)	1,838,882
Adjustments for:		
Depreciation charges	687,635	672,584
(Gains)/losses on investments	1,035,948	(1,035,623)
Dividends and interest	(79,477)	(93,946)
(Increase)/decrease in stocks	(411)	6,331
(Increase)/decrease in debtors	(326,228)	86,745
Increase/(decrease) in creditors	594,067	(284,398)
Net cash provided by / (used in) operating activities	1,375,059	1,190,575

2. Analysis of cash and cash equivalents

	2022 £	2021 £	Change in year £
Cash at bank	7,066,834	6,143,921	922,913
Cash at broker	132,328	4,299	128,029
Total cash and cash equivalents	7,199,162	6,148,220	1,050,942

Analysis of changes in net debt

	2022 £	Cash flows £	2021 £
Cash	7,066,834	922,913	6,143,921
Cash at broker	132,328	128,029	4,299
Loans falling due within one year	(291,250)	26,580	(317,830)
Loans falling due more than one year	(8,322,957)	469,399	(8,792,356)
	(1,415,045)	1,546,921	(2,961,966)

The Royal College of Pathologists
Notes to the Financial Statements as at 30 June 2022

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 2022

(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 FRS 102. 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 2022

(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 has made some losses to date in its 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:

	2022	2021
	£	£
Profit & Loss account		
Turnover	934,310	68,325
Cost of sales and administrative expenses	(910,501)	(274,909)
Net profit / (Loss)	23,809	(206,584)
Payable under gift aid to The Royal College of Pathologists	-	-
Profit / (Loss) retained in RCPATH Trading Limited	23,809	(206,584)
 Balance sheet		
	2022	2021
	£	£
Debtors	259,550	19,402
Cash at bank	244,495	4,993
	504,045	24,395
Creditors: amounts falling due within one year	(330,337)	(81,139)
Net current assets	173,708	(56,744)
Creditors: amounts falling due after more than one year	(593,190)	(386,547)
Net assets / (liabilities)	(419,482)	(443,291)
Share capital	100	100
Profit and loss account	(419,582)	(443,391)
Capital and reserves at 30 June	(419,482)	(443,291)

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. The loan is for a period of up to 10 years.

The College purchased £32,933 (2021 - £Nil) of services from its wholly owned subsidiary during the year and received a payment of £17,500 (2021 - £Nil) towards the cost of shared overheads. Interest on the loan amounting to £10,419 (2021 - £7,582) was payable by the subsidiary company to the College. 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 2022

3. Detailed comparatives for the statement of financial activities in 2021

	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Total Funds 30 June 2021 £
Income from:				
Donations & legacies	1,483	-	-	1,483
Charitable activities				
Subscriptions	3,785,867	-	-	3,785,867
Postgraduate education & examinations	2,194,501	-	5,000	2,199,501
Digital education project	-	-	175,000	175,000
International development	14,316	-	-	14,316
Conferences & academic activities	262,107	-	-	262,107
Professional standards	52,626	-	-	52,626
Communications & public engagement	423	-	-	423
Trading activities	68,324	-	-	68,324
Investments	91,757	-	2,189	93,946
Other	79,820	-	-	79,820
Total income	6,551,224	-	182,189	6,733,413
Expenditure on:				
Raising funds				
Trading activities	945,670	600	-	946,270
Investment management fees	23,557	-	-	23,557
Charitable activities				
Postgraduate education & examinations	1,737,826	-	13,000	1,750,826
Digital education project	-	-	138,871	138,871
International development	355,670	-	5,000	360,670
Conferences & academic activities	262,873	-	91,943	354,816
Research	-	-	3,462	3,462
Professional standards	269,543	-	-	269,543
Clinical effectiveness	251,717	7,583	-	259,300
Workforce	313,000	-	-	313,000
Communications & public engagement	1,095,270	-	820	1,096,090
Advisory committees	391,165	22,584	-	413,749
Total expenditure	5,646,291	30,767	253,096	5,930,154
Net income / (expenditure) before net gains on investments	904,933	(30,767)	(70,907)	803,259
Net gains on investments	871,548	-	164,075	1,035,623
Net income / (expenditure)	1,776,481	(30,767)	93,168	1,838,882
Transfers between funds	(604,420)	603,420	1,000	-
Net movement in funds	1,172,061	572,653	94,168	1,838,882
Reconciliation of funds:				
Total funds brought forward	6,424,037	28,864,164	1,364,466	36,652,667
Total funds carried forward	7,596,098	29,436,817	1,458,634	38,491,549

The Royal College of Pathologists
Notes to the Financial Statements as at 30 June 2022

4. Income from investments

	2022 £	2021 £
Bank deposit interest	5,633	6,164
Income from listed investments	55,209	58,487
Income from investment properties	18,635	29,295
	<u>79,477</u>	<u>93,946</u>

5. Donations & Legacies

	2022 £	2021 £
College members	588	850
Other donations	-	633
	<u>588</u>	<u>1,483</u>

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

	2022 £	2021 £
The total cost of salaries and wages were		
Salaries and wages	2,644,301	2,391,857
Redundancy and termination costs	21,500	-
Social security costs	280,500	238,755
Pension contributions	337,846	328,813
	<u>3,284,147</u>	<u>2,959,425</u>

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:

	2022 No.	2021 No.
£70,001 - £80,000	2	-
£80,001 - £90,000	2	3
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-

Contributions were made to a defined benefit pension scheme amounting to £74,969 (2021 - £57,968) in respect of the staff noted above.

The key management personnel of the charity comprise the trustees, the Chief Executive and the 4 (2021 - 3) other senior managers. The total employee remuneration of the key management personnel amounted to £578,761 (2021 - £465,666).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021 - £Nil). No charity trustee received payment for professional or other services supplied to the charity (2021 - £Nil).

Travel, subsistence and accommodation costs incurred amounting to £20,719 (2021 - £209) were reimbursed to 13 (2021 - 2) members of the Trustee Board.

Details of the transactions with the trading subsidiary are included in note 2.

During the year there were no other related party transactions (2021 - £Nil).

The Royal College of Pathologists
Notes to the Financial Statements as at 30 June 2022

7. Staff numbers

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

	2022 No.	2021 No.
Postgraduate education & examinations	19.9	20.0
Conferences & academic activities	5.0	4.9
Professional standards	3.9	4.4
Clinical effectiveness	4.9	2.8
Advisory committees	4.9	4.5
Communications & public relations	15.4	13.4
Workforce	4.5	4.2
Education centre	2.0	1.2
International development	3.4	4.8
	63.9	60.2
The average number of full time equivalent employees during the year was	58.8	54.8

8. Total expenditure
(Current year)

	Direct Costs £	Staff Costs £	Support Costs £	Total 2022 £	Total 2021 £
Trading activities & education centre	777,538	116,626	508,022	1,402,186	946,270
Investment management fee	41,682	-	-	41,682	23,557
Postgraduate education & examinations	541,110	981,890	679,566	2,202,566	1,750,826
Pathology Portal	124,248	36,739	-	160,987	138,871
International development	16,346	179,417	163,776	359,539	360,670
Conferences & academic activities	8,350	258,415	148,411	415,176	354,816
Research	-	-	-	-	3,462
Professional standards	5,116	222,895	133,742	361,753	269,543
Clinical Effectiveness	20,257	256,692	96,011	372,960	259,300
Workforce	(20)	242,108	136,151	378,239	313,000
Communications & public engagement	104,024	749,401	365,185	1,218,610	1,096,090
Advisory committees	17,559	239,964	178,557	436,080	413,749
Total for the year ended 30 June 2020	1,656,210	3,284,147	2,409,421	7,349,778	5,930,154

8. Total expenditure
(Prior year)

	Direct Costs £	Staff Costs £	Support Costs £	Total 2021 £
Trading activities & education centre	210,623	65,194	670,453	946,270
Investment management fee	23,557	-	-	23,557
Postgraduate education & examinations	402,381	908,043	440,402	1,750,826
Pathology Portal	64,099	74,772	-	138,871
International development	10,211	213,985	136,474	360,670
Conferences & academic activities	(7,101)	246,775	115,142	354,816
Research	3,462	-	-	3,462
Professional standards	3,713	155,596	110,234	269,543
Clinical Effectiveness	10,248	176,257	72,795	259,300
Workforce	888	203,570	108,542	313,000
Communications & public engagement	128,893	687,045	280,152	1,096,090
Advisory committees	55,626	228,188	129,935	413,749
Total for the year ended 30 June 2019	906,600	2,959,425	2,064,129	5,930,154

Governance costs are contained within support costs and are not shown separately. They comprise the expenditure in relation to the trustee board of £12,437 (2021 - £Nil), trustee recruitment costs of £Nil (2021 - £8,617), legal costs of £21,453 (2021 - £20,832) and the auditors remuneration as detailed in note 9.

The Royal College of Pathologists
Notes to the Financial Statements as at 30 June 2022

9. Net incoming resources for the year

	2022	2021
	£	£
This is stated after charging:		
Depreciation	687,635	672,584
Auditor's remuneration - external audit	9,243	9,500
Auditor's remuneration - payroll bureau services	5,912	5,429
Trustee liability indemnity insurance	752	831
	752	831

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 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 2022

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	164,891	70,617	34,846	409,212	679,566
International development	50,210	21,503	10,611	81,452	163,776
Conferences & academic activities	43,080	18,449	9,104	77,778	148,411
Professional standards	41,891	17,941	8,853	65,057	133,742
Clinical effectiveness	27,630	11,833	5,839	50,709	96,011
Workforce	38,326	16,414	8,099	73,312	136,151
Communications & public engagement	107,551	46,060	22,728	188,846	365,185
Trading activities & education centre	19,312	8,270	4,081	476,359	508,022
Advisory committees	44,862	19,213	9,481	105,001	178,557
Total support costs year ended 30 June 2022					2,409,421

Included in information technology costs above, as allocated across the various departments, is an amount of £121,623 in relation to non-recurrent IT costs.

(Prior 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
Total support costs year ended 30 June 2021					2,064,129

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	659,724	118,107	111,987	72,385	19,687	981,890
Digital education project	36,739	-	-	-	-	36,739
International development	106,112	25,972	25,935	16,825	4,573	179,417
Conferences & academic activities	174,455	30,643	29,261	18,911	5,145	258,415
Professional standards	142,031	29,072	28,399	18,390	5,003	222,895
Clinical effectiveness	200,343	21,978	18,943	12,129	3,299	256,692
Workforce	167,078	27,574	26,056	16,825	4,575	242,108
Communications & public engagement	536,927	79,167	73,254	47,213	12,840	749,401
Trading activities & education centre	89,568	10,441	9,151	5,869	1,597	116,626
Advisory committees	153,332	31,167	30,416	19,694	5,355	239,964
Total salary costs year ended 30 June 2022						3,284,147

The Royal College of Pathologists
Notes to the Financial Statements as at 30 June 2022

11. Allocation of costs (continued)

(Prior 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
Total salary costs year ended 30 June 2021						2,959,425

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 2021	38,635,520	1,214,298	917,607	40,767,425
Additions	5,596	55,870	-	61,466
Disposals	-	-	-	-
At 30 June 2022	38,641,116	1,270,168	917,607	40,828,891
Depreciation				
At 1 July 2021	832,593	938,386	592,861	2,363,840
Provided in year	372,824	159,290	155,521	687,635
Disposals	-	-	-	-
At 30 June 2022	1,205,417	1,097,676	748,382	3,051,475
Net book value at 30 June 2022	37,435,699	172,492	169,225	37,777,416
Net book value at 30 June 2021	37,802,927	275,912	324,746	38,403,585

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 2022

14. Investments

	Consolidated		College	
	2022 £	2021 £	2022 £	2021 £
Market value at 1 July 2021	6,294,112	5,281,517	6,294,212	5,281,617
Additions at cost	1,382,358	1,680,003	1,382,358	1,680,003
Disposals at market value	(1,407,357)	(1,703,030)	(1,407,357)	(1,703,030)
Net gain on revaluation	(1,035,948)	1,035,623	(1,035,948)	1,035,623
Market value at 30 June 2022	5,233,165	6,294,113	5,233,265	6,294,213
Historical cost at 30 June 2022	4,671,934	4,350,188	4,672,034	4,350,288
Investments at market value comprised:				
Fixed interest securities	206,989	233,948	206,989	233,948
Listed equity shares	280,594	2,592,860	280,594	2,592,860
Listed investment trusts and unit trusts	3,915,142	2,764,894	3,915,142	2,764,894
Cash held by investment manager awaiting reinvestment	132,328	4,299	132,328	4,299
Investment property	698,112	698,112	698,112	698,112
Unlisted investments	-	-	100	100
Market value as at 30 June 2022	5,233,165	6,294,113	5,233,265	6,294,213

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 2022.

Unlisted investments at cost comprise:

	2022 £	2021 £
RCPATH Trading Limited - 100 ordinary shares of £1 each	100	100
	100	100

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.

Further details of the investment policy and objectives are contained in the investment policy section of the report of the Trustees.

15. Stocks

Consolidated and College	2022 £	2021 £
Memorabilia for resale	4,489	4,900
	4,489	4,900

The Royal College of Pathologists
Notes to the Financial Statements as at 30 June 2022

16. Debtors

	Consolidated		College	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	294,458	27,327	34,909	7,925
Prepayments and accrued income	175,928	137,470	175,928	137,470
Other debtors	333,307	312,668	333,307	312,668
Amounts due from subsidiary undertaking	-	-	593,189	386,547
	<u>803,693</u>	<u>477,465</u>	<u>1,137,333</u>	<u>844,610</u>

The amount due from the subsidiary undertaking of £593,189 is due after more than one year.

17. Creditors

	Consolidated		College	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due within one year				
Deferred income (note 18)	3,378,715	2,777,290	3,244,738	2,746,855
Trade Creditors	319,435	183,253	126,789	138,698
Other creditors	129,804	92,992	129,804	92,992
Taxation and social security	81,780	63,685	81,780	63,685
Accruals	406,582	605,029	402,868	598,879
Bank Loan	291,250	317,830	291,250	317,830
	<u>4,607,566</u>	<u>4,040,079</u>	<u>4,277,229</u>	<u>3,958,939</u>

Amounts falling due after more than one year
Consolidated and College

	2022	2021
	£	£
Bank loan - amount due between 2 and 5 years	1,240,642	1,323,430
Bank loan - amount due after 5 years	7,082,315	7,468,926
	<u>8,322,957</u>	<u>8,792,356</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. Interest is charged at 1.5% above base rate.

18. Deferred income

	Consolidated		College	
	2022	2021	2022	2021
	£	£	£	£
Balance at 1 July 2021	2,777,290	3,129,527	2,746,855	3,129,527
Amount released to incoming resources	(2,765,730)	(3,129,527)	(2,746,855)	(3,129,527)
Amount deferred in the year	3,367,155	2,777,290	3,244,738	2,746,855
Balance as at 30 June 2022	<u>3,378,715</u>	<u>2,777,290</u>	<u>3,244,738</u>	<u>2,746,855</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 £500,000 of statutory funding for the year (2021 - £198,570) by way of grants for specific projects and, in addition, for the prior year 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 2022

19. Movements in Funds (Current year)	Balance at 1 July 2021 £	Incoming Resources £	Outgoing Resources £	Transfers £	Gains and Losses £	Balance at 30 June 2022 £
Restricted funds						
Research Pool Fund	22,278	11	-	-	-	22,289
Oliver Memorial Fund	164,215	543	(621)	-	(42,159)	121,978
Bhagwan Singh Fund	88,486	157	-	-	(25,731)	62,912
Flynn Lecture & Bursary Fund	240,056	643	-	-	(75,044)	165,655
Kohn Memorial Fund	41,290	1	-	-	(11,460)	29,831
Developmental Pathology Fund	26,050	2	-	-	(6,590)	19,462
Medical Examiner Training Fund	24,617	51	(24,668)	-	-	-
E-learning Project Fund	50,271	26	(50,297)	-	-	-
International Challenge Events Fund	22,721	12	-	-	-	22,733
Public Engagement Fund	2,530	1	-	-	-	2,531
Furness Prize Fund	359	-	(200)	-	-	159
Summer School Fund	20,529	13,511	-	1,000	-	35,040
William Tong Memorial Fund	2,688	1	-	-	-	2,689
Pathology Portal Fund	602,560	500,326	(160,987)	-	-	941,899
MTI Fund	50,271	26	-	-	-	50,297
Arise Project Fund	57,682	30	(6,321)	-	-	51,391
Galea Prize Fund	5,003	3	-	-	-	5,006
Undergraduate Pathology Fund	37,028	19	-	-	-	37,047
Covid Portal Fund	-	40,000	-	-	-	40,000
Ghana Project Fund	-	10,021	(10,021)	-	-	-
	1,458,634	565,384	(253,115)	1,000	(160,984)	1,610,919
Unrestricted Funds						
Designated funds						
Property Fund	28,692,741	-	-	128,753	-	28,821,494
Cancer Reporting Fund	39,066	-	(7,768)	-	-	31,298
EQA Fund	50,000	-	-	-	-	50,000
Premises Marketing Fund	37,594	-	(1,154)	-	-	36,440
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	7,416	-	-	-	-	7,416
General unrestricted fund	7,596,098	7,283,867	(7,087,741)	(129,753)	(874,964)	6,787,507
Total Funds	38,491,549	7,849,251	(7,349,778)	-	(1,035,948)	37,955,074

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

The Royal College of Pathologists
Notes to the Financial Statements as at 30 June 2022

19. Movements in Funds (Prior period)	Balance at 1 July 2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	Gains and Losses £	Balance at 30 June 2021 £
Restricted funds						
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 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
	1,364,466	182,189	(253,096)	1,000	164,075	1,458,634
Unrestricted Funds						
Designated Property Fund	28,729,321	-	-	(36,580)	-	28,692,741
Designated Cancer Reporting Fund	46,649	-	(7,583)	-	-	39,066
Designated EQA Fund	50,000	-	-	-	-	50,000
Designated 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
Total Funds	36,652,667	6,733,413	(5,930,154)	-	1,035,623	38,491,549

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. In the College's 60th anniversary year a Flynn Lecture is being held in each nation of the UK.

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 2022

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 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 to create undergraduate and foundation taster events and materials to support recruitment in pathology, and to provide bursaries under the medical elective scheme.

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 Covid Portal Fund was established to fund a research project to interrogate the Covid post-mortem portal to provide learning from the pandemic which will be disseminated by way of leaning materials, webinars or scientific papers.

The Ghana Project Fund was established by Grant in Aid from The Tropical Health and Education Trust to produce 24 webinars to support the new pathology curricula of the Faculty of Pathology of the College of Physicians of Ghana.

The designated property fund was established following the disposal of the College's previous functional property to hold the funds that were 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 2022

21. Analysis of group net assets between funds (Current year) - Consolidated	Tangible fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
General unrestricted	341,716	4,836,767	1,609,024	-	6,787,507
Designated	37,435,700	-	443,905	(8,322,957)	29,556,648
Restricted	-	396,398	1,214,521	-	1,610,919
Net assets as at 30 June 2022	37,777,416	5,233,165	3,267,450	(8,322,957)	37,955,074

21. Analysis of group net assets between funds (Current year) - College	Tangible fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total £
General unrestricted	341,716	4,836,867	2,028,507	-	7,207,090
Designated	37,435,700	-	443,905	(8,322,957)	29,556,648
Restricted	-	396,398	1,214,521	-	1,610,919
Net assets as at 30 June 2022	37,777,416	5,233,265	3,686,933	(8,322,957)	38,374,657

21. Analysis of group net assets between funds (Prior year) - Consolidated	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
Net assets as at 30 June 2021	38,403,585	6,294,113	2,586,207	(8,792,356)	38,491,549

21. Analysis of group net assets between funds (Prior year) - College	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
Net assets as at 30 June 2021	38,403,585	6,294,213	3,029,500	(8,792,356)	38,934,942

22. Presentational currency

The presentational currency is Sterling.

23. Contingent asset

During the year the College incurred non-recurrent IT costs. An insurance claim has been submitted, which, at the balance sheet date has yet to be accepted.