



Annual Report and Financial Statements

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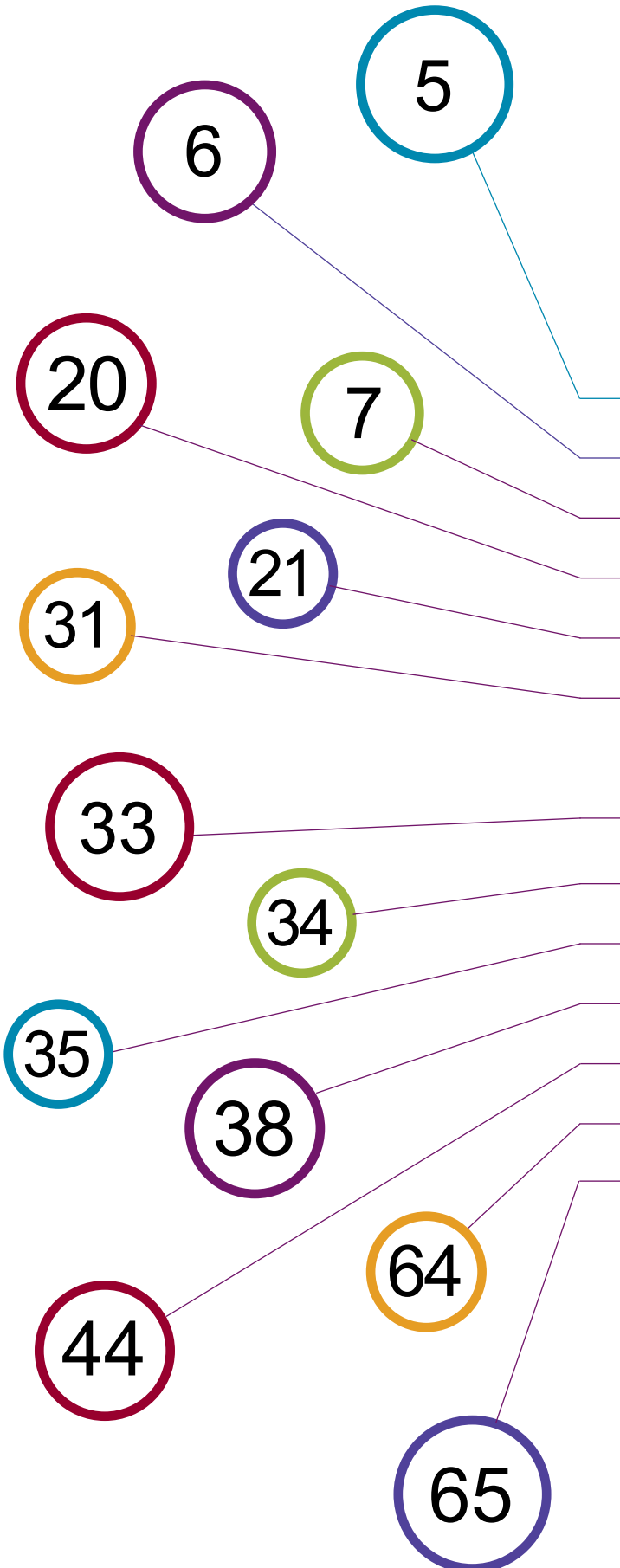
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Our governance



Mission Statement

“ The College works to secure the best outcomes for people with mental illness, learning difficulties and developmental disorders by promoting excellent mental health services, training outstanding psychiatrists, promoting quality and research, setting standards and being the voice of psychiatry. ”

The RCPsych's 2017 strategic objectives

1. Promoting quality and standards in psychiatry
2. Promoting recruitment and retention in psychiatry
3. Delivering training, CPD, exams and revalidation
4. Being the voice of psychiatry
5. Promoting research
6. Supporting our members



President's message

In June 2017, I took over from Professor Sir Simon Wessely as President of the RCPsych. Under Simon's inspirational leadership the College thrived. Our voice in the media has never been stronger and we have positive relationships with politicians at every level and those who run the arm's-length bodies that deliver the NHS.

The year 2017 was a very successful one for the College. We had a major influence on the new workforce plan for mental health which includes a commitment by the Government to expand the psychiatric workforce and to ensure that all foundation doctors in England will get a chance to experience working in mental health.

In addition, we launched one of the most successful campaigns in the College's history, called *Choose Psychiatry*, which aims to persuade more people to take up a career in our vitally important specialty. At the time of writing, we don't know how many trainees we will recruit as a result of the campaign but we do know that we had the highest number of applicants ever.

During the year, we also started the process of setting up Devolved Councils in Scotland,

Wales and Northern Ireland – to ensure that our members in the devolved nations are empowered to represent the specialty more effectively with their own governments. As we are a medical royal college, the changes we make to our constitution, to enable the setting up of Devolved Councils, will have to be signed off by the Privy Council. We hope to put the amended constitution, as approved by the Privy Council, to our AGM at the International Congress, in June. However, given the Privy Council's current workload, we may not get the changes signed off soon enough – and therefore may have to put them to an extraordinary AGM later in the year.

An area that the College has identified as requiring significant improvement is our IT. It has become clear that our systems are not good enough to support all the things our members need them to do, and at the start of 2018 our Trustee Board signed off a programme to improve our information systems' network and applications.

I hope that throughout 2018 we will continue to highlight the benefits of psychiatry with government and the media, and continue to make the case for more investment and support from decision-makers and opinion-formers – in order that psychiatrists, along with their colleagues in multi-disciplinary teams, can deliver excellent patient care.

Professor Wendy Burn
President



Chief Executive's message

Last year was a year of change for the College. Professor Wendy Burn succeeded Professor Sir Simon Wessely as the President of the College, while I succeeded Vanessa Cameron as Chief Executive.

While in post, Vanessa had helped ensure that the College became a far more influential organisation, with a hugely expanded membership (currently standing at 18,033), and an excellent new headquarters in Prescot Street, central London.

In my first full year as Chief Executive, I worked with colleagues across the organisation to build on Vanessa's legacy by:

- Enhancing the way we engage with our members
- Improving our communication with stakeholders, and
- Changing the way we engage with our staff, to enhance employee experience.

I am pleased to say that we made very real progress with all three of these priorities during 2017.

In June, we launched our new membership magazine, RCPsych Insight, at the International Congress, with the intention of explaining the work of the College, in an accessible format.

The first edition of RCPsych Insight was different to anything we had done before. It had a cartoon on the front cover, drawn by national newspaper cartoonist Martin Rowson. It had short, punchy articles about psychiatry and the work of the College. It also had big, colourful pictures, alongside bold headlines. And, when launched,

our members loved it – with many of them emailing us or posting messages on social media to say how much they enjoyed it.

We also launched a pocket-sized guide to the work of the College, called Making an Impact. The purpose of this publication was to explain the College's objectives for 2017. Like RCPsych Insight, this publication proved to be very popular with our members.

In order to set the agenda and shape the debate in mental health, we secured more national media coverage than at any other time in the College's history.

We also engaged more closely with ministers, politicians in general, and NHS leaders.

As a result, we increased our ability to shape government thinking, for instance helping to persuade the government to roll out a major new mental health workforce strategy for England.

We also campaigned hard for more support for psychiatry, and wider mental health services, in Scotland, Wales and Northern Ireland.

In order to improve employee experience, we launched a new employee engagement strategy, with our first ever staff survey being conducted in February/March 2017.

The survey had an excellent participation rate, of 81%. Following the publication of the survey, last autumn, we launched a 21-point action plan to make the College an even better place at which to work.

In 2018, we hope to enhance further both membership and employee experience – with the ultimate goal, of course, of delivering better services to psychiatrists and therefore enhancing patient care.

Paul Rees
Chief Executive



Dr Amar Shah, QI Lead

Making An Impact

our work in 2017

1

Promoting quality and standards in psychiatry

The College works to improve standards and quality, and to promote the science of quality improvement, across psychiatry and wider mental health services so as to ensure high quality patient care.

Last year we continued to run our national accreditation and peer review networks, clinical audits and research to measure the quality of care being provided and looked at how this compares to recommended best practice.

We produced local reports for mental health teams that identified their achievements and made recommendations for further improvement.

We also provided national data so that mental health teams could compare themselves to other services, and we supported frontline

clinicians, patients and carers to develop action plans.

We continued to spread good practice and innovative ideas across the nation through site visits, national events and publications. During the year, more than 90% of Mental Health Trusts in the UK participated in the work of the College Centre for Quality Improvement (CCQI) so as to help improve their services.

Meanwhile, we continued to work on the National Clinical Audit of Psychosis, the National Clinical Audit of Anxiety and Depression, and the National Audit of Dementia.

These audits were commissioned by the Healthcare Quality Improvement Partnership on behalf of NHS England.

The College's Council also agreed, in July, that the RCPsych would make the promotion of Quality Improvement (QI) across the specialty, and across the College itself, an organisational priority.

The College appointed Dr Amar Shah as its QI Lead and, during the autumn, Dr Shah trained CCQI staff in QI methodology.

The College also signed off 750 Consultant and SAS job descriptions – as a way of ensuring that the expectations of those doctors being recruited were appropriate and would allow them to meet the standards we promote. Another way the College tries to ensure the highest quality of patient care is through designing evidence-based mental health care pathways.

In January, our National Collaborating Centre for Mental Health (NCCMH) – which is a partnership with University College London (UCL) – was contracted by NICE to deliver ten pathways for NHS England.

During 2017, NCCMH developed six care pathways for publication. However, by the end of 2017, these pathways were still awaiting publication by NHS England.

The pathways completed and awaiting publication are:

- The Acute Mental Health Care Pathway for Adults and Older Adults
- The Children and Young People's Mental Health Care Pathway
- The Eating Disorders Pathway for Children and Young People - Inpatient and Intensive Day Care
- The Emergency Mental Health Care Pathways for All Ages
- The Improving Access to Psychological Therapies (IAPT) Pathway for People with Long-Term Physical Health Conditions and Medically Unexplained Symptoms
- The Perinatal Mental Health Care Pathway.

NCCMH also developed a manual for IAPT services, which at the end of 2017 was going through the NHS England gateway processes and awaiting publication.

In addition, NCCMH was also awarded a contract to develop a competency framework for suicide prevention from Health Education England.

Through its *Healthy Start, Healthy Scotland* campaign, the RCPsych in Scotland proposed a Managed Clinical Network for Perinatal and Infant Mental Health, which was approved for funding by the Scottish Government and then launched by the Minister for Mental Health in January 2017.

The RCPsych in Wales developed a set of values, called *Core Values for Psychiatrists*, which were endorsed by the RCPsych's Council. The *Core Values for Psychiatrists* articulate and clarify the values operating in psychiatry today and compliment and sit alongside the RCPsych's *Code of Ethics and Good Psychiatric Practice*. They highlight a skills-based approach to the curriculum, training and working with complex and conflicting values, and facilitate balanced decision-making in clinical practice. The *Core Values for Psychiatrists* enable a collaborative understanding between the psychiatrist and patient, which we hope will lead to better patient and clinical outcomes.

In Wales, the College worked with the NHS Wales National Collaborative Commissioning Unit to help develop services at the interface between the Forensic and Intellectual Disability specialties, resulting in a new gatekeeping service at one of the Forensic secure units in South East Wales.

Meanwhile, in Northern Ireland, we took forward an issue raised by the trainees about their experience and training in medicolegal aspects of psychiatry. Differences in mental health legislation and in regulations in Northern Ireland, mean that higher trainees do not obtain the same exposure to the use of mental health legislation compared to their colleagues in the other UK nations. This is a complex matter, but we have worked with the trainees, the training agency NIMDTA and the regulator RQIA to improve the training in this area and are carrying this work forward this year.

The RCPsych in Northern Ireland also assisted the Northern Ireland Department of Health on drafting a fit-for-purpose Code of Practice for the roll out of the Mental Capacity Act (NI) 2016.



Stephen Fry

2 Promoting recruitment and retention in psychiatry

The College works with stakeholders to help ensure we have a sufficient psychiatric workforce to deliver excellent patient care. In order to achieve this aim, the College last year launched a major workstream, called *Choose Psychiatry*, to promote psychiatry as an attractive career option for medical students and foundation doctors. The campaign was launched in September, and turned out to be one of the most successful campaign launches in the RCPsych's history.

Despite a packed news agenda at the time, with the terrible news about hurricanes in the Americas dominating much of the media headlines, the campaign achieved an impressively high profile. The campaign launch secured 700 media hits and was covered by BBC1 Breakfast News, the Today programme on Radio 4, Radio 5 Live, the BBC1 Six O'Clock News and Sky News, with our President Professor Wendy Burn; Dean, Dr Kate Lovett; and senior member Dr Sri Kalidindi all giving interviews. The campaign also received much attention on social media, with former Prime Minister Gordon Brown, former communications guru Alastair Campbell, and comedian Stephen Fry all tweeting about it. The centrepiece of the campaign was a new video, made in partnership with Health Education England, promoting the important and challenging work of psychiatrists, through looking at the issues of old age, perinatal psychiatry, PTSD and bipolar disorder, in a way that was attractive to medical students and foundation doctors. The video was viewed 37,000 times on the College website and via social media channels. Our *Choose Psychiatry* web pages received 36,000 page views. The *Choose Psychiatry* campaign generated 8,000 #ChoosePsychiatry tweets, which appeared in people's Twitter feeds an incredible 25m times.



Filming of the new video

We also continued to promote recruitment into psychiatry to hundreds of medical students and foundation doctors through local summer and autumn schools, careers fairs and events. In addition, we continued to run our successful Pathfinders Fellowship programme, which, in 2017, provided support to a cohort of 20 medical students and foundation doctors interested in pursuing a career in psychiatry. The programme, which was run with the support of grant funding from a charitable trust, allowed the College to continue to attract the brightest and best medical students, and to encourage psychiatry as a career option. Through the Pathfinder Fellowship Award, those students selected, received support worth up to £5,000 each, over three years, which includes mentoring, free access to the College's TrOn and CPD online modules highlighting new research and best practice in psychiatry, as well as free attendance at the College's International Congress. The College is committed to the sustainability of the Pathfinder Fellowship and is actively seeking further donations to continue this valuable programme of work. As part of its drive to promote psychiatry, the College also supported the running of the annual

national psychiatry conference for medical students interested in mental health, with 200 delegates attending an event in Leeds. As a result of these combined efforts to promote psychiatry as an attractive and rewarding career option, a record 728 medical students contacted the College to express their interest in choosing psychiatry and becoming Medical Associates of the College (up from 581 people in 2016, when the category included foundation doctors as well as medical students). In addition, the number of people applying to fill training places in psychiatry last year was the highest since records began. This encouraging news came on top of the Government's announcement during 2017 – shaped by the College – that it was committing to growing the mental health workforce in England by an additional 570 psychiatrists. The Government also committed to expanding the workforce of personal assistants and physician associates, to enable psychiatrists to use their specialist knowledge more effectively. However, ensuring that psychiatry has a sufficient sized workforce is not just about recruitment. We also need to promote retention among existing doctors; and a return to practice among those who have stopped working as psychiatrists. Therefore, a core part of the Mental Health Workforce Plan published last year by Health Education England, in conjunction with the College, is a major 'Return to Practice' campaign for psychiatrists and mental health nurses alongside a programme of mental health retention.



The College will work closely with Health Education England and other stakeholders to monitor progress on delivery of the 14 points in the workforce plan.

Meanwhile, the College continued to run the *Building Capacity in Perinatal Mental Health Services* project, on behalf of NHS England.

The aim of the project is to ensure that by 2020, women in all areas of England can access evidence-based specialist support in the community, through inpatient Mother and Baby Units closer to home, when they need it. Progress of this project will be overseen by NHS England and monitored by the College's Perinatal Faculty.

In Scotland, the College staged a CT1 Welcome Event, in Edinburgh, which was attended by around 40 trainee psychiatrists. The purpose of the event was to inculcate a sense of belonging, pride and community among psychiatric trainees and the feedback for the meeting was excellent. Building on the success of the event in Scotland, the Development Office began raising funds to support a nationwide series of events aimed at welcoming psychiatric trainees. We are particularly grateful to many of the College's

long established members who have chosen to donate to this project. We will be developing this appeal further in 2018 to organise and host more welcome events as part of the broader programme of practical support for the *Choose Psychiatry* campaign.

The RCPsych in Wales worked closely with the undergraduate leads to ensure that psychiatry was represented at all career fairs, the Cardiff Winter School and other ad hoc events across Wales – which it is hoped will have encouraged a number of people to consider a career in psychiatry.

The College also helped to persuade the Welsh government to include psychiatry as one of the key specialties highlighted in its *Train, Work, Live* recruitment campaign, which seeks to encourage doctors from around the world to move to, and work in, Wales.

Meanwhile in Northern Ireland, the College supported a number of careers events, based in both university and hospital settings. The RCPsych in Northern Ireland also gave a number of locally-based media interviews on the back of the central College-generated "Why I became a Psychiatrist" newspaper features, which ran in newspapers across the UK. In addition, the College in Northern Ireland hosted an inaugural annual Summer School for medical students at Clifton House, as a way of persuading people to choose a career in psychiatry.



Dr Mary-Ellen Lynall, an Academic Clinical Fellow at the University of Cambridge and a member of the Gatsby/Wellcome Neuroscience Project

3 **Delivering training,** CPD, exams and revalidation

The College runs the entrance examination for doctors wishing to enter a career in psychiatry, ensuring that the examination is sufficiently robust so that those that qualify have the skills and knowledge to deliver excellent patient care.

During 2017, we delivered all components of the MRCPsych Examination, to a high standard, in a manner that was compliant with all relevant regulations and legislation, and was fair to all candidates.

We delivered eight written papers and clinical examinations in a number of UK and overseas venues, with over 3,500 candidates sitting our examinations.

The College was dedicated to facilitating training initiatives for overseas candidates attempting the MRCPsych. This proved to be a fruitful exercise as evidenced by significantly higher pass rates in the CASC 2017 Diet 2. Throughout the year, feedback was also captured by our examiners and candidates on the examination process which overall was positive. Examiners are encouraged to be critical of stations they assess which is used to develop those stations further.

The College also led the *Integrating Neuroscience Project*, funded by the Gatsby Foundation and Wellcome Trust. The project, which is in its second year of delivery, is co-chaired by our President Professor Wendy Burn. It aims to ensure that the rapid advances in basic and clinical neuroscience are made more accessible to trainee psychiatrists. By achieving this outcome, we will help ensure trainees are better equipped to develop and deliver innovative biomedical approaches to the diagnosis and treatment of adult



mental health, neurodevelopmental and neurodegenerative disorders. As a result, it is hoped that psychiatrists will incorporate a modern neuroscience perspective as a core component of every formulation and treatment plan. During 2017, the project engaged over 1,500 key stakeholders from throughout the UK to ensure that the new syllabus is relevant and reflective of the latest neuroscientific innovations. It also hosted the inaugural RCPsych Neuroscience Spring Conference, attended by over 140 key figures in UK neuroscience and psychiatry. In addition, it developed a programme of resources and support for both trainees and trainers. On top of this, the project delivered 14 workshops to encourage collaboration between neuroscientists and psychiatrists. The College is now working with its funders to consider the sustainability of the *Integrating Neuroscience Project* to ensure that networks built in the early stage of this project are continued into the future. We also continued to actively engage our membership by delivering a programme of high quality events and training courses to support psychiatrists through all stages of their careers, encouraging trainees to attend and present work at local College meetings. Our central team delivered 70 events, attracting around 10,000 delegates, with our most popular event being our successful International Congress, in Edinburgh, which was attended by 2,524 delegates. Our Divisions delivered 62 events across the UK, which attracted 3,702 delegates. In order to support trainees at a critical stage in their training, we launched local CT welcome events to encourage trainees to engage with the College early in their careers. These were well received and are a great way to hear directly from doctors as they commence their psychiatry training. We also supported overseas psychiatrists to enhance their training through access to the Medical Training Initiative scheme. In addition, we continued to run CPD Online, an interactive eLearning website, which provides learning modules for psychiatrists – using a range of multimedia techniques.

The learning modules are all peer-reviewed and provide a dynamic and rich information source to improve a doctor's knowledge, help them acquire new skills quickly, enabling them to keep up to date with new research and best practice in psychiatry.

Last year, we provided more than 200 modules and 100 podcasts. With funding from the Gatsby Foundation and Wellcome Trust, we will be revising a number of modules this year, in order to incorporate elements of the modernised neuroscience curriculum.

Our members submitted around 7,000 CPD submissions during the course of the year. In Scotland, the College held 20 events – which provided an opportunity for CPD for over 700 delegates, including two one-day skills courses on Treatment-Refractory Depression and Treatment-Refractory OCD.

The RCPsych in Wales saw one of the biggest number of delegates on record attend its annual joint winter meeting with the Welsh Psychiatric Society. Among the speakers were the College's President Professor Wendy Burn and Registrar Dr Adrian James.

In Northern Ireland, the College delivered a full calendar of CPD events, with excellent feedback. One piece of delegate feedback, typical of most comments, was: "Congratulations on hosting such an excellent meeting yesterday. Fabulous enthusiasm and so pleased to be part of such a vibrant, professional meeting."





Dr Kate Lovett

4

Being the voice of psychiatry

The College is the voice of psychiatry, and represents the specialty with government and the media in order to ensure mental health services get the support they need to deliver excellent patient care.

During 2017, we set the agenda and shaped the debate in mental health by ensuring that we secured a high profile for our message. We secured the highest amount of national media coverage in the College's history. We had just under 2,700 media hits, with spokespeople appearing on a range of outlets, including BBC1 Breakfast News, BBC1 News and Radio 4's Today programme.

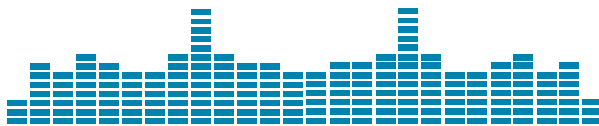
We were also quoted in a range of newspapers, such as the Times, Guardian and the Daily Mail, and on major news websites, such as the BBC website.

As mentioned above, in September, the College secured one of its most successful campaign launches when it secured 700 media hits for the roll out of the *Choose Psychiatry* campaign, and generated a substantial conversation via social media. Meanwhile, one month later, we secured the highest ever media coverage for the biennial RCPsych workforce census, with our President Professor Wendy Burn being interviewed on BBC News, and our Dean Dr Kate Lovett appearing on BBC1 Breakfast News. There was also coverage in the *i* newspaper and Sunday Times, and Wendy wrote a comment piece for the *BMJ* focusing on the need to prioritise the mental health of staff.

Through our policy and communications work, we influence decision-makers and other stakeholders to ensure that policies supporting the delivery of excellent mental health services are implemented.

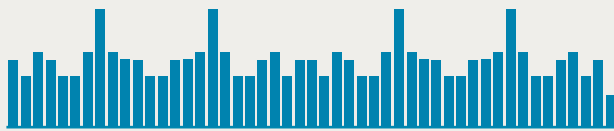


Dr Sri Kalidindi



In the run-up to the general election, in June, we worked to influence the major party manifestos. We persuaded the Conservatives to include in their manifesto a commitment to ensure that all foundation doctors get a chance to experience working in mental health, as well as strengthening the requirement to demonstrate a good knowledge of mental health in medical examinations. The Queen's Speech promised to 'prioritise' mental health within the NHS in England. Shortly after the election, the College started to devise a strategy to influence the outcome of the Mental Health Act review, which was announced by Theresa May, and headed up by our former President Professor Sir Simon Wessely. The College was concerned by the Prime Minister's initial plan to scrap the act entirely but it was pleased to be able to contribute to the review – in order to secure the best possible outcomes for patients and their carers. During the autumn, we used the 2017 party conferences as a way of introducing our then new President Professor Wendy Burn to politicians and stakeholders, while promoting

our key objectives on the value of psychiatry, parity of esteem and the mental health workforce. At the Liberal Democrat conference, we hosted a mental health lunchtime discussion alongside NHS Providers. The discussion had a particular focus on children's mental health, and on the mental health workforce. This helped prepare us for the Children's Mental Health Green Paper, getting the message out that we need a better link between schools and Child and Adolescent Mental Health Services. At the Labour and Conservative conferences, we held roundtables on the Government's plans to reform the Mental Health Act. These events helped show the College was leading on this controversial issue and showed the need to increase investment in community mental health services so as to reduce the number of people being detained under the Act. In November, the College ran its most successful ever social media campaign, #StopMHcuts, which was launched in response to NHS England CEO Simon Stevens saying – in the run up to the Budget – that promised mental health reforms may have to be dropped if the Chancellor failed to give the NHS the full funding uplift he had requested.



Faced with potential cuts to a previous promise of an additional £1bn worth of funding for mental health services, the College swung into action and swiftly launched a '7 days to make a difference' campaign, to put pressure on the Government and NHS England to keep their mental health funding pledges. Our tweets were re-tweeted over 1,000 times, and hundreds of people told us about their fears, including posting pictures of loved ones who would be affected. Our Public Affairs team briefed MPs and Peers to ask questions in the post-Budget debate and organised a cross group of MPs to write an open letter to Simon Stevens asking him to reaffirm his commitment to promised mental health spending. Following the efforts of the College and others, Simon Stevens promised to keep mental health funding at previously stated levels for at least the duration of 2018/19. One of the reasons the College was able to mount such an effective social media campaign was that by the end of the year we had 62,000 followers on Twitter, which is more than any other medical royal college. We also had more than 10,000 likes on Facebook, a figure that had grown by 50% over the course of the year. In addition, the College website had 3.3m users, with 4.6m visits to the site. Our LinkedIn page had 5,000 followers, up 25% from the previous year. We also launched an Instagram account. We also continued to produce our world-class public information materials, which support patients, carers, families and employers with the best information and advice on mental illness, developmental disorders and learning difficulties. In Scotland, the College was represented by members in over 20 Scottish media pieces (in print, and on TV and radio).

The RCPsych in Scotland also responded to seven consultations from a range of stakeholders, including the Scottish Government and Scottish Parliament. In addition, the College in Scotland helped to secure the introduction of a minimum price per unit of alcohol, which came into effect, in May 2018, following a decision last year by the Supreme Court to reject a major legal challenge. The College had been one of the main protagonists in the campaign for minimum unit pricing, with former RCPsych in Scotland Chair Dr Peter Rice frequently being quoted, on the issue, in several news outlets. In Wales, the College put forward the voice of psychiatry, with College members holding several key meetings with Assembly Members and the Cabinet Secretary for Health and Social Care. The RCPsych in Wales provided written evidence to the Health, Sport and Social Care Committee and to the Children and Young People's Education Committee on a variety of issues. A number of Welsh RCPsych members, including Professor Keith Lloyd, Professor Alka Ahuja and Dr Victor Aziz, provided oral evidence to committee inquiries on Primary Care, Minimum Unit Pricing for Alcohol, Perinatal Care, Isolation and Loneliness, Antipsychotic Medication in Care Homes, Dementia Care, Emotional Wellbeing of Young People and Suicide Prevention. The College in Wales also put forward the voice of psychiatry in a number of TV and radio interviews. In Northern Ireland, the College increased its positive media coverage by 30%, and the RCPsych in Northern Ireland responded to more than ten consultations relevant to mental health, and attended various multi-disciplinary meetings to discuss the roll out of the Mental Capacity Act (NI) 2016.

WWW





5 Promoting research

The College recognises the crucial role of evidence-based psychiatry in improving mental health.

During the year, we continued to support the Health Services Research Team, which is based at the CCQI. The team conducted both large-scale national research and in-depth qualitative studies.

The team's work provided insight into the experiences of both mental health professionals and those living with mental health problems, focussing on under-studied aspects of healthcare provision and public health.

The CCQI continued to work on its six research projects, including the Child and Adolescent

Psychiatry Surveillance System, the Multi-Source Assessment for Psychiatrists and the Multi-Source Assessment for Nurses.

NCCMH provided some of the evidence reviews underpinning the *Transforming Children and Young People's Mental Health Provision* Green Paper, published in December, which says that children with anxiety and depression will be guaranteed treatment within four weeks in an effort to improve mental health care. NCCMH was credited for the research that it did for the Green Paper in the document itself.

We also published 340 articles in our academic journals BJSych, BJSych Open, BJSych Bulletin, BJSych Advances, and BJSych International to help secure further understanding of key psychiatric issues across our membership.

In addition, we continued to publish our learned books, such as the *Female Mind (A User's Guide)*, by Professor Kathryn M Abel and Dr Rosalind Ramsay.

During the year, we agreed to outsource the production of our journals and books to Cambridge University Press, while retaining editorial control of the content, with the new arrangement due to take effect from January 2018.

The College made this change – following discussion at our Board of Trustees and Council – as we believe that by teaming up with Cambridge University Press, we will be able to implement a strategy to develop the British Journal of Psychiatry list of academic journals and books, for the advancement of psychiatric research and practice around the globe.

The College also continues to promote clinical research. During 2017, we launched the RCPsych Rosetrees Clinical Research Fellowship, a three-year fellowship, through which UK-based psychiatry trainee, Dr Katie Beck, will be supported to undertake a PhD. The inaugural prize for the RN Jajoo Memorial Academic Researcher of the Year was awarded to Professor Oliver Howes at the RCPsych Awards ceremony, in October 2017. The College is grateful to members Dr and Mrs Jajoo for funding this prestigious award. In Scotland, the College promoted research by offering a £500 research prize and awarded a prize for the best Trainee presentation at its autumn meeting.



Professor Rob Poole and Alastair Campbell

6 Supporting our members

We believe that by offering our 18,033 members the best possible support we can help them deliver the best possible patient care. We encourage our members to engage with the College and help shape our work as the professional membership body of psychiatrists. During 2017, we supported over 230 committees of our members across the UK, all dedicated to providing support and guidance to psychiatrists in the 13 specialties and sub-specialties within the field. Among the committees are our 13 Faculties, 11 UK-based Divisions, six international Divisions, and 15 Special Interest Groups (SIGs). To better support our members in Scotland, Wales and Northern Ireland we started the

process of changing the status of our Divisions in the devolved nations into Devolved Councils. Through creating Devolved Councils, we believe that our members in Scotland, Wales and Northern Ireland will be better empowered to engage with their governments. As mentioned previously, during the course of the year, we ran a combined 132 events, attracting around 14,000 delegates, with our most popular event being our successful International Congress, in Edinburgh, which is one of the biggest psychiatric conferences in the world. At the International Congress, we launched our new membership magazine *RCPsych Insight* – which is designed to give our members news about psychiatry and the work of the College in an accessible format. The response from our members, to the new magazine, was exceptionally positive – with many psychiatrists emailing the College or putting posts on social media to say how much they valued it. One member said, on social media: “Gr8 mag. Quick read. Makes me feel connected to the



College + other specialties. Well done!”

Another emailed to say: “Love the new magazine! Great to see the psychiatrists brought to life with photos, personal stories about their careers and the diversity. Will be taking it in to show my colleagues, especially highlighting how the comms team worked with the media recently.”

A third member emailed to say: “I just looked at my copy of *Insight*. All I can say is – superb. A great mix of articles that really shows the breadth of psychiatry and presents our profession in a really positive light.”

A further innovation was the launch of a pocket-sized guide, in June, to the work of the College – and its governance structure – called *Making an Impact*.

The document set out the College’s updated vision and its objectives. It also set out the organisational objectives for 2017, and highlighted the work of the Board of Trustees, Council, the Faculties and Divisions.

The feedback from our members was just as positive about *Making an Impact*, as it was about *RCPsych Insight* – with a number of members reporting that they used the booklet with medical students and foundation doctors to promote a career in psychiatry.

We also continued to send out our monthly eNewsletter to all members, with updates on College news.

The introduction of our new membership database platform, NG, proved to be problematic however – with a number of technical difficulties being experienced, during the year, leading to inconvenience for many of our members when they tried to access College services online.

The roll out of NG, which replaced our aging database platform called Concept, began in November 2016.

However, when certain activities were transferred to NG, many members found that engaging with the RCPsych, via the College website, became a lot more difficult.

As a result, throughout 2017, many members found it challenging to update their CPD, or book their places on College events and exams.

In an effort to rectify the problems, we established a new internal NG project group and programme board – and worked through the problems that were being experienced. The problems relating to booking events and updating CPD online were resolved during the year.

However, by the end of 2017, trainees wanting to book their places on College exams were still having to secure their places via the telephone. As part of our drive to fix the remaining issues, we are now running a project to put the NG database platform onto an upgraded version by summer 2018.

Meanwhile, our library service continued to provide our members with a popular service throughout the year. For instance, between March and May, the library team dealt with 258 email, 186 phone and 20 face-to-face enquiries. During the same period, online resources were accessed over 400 times by members and library staff also conducted literature searches for members on assertive community treatment and suicides by doctors among other issues. Our annual RCPsych Awards ceremony continued to prove popular with our members. Last year’s event at the College’s headquarters, in central London, was attended by more than 300 guests, who watched as Professor Rob Poole win the Lifetime Achievement Award, Dr Sridevi Kalidindi won the Psychiatrist of the Year Award and former head of government communications Alastair Campbell received an honorary fellowship of the College.

Our Psychiatrists Support Service continued to provide confidential advice and support to members facing challenges at work. We also continued to run our mentoring network. Meanwhile, our International Liaison office continued to expand the College’s volunteering scheme, which supports members who wish to volunteer in order to travel overseas and support better mental health care in underdeveloped areas.

In 2018, the College’s Development Office will focus its work on supporting members by developing an entrepreneurial approach aimed at diversifying and generating new income streams. This will include the College applying a commercial decision-making process to its products and services; and more consistency around contractual and financial agreements to use the College’s intellectual property and brand.

Trustees' responsibilities

statement in relation to the accounts

The members of Board of Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014. Membership of Board of Trustees normally constitute Trustees of the College for the purposes of charity legislation and have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the College and to prevent and detect fraud and other irregularities. They also have a general statutory responsibility to prepare annual accounts. Under the terms of the constitution of the College's Supplemental Charter and Bye-Laws, the Treasurer is required to present accounts of the College for each financial year. Such accounts are prepared to give a true and fair view of the state of affairs of the College as at the financial year end and of the incoming resources and application of resources for the financial year.

In preparing the attached accounts the Treasurer is required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) the Charities' SORP (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Treasurer also has responsibility for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the College and enable members of Board of Trustees to ensure that the accounts comply with the provisions of the Supplemental Charter and Bye-Laws, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006.

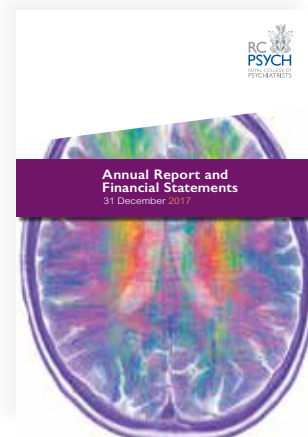
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of Board of Trustees confirm that so far as they are aware, there is no relevant audit information of which the College's auditors are unaware. They have taken all the steps that they ought to have taken as members of the Board of 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.



Treasurer's Report and Financial Review

It is with great pleasure that I present the annual accounts of the Royal College of Psychiatrists for the financial year ending 31 December 2017, prepared in accordance with the Charity SORP and FRS102.



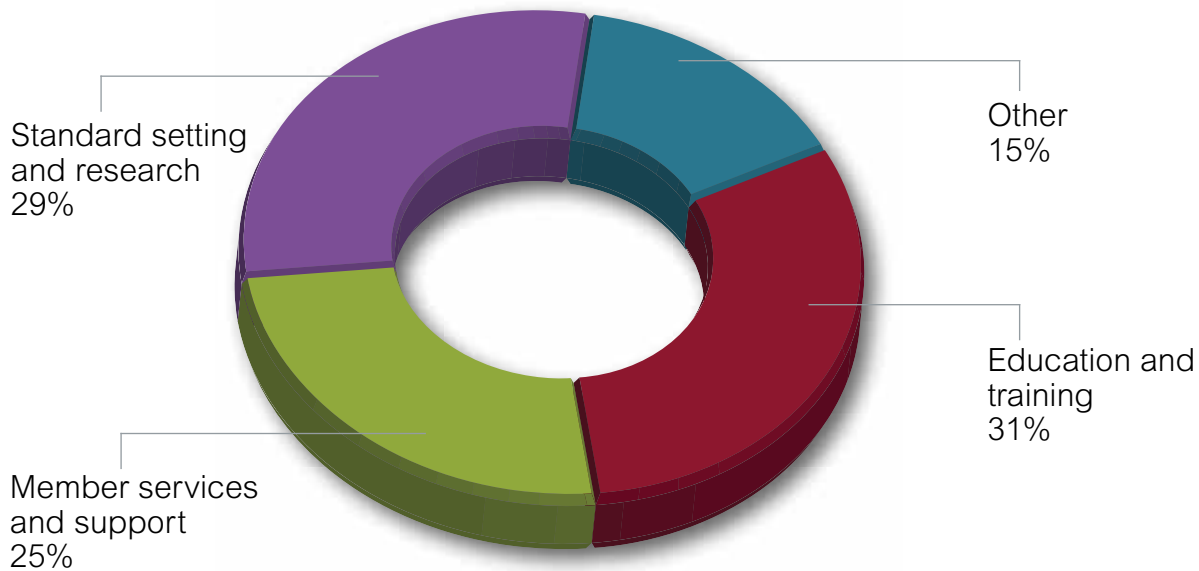
Financial Overview

The total income for the College for 2017 was £23,445k (2016: £20,942k), with charitable activities representing 86% of income (2016: 93%). There was 10% growth in standard setting and research income during the year (2016: 3%), but income from member services and support, and education and training have fallen by 1% and 2.5% respectively (2016: +1%, +23%).

The total expenditure for 2017 was £21,077k (2016: £18,992k). The college benefited by the inclusion of £2,422k (2016: £nil) net proceeds from the sale of a piece of land owned by the College. The overall result was a surplus of £3,000k (2016: £3,183k) for the year after another strong investment performance, with gains of £632k (2016: £1,163k) across both portfolios.

Income

Incoming resources 2017: £23,445k



The College's main sources of income are membership fees and grants from or contracts with other organisations, in particular the NHS. A key focus for the College for 2018 will continue to be establishing alternative income streams in order to spread risk and to improve the College's financial resilience in future years.

Donations and gifts

A new Director of Development, Liz George joined the College's Development Office in October 2017. This role has responsibility for fundraising at the College and will be leading on the College's development strategy, which is being introduced in line with the strategic plan for the College which is due to be updated during 2018.

Bequests

The College is grateful to the Trustees of Mary Brenda Mathews estate who bequeathed £100k (2016: no bequests). Legacies left to the College enable us to fund additional projects, so we are always grateful to receive bequests.

Standard Setting and Research

National Collaborating Centre for Mental Health (NCCMH)

In 2015 NHS England via NICE commissioned NCCMH to take responsibility for the preparation of standards for access and waiting times throughout mental health. The funding for this project has continued in 2017 with total funds of £1,667k (contract income) being received (2016: £1,366k).

NCCMH also received grants including £52k for the NHS England IAPT Work plan and evaluation strategy and £153k from Health Education England to develop and make recommendations for Suicide and Self Harm in Children and Young People and for Medically Unexplained Symptoms.

The College Centre for Quality Improvement (CCQI)

CCQI aims to raise the standard of care that people with mental health needs receive by helping providers, users and commissioners of services to assess and increase the quality of the care they provide. CCQI continued to support the Achieving Better Access work by assessing mental health services against the Evidence Based Treatment Pathways. In addition, CCQI has been awarded two new audits: National Clinical Audit of Psychosis (funding awarded £1.2m over three years) £256k included in 2017 and National Clinical Audit of Anxiety and Depression (funding awarded £1.1m over three years) £203k included in 2017, commissioned by Healthcare Quality Improvement Partnership on behalf of NHS England.

MindEd

MindEd, previously hosted by the Royal College of Paediatrics and Child Health, moved to the College as its new host during May 2017. It is an online portal, supported by the Department of Health and Health Education England, and is a free educational resource on children and young people's mental health for all adults.

Total grants received by MindEd during 2017 amounted to £562k (Health Education England £507k, Royal College of Paediatrics and Child Health £38k and The Bayswater Institute £17k).

Education and Training

Examinations

The total income generated from Examinations was £2,070k (2016: £1,979k). The net surplus from examinations (after operating expenditure and contribution to overheads) was £231k (2016: £242k), which is 11% (2016: 12%) of the income generated from Examinations.

The College has a policy of not seeking to make excessive surpluses from examinations. Where surpluses do arise as a result of good cost control or higher than

expected candidate entries, any in excess of 10% of income is transferred to the Trainee Fund and used on projects benefitting the trainees. As the examinations surplus for 2017 represented more than 10% of examinations income by £24k (2016: £44k), this sum has been transferred to the Trainee Fund.

The Centre for Advanced Learning and Conferences (CALC)

CALC generated a gross surplus of £268k from training & conferences during the year (2016: £295k). Initiatives are in place to take advantage of the excellent opportunities for CALC to develop academic and training events in line with the College's charitable aims. The International Congress in Edinburgh performed well, with 2,524 delegates (3,038 delegates in 2016, London) and generated a net surplus of £253k (2016: £245k), after contributing to College overheads. The College continued to provide increased benefit to members through competitively priced registration fees, including a discounted "early bird" registration option and bursaries for trainees and students.

Grants

The Professional Standards department secured funding from NHS England in 2016 to manage the 'Building Capacity in Perinatal Mental Health' services project. The aim is that by 2020 women in all areas of England should be able to access evidence based specialist support in the community through in-patient Mother and Baby Units closer to home when they need it. A further £805k was received during 2017 (2016: £880k).

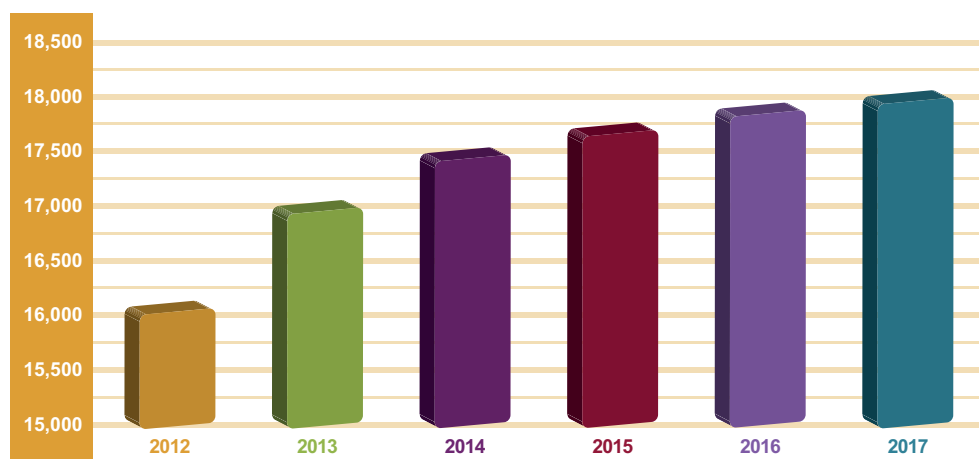
Faculties, Divisions and Special Interest Groups (FDSIGs) generated income of £1,304k during 2017 (2016: £1,255k) but continue to receive significant financial support from membership fees and from other general funds.

Publications and Journals generated income of £1,288k during 2017 (2016: £1,339). The College signed a framework agreement with Cambridge University Press (CUP) during the year where it was agreed that CUP will publish and distribute the College's publications for a period of five years from January 2018. Consequently the College's in-house Publications department closed at 31st December 2017.

Member Services and Support

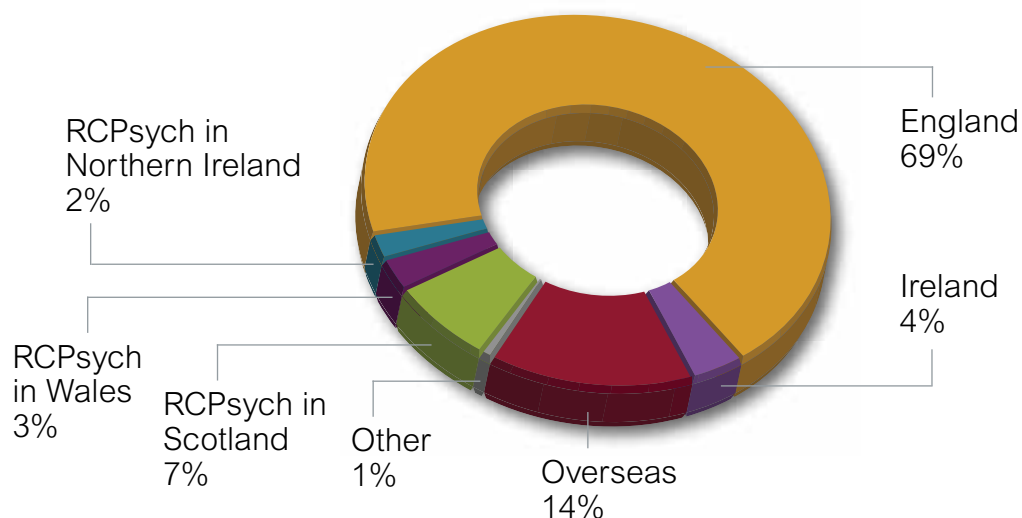
The income generated during 2017 from members and associates subscription and registration fees was £5,731k (2016: £5,721k). Membership of the College has grown by 1% (2016: 1%) during the year to a total of 18,033 members (2016: 17,919).

Membership numbers



Total membership included 2,574 (2016: 2,468) members from overseas, across all grades.

Membership statistics by region



The membership fee (UK member standard rate) remained at £428 from 2015 to 2017. However, an increase of 3% was agreed for the 2018 fees at the Annual General Meeting in June 2017, bringing the UK member standard rate fee for 2018 to £441. A new Membership Strategy is being developed during 2018 and will be introduced alongside the new strategic plan for the College. It will focus on how the College can provide an exceptional membership experience and make membership more sustainable.

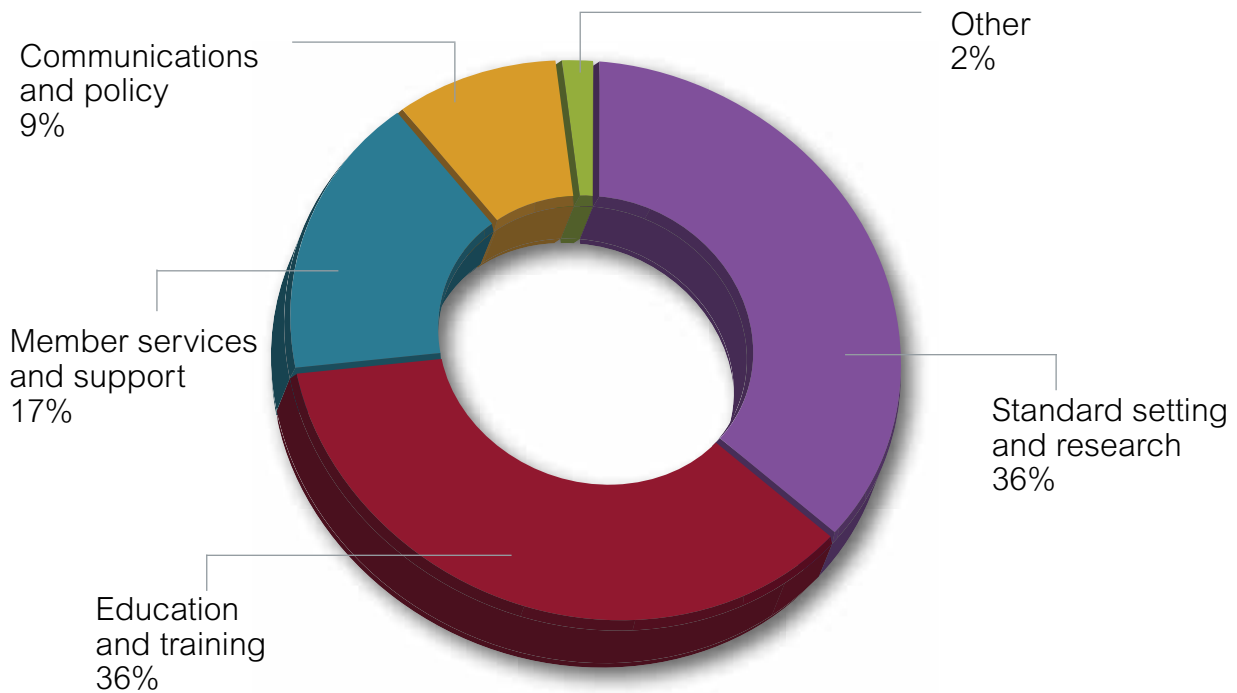
Other income

During the year, the College sold a piece of land for £2,500k located next to its Head Office in Whitechapel (Chamber Street). The net proceeds of £2,422k from the sale are included in Other Income. Also included in Other income is £213k from Cambridge University Press which had been used to cover all costs to the College of the transition.

Expenditure

Staff costs are the main item of expenditure for the College and increased to £10,537k in 2017 (2016: £9,322k). The average number of staff increased to 231 (2016: 223) due to an increase in activities in Strategic Communications (7) and CCQI (5). MindEd moved to the College as its new host during May 2017 which increased the headcount by 1. Due to the closure of the Publications department in December 2017 the average College staff headcount had decreased by 5.

Resources expended 2017: £21,077k



Internal Audit

During the year the College's internal auditors, Crowe Clark Whitehill LLP, undertook an audit of CCQI and NCCMH. Most recommendations have been implemented by 31 December 2017. A separate independent review of NG, the College's database platform for membership services, also took place early in 2017 and this led to a fuller review of all of the College's IT systems at the end of the year. The recommended programme of work has been approved by the Board of Trustees and will be implemented in 2018.

Investment Policy

The College has a portfolio of investments with a market value of £10,675k at 31 December 2017 (2016: £9,036k). Management of the College's investments has been delegated, on a discretionary fund management basis, to Barclays Wealth Management Limited and Cazenove Capital, its investment managers. C Hoare & Co. transferred their wealth management business to Cazenove Capital on 17 February 2017. Within a broad remit that permits investment in both equities and fixed interest securities, the College operates an ethical investment policy which excludes investment in companies involved in armament manufacture, tobacco, gambling, alcohol and pornography and allows a limited investment in pharmaceutical companies of not more than 5% of the portfolio value in any one company, and not more than 25% of the portfolio value in the sector. The overall investment policy is to maximise total return through a diversified portfolio, with a view to ensuring that capital appreciation exceeds inflation over any five-year period by 3.5% after charges. The Board of Trustees agreed for £1,000k to be transferred to each of the College's investment portfolios from the proceeds of the sale of the land. At the end of December 2017 the College had transferred £1,000k to the investment portfolio held with Cazenove. A further £1,000k transferred to Barclays Wealth on 2nd January 2018.

Investment Performance

Barclays Wealth investment portfolio had a market value of £4,631k at 31 December 2017 (2016: £4,374k). It generated a realised gain of £19k, and an unrealised gain of £268k. 2017 saw a continuation of the steady investment performance Barclays Wealth achieved over the past five years, with a return of +8.46% for the 12 months. Looking forward, Barclays Wealth will continue to favour equities over other asset classes, expecting both developed and emerging markets to perform well. Central bank policy will be a key focus for their strategy as the extremely easy monetary conditions that have been in place since the global financial crisis are gradually withdrawn.

Cazenove Capital investment portfolio had a market value of £6,044k at 31 December 2017 (2016: £4,662k), generating a realised gain of £26k, and unrealised gain of £229k. During calendar year 2017, the portfolio produced a total return of 8.2%. Of this return, 6.22% was achieved after the transition to Cazenove Capital on 17th February 2017. The return for the year was slightly behind the ARC Composite but ahead of their long-term target measure of CPI+3%. During the 10½ month period since the transfer to Cazenove, the main positive contributors to performance were equities in the UK, Japan and Europe. Currency moves were very influential in performance terms. Cazenove Capital's focus has shifted further towards alternative investments in order to increase diversification in portfolios.

Reserves Policy

The College's funds comprise unrestricted, restricted and endowment funds and totalled £33,213k at 31st December 2017 (2016: £30,213k).

The restricted and endowment funds result from grants, donations and legacies which can only be applied for a purpose specified by the donor or grantor and are not available for general purposes. The College aims to carry out the activities and projects supported by these funds in accordance with the purposes and conditions specified.

Endowment Fund

The permanent endowment fund totalled £262k (2016: £262k) at 31st December 2017. Whilst the income from this fund must be used for specific purposes and therefore is credited to restricted funds, the endowment fund balance itself is 'capital' and must be held indefinitely by the charity. Full details of this fund can be found in note 23 to the accounts.

Restricted Funds

Included in total reserves is an amount of £2,650k (2016: £2,597k) which is restricted. Full details of these restricted funds can be found in note 24 to the accounts together with an analysis of movements in the year.

Unrestricted Funds

The unrestricted funds £30,301k (2016: £27,354k) represent the accumulated surpluses generated from the College's general business activities and are funds that are available for use at the discretion of the trustees. They comprise designated funds and general funds.

Designated Funds

Funds totalling £22,517k (2016: £22,174k) have been designated, or set aside, by the trustees for specific purposes. The purposes and an analysis of the movements on the funds are set out in note 27 to the accounts. The Fixed Asset fund of £18,085k (2016: £18,029k) represents the net book value of the College's intangible fixed assets, tangible fixed assets and heritage assets. These

are considered essential for the College to operate effectively and therefore the funds are not available for use for other purposes in the College.

The Repairs provision of £1,311k (2016: £1,211k) is also included within designated funds. It exists to finance exceptional repairs and maintenance of College buildings and the long term objective is to set aside approximately £2m by 2023 for major repairs and maintenance to the College's headquarters, including the roof, lift and air conditioning system. In 2017, £100k was transferred into this fund (2016: £825k).

The CCQI (College Centre for Quality Improvement) fund of £2,055k (2016: £1,907) and the FDS (Faculties, Divisions and Special Interest Groups) fund of £1,064k (2016: £1,002) were both set up in 2016 as separate reserves for these specific departments of the College and represent six months of their operating expenditure. £148k (2016: £589k) was transferred to the CCQI fund and £62k (2016: £151k) to the FDS fund during 2017. A Trainee fund of £2k (2016: £25k) is also included in designated funds.

General Funds

The Board of Trustees has considered the diverse income streams of the College and their risk profile, the degree of commitment to expenditure in order to meet its charitable obligations, the day to day working capital requirements and the risk environment that the College operates in, and it considers that free reserves (funds that are freely available for the College's general purposes) equivalent to at least six months of unrestricted operating expenditure (approximately £8,110k) should be the target for the general fund. The target in 2016 was approximately £7,771k.

At 31 December 2017, the balance on the general fund was £7,784k, a 50% increase on the prior year (2016: £5,180k) and the equivalent of 5.8 months of operating expenditure (2016: 4.0 months). This is largely due to the addition of proceeds from the sale of land owned by the College which took place during the year.

Surpluses generated in future years will continue to be used to accrue reserves in line with current policy, and reserves will continue to be monitored regularly by the Trustee Board.

Risk Management

The Board of Trustees has responsibility for ensuring the College maintains comprehensive risk management systems and that appropriate actions are being taken to manage and mitigate risks.

The Finance Management Committee (FMC) monitors and reviews these risk management arrangements every quarter and reports to the trustees on their effectiveness.

In 2017 the Board of Trustees committed to reviewing risk on a quarterly basis rather than bi-annually to ensure risks were being effectively mitigated and managed. The principal categories in which risks were captured in the 2017 risk register were as follows:

- Governance
- Operational
- Financial
- Environment or external factors

Although the level of impact scoring was focused on risks which had a potential financial impact of £500k or more to the College.

The most significant risk to the College in 2017 was the 'Ineffective roll out of NG and multiple issues with NG functionality'.

Other major risks in 2017 were:

- Major failure of IT system(s) both hardware and software leading to substantial impact on both members and staff
- Cyber attack (including incidents of ransomware attacks experienced by high profile organisations across the UK)
- Failure of the website (including substantial downtime periods of key segments of the website e.g. members area)

To mitigate against these risks, a number of actions were taken during the year by the CEO, Senior Management Team, FMC and the Board of Trustees to ensure that the impact on members and the College was significantly reduced. This included a full review of all the College's IT systems. The recommended programme of work resulting from the review has been approved by the Board of Trustees and will be implemented in 2018.

In the October 2017 meeting of the Board of Trustees it was requested that the College Risk Management Strategy be reviewed and implemented in 2018. This has led to a new College Risk Management Policy and Risk Register being put in place which establishes a more rigorous framework which aligns to the Charity Commissions Guidelines (CC26). College risks are now categorised into the following areas and are scored against the potential likelihood and impact of that risk considering likely factors such as resource, cost, reputation and operations of the College:

- Governance
- Financial Control
- Operational
- Environmental and external factors
- Compliance Issues
- Reputational

The Board of Trustees has the responsibility of reviewing all risks captured with an overall scoring of 7 or more on a quarterly basis, with delegated authority given to the FMC to review and input into the full risk register every quarter, and to also review the established system of internal controls that fall within the Risk Management Policy. These controls have been designed to provide a reasonable level of assurance against the risk of error, fraud, and inappropriate or ineffective use of resources which is supported by the CEO and Senior Management team taking a more active role in the Risk Management process every month.

Going concern

As detailed in the Trustees' responsibilities statement, the accounts are prepared on a going concern basis unless it is inappropriate to presume that the College will continue in operation. The College's Trustees have approved the College wide budgets for 2018 and conclude that there are no material uncertainties about the College's ability to continue as going concern and the College has adequate resources to continue in operational existence for at least twelve months from the date of signing the financial statements. With respect to the next reporting period, 2018, the most significant areas of uncertainty that affect the carrying value of assets held by the College are the level of investment return and the performance of investment markets (see the investment policy and risk management sections of the Trustees' report for more information).

Pay and remuneration of the charity's key management personnel

Although the College trustees control and manage the administration of the College, the day-to-day management of its activities is delegated to the Chief Executive and the members of the Senior Management Team (2016 delegated to the Chief Executive and the Director of Finance and Operations).

The Trustees set the overall strategy of the organisation at their quarterly board meetings, and the Senior Management Team implements the strategy on a day-to-day basis – with key decisions discussed and taken at the weekly Senior Management Team meeting.

The Trustee Board receives annual training from the internal auditors, Crowe Clark Whitehill.

All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses are disclosed in note 11 to the accounts.

Every two years from 2012, the Hay Group is commissioned to carry out a benchmarking of the College's salaries, including salaries of the Chief Executive Officer and the Senior Management Team, where roles across all grades are compared to sector specific salary trends across key industries. The Trustees annually approve any pay increase, normally in accordance with average increase in earnings, to all members of staff during the budget process.

Fundraising

Voluntary fundraising activity is carried out by the Development Office at the Royal College of Psychiatrists. In 2017, the Development Office comprised a full-time Director of Development, supported by a part-time administrator. The Director of Development is responsible for organising both fundraising and stewardship events and for co-ordinating any activities of College members who voluntarily support fundraising activities on its behalf.

The Director of Development also works with individual philanthropists and with charitable trusts and foundations who support projects which are of strategic importance to the College. These projects, such as the *RCPsych/Rosetrees Trust Clinical Research Fellow*, the *Pathfinders Fellowship* programme, the *Dinwoodie Children First Fellowship* and the *Gatsby/Wellcome Integrating Neuroscience* project would not be possible without the generosity of such donations.

The College also receives a small number of legacy bequests. Leaving a gift in your will can have a very tangible impact and a long-lasting legacy on the advancement of psychiatry. Using a gift made in the will of a former College member, this year, the RCPsych continued to support the *Donald Dean Clinical Research Fellow*, through an evaluation of the “fit note” sickness certification process and its impact on mental health in the workplace. In 2018, the College will use further legacy bequests to co-fund research into depression based illness.

The Royal College of Psychiatrists does not use professional fundraisers or involve commercial participators. There have been no

complaints about fundraising activity this year. The Director of Development is a member of the Institute of Fundraising and commits to abide by the Fundraising Regulators’ Codes of Practice. The Development Office has recently updated its fundraising strategy and guidance to ensure that it is compliant and the fundraising promise will be published on the College’s new website, planned for launch in late 2018.

The College does not undertake any public fundraising activities. Direct marketing is limited and is undertaken solely by the Development Office to ensure that it is not unreasonably intrusive or persistent and protects, in so far as it is possible, vulnerable people. Using this approach, contact is made with College members through direct marketing appeals a maximum of three times a year, usually through a written appeal. From 2018, all marketing material will contain updated instructions on how a person can be removed from mailing lists.

In 2018, the Development Office aims to raise a greater awareness of the impact that philanthropy, charitable grants and legacy gifts can have in securing the best outcomes for people with mental illness. It will build a fundraising approach that opens new opportunities to support the College’s work and promote its charitable mission and it will begin exploring new revenue streams to promote psychiatric care and wider mental health services in the UK and globally.

If you would like to learn more about Development, to make a donation, or to find out how to leave a gift in your will, please contact Liz George, Director of Development.

Signed on behalf of the Board of Trustees

Chair of Trustee Board

Approved by the Board of Trustees on:

27 April 2018

Independent Auditor's Report

To The Trustees Of The Royal College of Psychiatrists
31 December 2017

Opinion

We have audited the financial statements of The Royal College of Psychiatrists (the 'charity') for the year ended 31 December 2017 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statements 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 FRS 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 charity's affairs as at 31 December 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and report in accordance with regulations made under those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, 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.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 20 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 related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report. This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity'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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP
Statutory Auditor
25 Farringdon Street
London
EC4A 4AB

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Financial statements

Statement of financial activities for the year ended 31 December 2017

	Notes (pages 44–63)	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2017 £'000	Total Funds 2016 £'000
Income and endowments from:						
Donations and legacies						
Donations and gifts*	1	19	325	–	344	189
Charitable activities:						
– Standard setting and research	2	3,206	3,581	–	6,787	6,193
– Education and training	3	6,243	936	–	7,179	7,364
– Member services and support	4	5,868	–	–	5,868	5,916
– Communications and Policy	5	46	65	–	111	58
Investments	1	202	–	3	205	185
Other income						
– Rental income		316	–	–	316	312
– Other income**		2,635	–	–	2,635	725
Total		18,535	4,907	3	23,445	20,942
Expenditure:						
Cost of raising funds						
	1	274	48	–	322	262
Expenditure on charitable activities:						
– Standard setting and research	2	4,258	3,345	–	7,603	7,101
– Education and training	3	6,118	1,397	–	7,515	6,510
– Member services and support	4	3,681	–	–	3,681	3,490
– Communications and Policy	5	1,889	60	–	1,949	1,536
– Prize funds	24	–	7	–	7	23
Total		16,220	4,857	–	21,077	18,922
Gains on investment	17	632	–	–	632	1,163
Net income		2,947	50	3	3,000	3,183
Transfer between funds	22	–	3	(3)	–	–
Net movement in funds		2,947	53	–	3,000	3,183
Reconciliation of funds						
Total funds brought forward		27,354	2,597	262	30,213	27,030
Total funds carried forward		30,301	2,650	262	33,213	30,213

*Donations and gifts includes incoming resources of £1k from Other funds for specific purposes. See note 25.

**Other income includes £2,422k net proceeds from the sale of development land owned by the College, and £213k from Cambridge University Press (2016: Dilapidations income £725k).

All of the College's activities above are in respect of continuing operations.

The College has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheet as at 31 December 2017

	Notes (pages 44–63)	2017 £'000	2016 £'000
Fixed assets			
Intangible assets	13	458	461
Tangible assets	14	17,412	17,353
Heritage assets	14, 15	215	215
Listed investments	17	10,675	9,036
		28,760	27,065
Current assets			
Stocks	18	76	68
Debtors	19	3,757	3,326
Investments		2,000	2,000
Cash at bank and in hand		4,900	3,619
		10,733	9,013
Creditors: amounts falling due within one year	20	5,627	5,279
Net current assets		5,106	3,734
Total assets less current liabilities		33,866	30,799
Creditors: amounts falling due after more than one year	21	653	586
Total net assets		33,213	30,213
Represented by:			
Fund and reserves			
– Endowment fund	23	262	262
Income funds			
– Restricted funds	24	2,650	2,597
– Unrestricted funds			
– Designated funds	26	22,517	22,174
– General funds	26	7,784	5,180
Total unrestricted funds		30,301	27,354
Total charity funds		33,213	30,213

The financial statements on pages 33 to 63 were approved and authorised for issue on behalf of the Board of Trustees and signed on its behalf by:

Professor Wendy Burn, Chair Trustee Board

Dr Jan Falkowski, Treasurer

Approved on: 27 April 2018

Statement of cash flows for the year ended 31 December 2017

	Notes (pages 35 to 37)	2017 £'000	2016 £'000
Cash inflow from operating activities	A	2,435	2,910
Cash from investing activities	B	200	180
Cash used in financing activities	B	(938)	(480)
		1,697	2,610
Management of liquid resources	B	-	(900)
Increase in cash	C	1,697	1,710
(Increase) /decrease in cash equivalents	C	(14)	928
		1,683	2,638
Cash at 1 January		5,921	3,283
Cash at 31 December		7,604	5,921

Notes to the cash flow statement for the year to 31 December 2017

A Cash inflow/(outflow) from operating activities

	2017 £'000	2016 £'000
Net incoming resources	3,000	3,183
Depreciation and amortisation charge	306	309
Gains on investments	(632)	(1,163)
Investment income and bank interest receivable	(205)	(185)
Interest payable	4	5
Increase in stocks	(8)	(5)
Increase in debtors	(431)	(21)
Increase in creditors (excluding finance leases)	401	787
Net cash from operating activities	2,435	2,910

Statement of cash flows for the year ended 31 December 2017

B Cash flows from investing and financing activities

	2017 £'000	2016 £'000
Investing activities		
Interest received	11	24
Interest payments	(5)	(5)
Investment income received	194	161
	200	180
Cash flows from financing activities		
Payment to acquire tangible fixed assets *	(112)	(91)
Payment to acquire intangible fixed assets	(172)	(170)
Payment to acquire investments	(6,576)	(4,803)
Receipts from the disposal of investments	5,985	4,663
Capital element of finance lease rental payments	(63)	(79)
	(938)	(480)
Management of liquid resources		
Increase in short-term deposits	-	(900)

* Payment of £112k (2016: £91k) to acquire tangible fixed assets does not include additions to finance leases.

Statement of cash flows for the year ended 31 December 2017

C Change in cash and cash equivalents in the year

	At 1 January 2017 £'000	Cash flows £'000	Non cash changes £'000	At 31 December 2017 £'000
Cash at bank and in hand	3,619	1,281	–	4,900
Cash held by investment managers	392	416	–	808
	4,011	1,697	–	5,708
Cash on deposit	2,000	–	–	2,000
Financing	(90)	67	(81)	(104)
	1,910	67	(81)	1,896
Total cash and cash equivalents	5,921	1,764	(81)	7,604

D Reconciliation of net cash flow to movement in net funds

	£'000	£'000
Increase in cash in the year	1,697	
Cash outflow from increase in liquid resources	–	
Cash to repay finance leases	67	
Change in net funds resulting from cash flows		1,764
Changes in finance leases		(81)
Net funds at 1 January 2017		5,921
Net funds at 31 December 2017		7,604

Interest incurred in the year in relation to all finance leases amounted to £5k (2016: £5k).

Amortisation charge in the year in relation to intangible fixed assets amounted to £57k (2016: £51k).

Depreciation charge in the year in relation to tangible fixed assets amounted to £249k (2016: £258k).

Basis of accounting

The accounts (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 Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'.

The College meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and of the College's heritage assets.

The financial statements presentation currency is sterling and are rounded to the nearest thousand.

Going concern

As detailed in the Trustees' responsibilities statement, the accounts are prepared on a going concern basis unless it is inappropriate to presume that the College will continue in operation. The College's Trustees have approved the College wide budgets for 2018 and conclude that there are no material uncertainties about the

College's ability to continue as going concern and the College has adequate resources to continue in operational existence for at least twelve months from the date of signing the financial statements. With respect to the next reporting period, 2018, the most significant areas of uncertainty that affect the carrying value of assets held by the College are the level of investment return and the performance of investment markets (see the investment policy and risk management sections of the Trustees' report for more information).

Incoming resources

Incoming resources are recognised in the period in which the entitlement to the receipt is probable and the amount can be measured with reasonable accuracy. Income is deferred only when the College has to fulfil conditions before becoming entitled to it.

Grants from government and other agencies have been included as incoming resources from charitable activities when receivable and are deferred where the donor specifies that the grant must be used in a future accounting period.

Legacies are included in the statement of financial activities when the College is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Legacies are recognised when it is probable that it will be received and there is an ability to estimate with sufficient accuracy the amount receivable.

Resources expended and the basis of apportioning costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is more likely than not that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured or estimated reliably. Irrecoverable VAT is charged as a cost against financial services.

Resources expended comprise the following:

- The cost of generating funds represents fees paid to investment managers in connection with the management of the College's listed investments as well as staff cost incurred in connection with managing the College's liquid assets and those costs associated to the Development Office.
- The costs of charitable activities comprise expenditure on the defined charitable purposes of the College and include direct staff costs attributable to the activity and an allocation of the general management and overhead costs.
- The basis of overheads allocation is as follows:
 - Governance costs have been allocated on the basis of direct cost,
 - Human Resources costs have been allocated on the basis of headcount,
 - Information Technology costs have been allocated on the basis of the number of computers used by each department,
 - Office services, Facilities and Building costs have been allocated on the basis of the square footage,
 - Financial services costs, Depreciation and Irrecoverable VAT have been allocated on the basis of the direct cost.

Termination payments

In cases of resignation or dismissal, fixed remuneration (base salary and employer pension contributions) will cease on the last day of employment. In the case of redundancy, redundancy payments will be made in accordance with statutory requirements. Depending on the circumstances, the College may waive its right to insist on employees working their notice and instead give a payment in lieu of notice.

Intangible fixed assets

All intangible assets with an expected useful life exceeding one year are recognised at cost and amortised over the asset's useful life.

It is College policy to measure intangible assets using the cost model. The College measures intangible assets at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation costs are charged to financial services and are allocated as overheads to the cost of raising funds, standard setting and research, education and training, membership services and support and to communication and policy.

Intangible fixed assets consist of the following College IT systems:

- **NG (membership database)**
 - amortised at a rate of 10%
- **Website**
 - amortised at a rate of 33.33%
- **Carval HR (HR system)**
 - amortised at a rate of 33.33%
- **SAP Business One (finance system)**
 - amortised at a rate of 33.33%

Tangible fixed assets

All tangible assets in excess of £2,500 and with an expected useful life exceeding one year are capitalised.

Functional land and buildings used for the direct charitable work of the College are shown in the balance sheet at historical cost. The College flat is held on a lease; the net book value is being amortised over the remaining period of the lease. Depreciation on equipment, furniture and fittings is provided at the following annual rates in order to write off each asset on a straight-line basis over its estimated useful life:

- **Freehold land and buildings**
 - nil on cost
- **Leasehold buildings**
 - on cost over the remaining period of the lease
- **Heritage assets**
 - nil on market valuation
- **Kitchen equipment**
 - 20% on cost
- **Furniture and fittings (excluding portraits)**
 - 10% on cost
- **Computers**
 - 33.33% on cost

Freehold land and buildings are not depreciated as the College has a policy of maintaining them in such a condition that their value is not impaired by the passage of time. The Board of Trustees is of the opinion that any provision for depreciation is deemed to be immaterial because of the long useful economic life.

Leasehold buildings comprise the College flat and is depreciated on cost over the remaining period of the lease. The College flat is intended for the use of Trustees and is not considered to be an investment property.

It is College policy to capitalise finance costs incurred in connection with the construction of an asset up until the point at which the related asset comes into use.

It is College policy to undertake an annual impairment review of tangible fixed assets (including heritage assets) where no depreciation charge is made on the grounds that it is immaterial (such as the Portraits and the collection of antiquarian books), or where depreciation is calculated on a basis that assumes that the useful economic life of an asset is longer than 50 years (such as the College headquarters at 21 Prescott Street and the College flat), to ensure that the carrying amount of the asset is not overstated.

The College portraits, held as part of furniture and fittings, are not depreciated as they have a very long useful economic life before they need any major restoration or refit. The remaining economic value of the assets are not materially different from the carrying amount of the portraits, as a result the depreciation charge is immaterial.

The College heritage assets were revalued on 22 January 2016 by Bonhams, specialist valuers and auctioneers in a wide range of antiquarian and rare books. These assets have been recognised in the Balance Sheet at market value. Due to the nature of the heritage assets they are not depreciated and the College Trustees are of the opinion that any provision for depreciation would not be material and that the heritage assets are worth at least their book value.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year based on brought forward values.

The College does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the College is that of the volatility in equity markets and investment markets due to wider economic conditions and the attitude of investors to investment risk markets (see the investment policy section of the Trustees' report for more information).

Stocks

Stocks of goods for resale are valued at the lower of cost and net realisable value. An annual review is carried out to identify any obsolete or slow-moving stock which is written off accordingly.

Current asset investments

Current asset investments represent cash on deposit with recognised United Kingdom banks with a maturity of less than one year held for investment purposes rather than to meet short-term cash commitments as they fall due.

Cash equivalents

Cash equivalents represent short-term deposits with recognised United Kingdom banks and which are not repayable within 24 hours without loss of interest or other penalty.

Financial instruments

The College only has financial instruments that qualify as basic financial instruments and therefore has applied the provisions of Section 11 'Basic Financial Instruments' to all of its financial instruments.

Financial assets and financial liabilities are recognised when the College becomes a party to the contractual provisions of the instrument, and are offset only when the College currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade and other debtors

Trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses. The College has no debtors that would constitute a financing transaction.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities

Trade investments

Trade investments are equity investments over which the College has no significant influence, joint control or control and are initially measured at transaction price and subsequently measured at fair value with net gains and losses arising on revaluation and disposal being included in the Statement of Financial Activities.

The fair value of trade investments quoted on a recognised stock exchange is the quoted bid price. The main form of financial risk faced by the College is that of volatility in equity and investment markets due to wider economic conditions and the attitude of investors to investment risk. The risk is minimised by ensuring a balanced and diversified investment portfolio handled by professional investment managers with authorised discretionary fund management responsibilities. The performance of College investments is regularly reviewed by the Finance Management Committee.

Financial liabilities

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Trade creditors and other creditors

Trade and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled. The College has no creditors that would constitute a financing transaction.

Fund accounting

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes, unless under the terms of the endowment such income must be used for specific purposes, in which case it is credited to restricted funds.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions. The designated funds are monies set aside out of general funds and designated for specific purposes by the Members of the Board of Trustees. The Board of Trustees has the power to reallocate such funds within unrestricted funds unless and until expended.

The general fund comprises those monies which are freely available for application towards meeting the charitable objectives of the College at the discretion of the Board of Trustees.

Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the lease term.

Finance leases

Rentals applicable to finance leases, where substantially all of the benefits and risks of ownership rest on the lessee, are capitalised at the guaranteed minimum lease payments where any interest is not material to the financial statements. Assets subject to finance leases are depreciated over their terms.

The commitments of the minimum lease payments are recognised as creditors in the balance sheet.

Pension costs

Employees of the College are entitled to join a defined contribution 'money purchase scheme'. Contributions in respect of the College's money purchase scheme are charged to the statement of financial activities in the year in which they are payable to the scheme.

The costs of the money purchase scheme are included within support and governance costs and charged to the unrestricted funds of the College using the methodology set out in the basis of overheads allocation.

The money purchase scheme is managed by Standard Life Assurance Limited and the plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan. The pension fund is then converted into a pension upon the employee's normal retirement age which is defined as when they are eligible for a state pension. The College has no liability beyond making its contributions and paying across the deductions for the employee's contributions. New employees are automatically enrolled into the money purchase scheme unless they have exercised their right to opt out.

Accounting estimates and key judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. During the year there are no accounting estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Freehold land – The total value of the land is estimated at £200k and is included in freehold buildings. The element relating to the sale of the land is estimated to have a cost value of £31k and as such the value of land disposed off is immaterial.

Freehold buildings – The College's freehold buildings are not depreciated as the College has a policy of maintaining them in such a condition that their value is not impaired by the passage of time. If the College's freehold buildings were depreciated the charge for the year would have been £331k.

Heritage assets – have been recognised in the Balance Sheet at market value. Market valuation is sought where significant changes have been made to the collection. Due to the nature of the heritage assets they are not depreciated and the College Trustees are of the opinion that any provision for depreciation would not be material and that the heritage assets are worth at least their book value.

Notes to the accounts

1 Donations and investment income

	Unrestricted £'000	Restricted £'000	Endowment £'000	2017 £'000	2016 £'000
Incoming resources					
Dividends	194	–	–	194	161
Bank interest	8	–	3	11	24
Donations and gifts	19	324	–	343	187
2017	221	324	3	548	
2016	185	184	3		372
Resources expended					
Cost of raising funds					
– Staff costs	113	–	–	113	120
– Sundry expenses	32	48	–	80	10
– Overheads (note 6)	63	–	–	63	61
	208	48	–	256	191
Investment management fees	66	–	–	66	71
2017	274	48	–	322	
2016	262	–	–		262
2017 Net (outgoing) / incoming resources	(53)	276	3	226	
2016 Net (outgoing) / incoming resources	(77)	184	3		110

2 Standard setting and research

	Unrestricted £'000	Restricted £'000	2017 £'000	2016 £'000
Incoming resources				
Specialist registration (Article 14 assessment)	38	–	38	38
Grants receivable (note 7)	120	1,914	2,034	1,305
Contract income from supply of services*	–	1,667	1,667	1,603
Subscription to network review	2,994	–	2,994	2,937
Miscellaneous income	54	–	54	310
2017	3,206	3,581	6,787	
2016	3,315	2,878		6,193
Resources expended				
Staff costs	2,136	1,796	3,932	3,595
Standard Setting activities	1,048	372	1,420	1,161
Research activities	–	629	629	871
Overheads (note 6)	1,074	548	1,622	1,474
2017	4,258	3,345	7,603	
2016	4,118	2,983		7,101
2017 Net (outgoing) / incoming resources	(1,052)	236	(816)	
2016 Net (outgoing) / resources	(803)	(105)		(908)

*During 2017 funds received from NICE were £1,667k (2016: £1,366k) for the Access and Waiting Times project and £nil (2016: £237k) for Guidelines.

3 Education and training

	Unrestricted £'000	Restricted £'000	2017 £'000	2016 £'000
Incoming resources				
Examinations	2,070	–	2,070	1,979
Online continuing professional development	256	–	256	237
Centre for Advanced Learning and Conferences	351	–	351	385
Grants for education and training (note 7)	15	936	951	1,011
International Congress	959	–	959	1,158
Faculties, divisions and special interest groups' meetings	1,304	–	1,304	1,255
Publications and journals	1,288	–	1,288	1,339
2017	6,243	936	7,179	
2016	6,351	1,013		7,364
Resources expended				
Staff costs	1,850	213	2,063	1,819
Cost of examinations*	989	–	989	961
Online CPD activities	59	–	59	118
Cost of meetings and conferences	1,535	59	1,594	1,717
Prizes and bursaries	72	825	897	97
Cost of Journals**	660	–	660	683
Sundry expenses	129	203	332	267
Overheads (note 6)	824	97	921	848
2017	6,118	1,397	7,515	
2016	6,143	367		6,510
2017 Net incoming / (outgoing) resources	125	(461)	(336)	
2016 Net incoming resources	208	646		854

* Examinations generated a surplus of £231k (2016: £242k) after accounting for operating expenditure and College overheads.

** Publications expensed £533k (2016: £536k) to produce membership journals and £82k (2016: £84k) to produce membership online journals.

Notes to the accounts

4 Member services and support

	Unrestricted £'000	Restricted £'000	2017 £'000	2016 £'000
Incoming resources				
Members' and Associates' subscription and registration fees	5,731	–	5,731	5,721
Grants (note 7)	–	–	–	25
Miscellaneous income	137	–	137	170
2017	5,868	–	5,868	
2016	5,891	25		5,916
Resources expended				
Staff costs	2,171	–	2,171	1,980
Collegiate activities	256	–	256	286
Membership support	92	–	92	166
Faculties, divisions and special interest groups' support	165	–	165	174
Sundry expense	299	–	299	223
Overheads (note 6)	698	–	698	661
2017	3,681	–	3,681	
2016	3,483	7		3,490
2017 Net incoming resources	2,187	–	2,187	
2016 Net incoming resources	2,408	18		2,426

5 Communications and policy

	Unrestricted £'000	Restricted £'000	2017 £'000	2016 £'000
Incoming resources				
Sales of public education material	25	–	25	31
Grants (note 7)	–	65	65	–
Miscellaneous income	21	–	21	27
2017	46	65	111	
2016	58	–		58
Resources expended				
Staff costs	1,185	–	1,185	793
Production of public education material	16	–	16	51
College's campaigns	11	60	71	24
International activities	85	–	85	75
Parliamentary activities	14	–	14	29
Public relations activities	39	–	39	49
Other public education activities	185	–	185	237
Overheads (note 6)	354	–	354	278
2017	1,889	60	1,949	
2016	1,536	–		1,536
2017 Net (outgoing) / incoming resources	(1,843)	5	(1,838)	
2016 Net (outgoing) resources	(1,478)	–		(1,478)

6 Allocation of support services costs

	Governance £'000	Information Technology £'000	Facilities £'000	Financial Services £'000	Human Resources £'000	Total £'000
Activities						
Raising funds	3	15	20	15	10	63
Standard setting and research	68	397	525	377	255	1,622
Education and training	39	226	298	213	145	921
Members services and support	29	171	226	162	110	698
Communications and policy	15	87	114	82	56	354
2017 Total	154	896	1,183	849	576	3,658
2016 Total	149	735	1,198	714	526	3,322

The methods and principles for allocation and apportionment of costs are included in the accounting policies on page 38.

Governance includes hospitality costs and reimbursement of travel expenses to committee members for attending the Board of Trustees, Finance Management Committee and Council £16k (2016: £18k) and the cost of the statutory audit and internal audit £32k (2016: £49k).

Information Technology includes maintenance costs of £175k (2016: £127k). Facilities includes maintenance and operating costs for 21 Prescott Street of £792k (2016: £764k). Financial services includes the amortisation charge on intangible assets of £57k (2016: £51k), depreciation charges on tangible assets of £249k (2016: £258k) and irrecoverable VAT of £233k (2016: £160k). Human resources includes staff training and development costs of £69k (2016: £62k) and staff recognition awards totalling £35k (2016: £43k).

Staff costs included above are:

	Governance £'000	Information Technology £'000	Facilities £'000	Financial Services £'000	Human Resources £'000	Total £'000
2017 Total	61	282	262	278	190	1,073
2016 Total	57	224	285	229	220	1,015

Notes to the accounts

7 Grants receivable

	Unrestricted £'000	Restricted £'000	2017 £'000	2016 £'000
Standard setting and research				
– HQIP*	–	892	892	451
– Health Education England*	–	665	665	44
– NHS England*	120	149	269	539
– Health Foundation*	–	97	97	202
– University of Leeds	–	38	38	57
– Royal College of Paediatrics and Child Health	–	38	38	–
– Other	–	35	35	12
	120	1,914	2,034	1,305
Education and training				
– NHS England*	–	805	805	880
– Health Education England*	15	82	97	78
– Department of Health (DoH)*	–	32	32	–
– Tavistock and Portman NHS Foundation Trust*	–	17	17	–
– Dinwoodie Charitable Company	–	–	–	42
– Other	–	–	–	11
	15	936	951	1,011
Communications and policy				
– Health Education England*	–	65	65	–
	–	65	65	–
Member service and support				
– Dudley and Walsall MH NHS*	–	–	–	25
	–	–	–	25
	135	2,915	3,050	2,341

* Grants receivable from Government bodies

There are no unfulfilled conditions or other contingencies attached to these grants.

8 Related party transactions

There were no related party transactions in 2017 or in 2016.

9 Incoming resources before transfers

This is stated after charging/(crediting)

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Auditor's remuneration				
– Audit	24	–	24	20
– Non-audit services	–	–	–	3
Depreciation and amortisation	306	–	306	309
Repairs and maintenance	377	–	377	267
Operating lease rentals	158	–	158	136

Notes to the accounts

10 Staff remuneration

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Staff costs during the year were as follows:				
Wages and salaries	6,580	1,302	7,882	6,914
Social security costs	703	135	838	756
Pension costs	410	69	479	431
	7,693	1,506	9,199	8,101
Non-payroll and temporary/agency staff	835	503	1,338	1,221
	8,528	2,009	10,537	9,322

Wages and salaries include £194k for accrued holiday pay (2016: £172k).

The number of employees who earned in excess of £60,000 per annum (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2017	2016
£60,001 — £70,000	4	5
£70,001 — £80,000	2	2
£80,001 — £90,000	1	2
£90,001 — £100,000	3	1
£100,001 — £110,000	–	1
£130,001 — £140,000	1	–
£150,001 — £160,000	–	1

Employer contributions are made to money purchase pension schemes in respect of all 11 (2016: 12) employees who earned £60,000 or more during the year (as defined above). During the year this amounted to £65,378 (2016: £56,799).

The average number of employees during the year, regardless of their work pattern is analysed as follows:

	2017	2016
In furtherance of the College's charitable activities	204	196
In supporting the College's activities and governance	27	27
	231	223

Although the College trustees control and manage the administration of the College and the day-to-day management of its activities is delegated to the Chief Executive Officer and the Senior Management Team (2016 delegated to the Chief Executive Officer and the Director of Finance and Operations). The total employment benefits of the key management personnel were £1,037k (2016: £365k) including employer pension contributions and National Insurance Contributions.

The College has a non cash employee recognition award programme. The awards are open to individuals and teams, with a major CEO's award being made every year to the most deserving team in the College. A number of awards have been made to recognise the outstanding achievement or contribution of employees. During the year £35k (2016: £43k) was spent on staff awards and the social club for employees.

During the year 17 employees (2016: 2) received statutory redundancy payments totalling £105k (2016: £3k). In addition, 14 employees (2016: 1) received ex-gratia payments totalling £157k (2016: £46k). Statutory redundancy and ex-gratia payments were fully paid in the year with no amounts outstanding as at 31 December 2017.

11 Remuneration and reimbursement to College Trustees

The College has adequate systems in place to manage expenses. Reimbursement of expenses does not form part of the remuneration.

No member of the Board of Trustees received remuneration in respect of their services as a member of the Board of Trustees during the year (2016: £nil). Professor Wendy Burn, College President had received a benefit of £12k (2016: £nil) for the provision of a rented flat in Aldgate, near the College headquarters.

None of the trustees (2016: £nil) received remuneration in respect of their services provided as an examiner, editor or other capacities during the year.

Travel expenses of £938 (2016: £252) were reimbursed to 5 (2016: 3) trustees for attendance at Board of Trustees meeting during the year.

Travel expenses of £71,034 (2016: £55,483) were reimbursed to 9 (2016: 10) trustees for other duties carried out during the year. Other duties include College Trustees representing the College at major conferences such as American Psychiatric Association (APA) and World Psychiatric Association (WPA), attendance at College conferences and College meetings.

No member of the Board of Trustees had any beneficial interest in any contract with the College during the year (2016: £nil).

12 Taxation

The College is a registered charity and therefore is exempt from income tax and corporation tax on income arising from its charitable activities. The College is registered for VAT but is not able to recover all VAT suffered on expenditure due to partial exemption rules.

13 Intangible fixed assets

	SAP Business One Software £'000	Carval HR Unity Software £'000	Website £'000	Membership database £'000	Total £'000
Cost or valuation					
At 1 January 2017	–	–	–	512	512
Additions	10	31	66	65	172
Disposals	–	–	–	–	–
At 31 December 2017	10	31	66	577	684
Amortisation					
At 1 January 2017	–	–	–	51	51
Charge for year	3	–	–	61	64
Disposals	–	–	–	–	–
At 31 December 2017	3	–	–	112	115
Net book value					
At 31 December 2017	7	31	66	465	569
At 31 December 2016	–	–	–	461	461

14 Tangible fixed assets

	Freehold land and buildings Cost £'000	Leasehold land and buildings Cost £'000	Equipment, furniture and fittings Cost £'000	Computers and IT Cost £'000	Heritage Assets Valuation £'000	Total £'000
Cost or valuation						
At 1 January 2017	16,554	159	1,149	1,818	215	19,895
Additions	–	–	87	104	–	191
Disposals	–	–	(162)	(31)	–	(193)
At 31 December 2017	16,554	159	1,074	1,891	215	19,893
Depreciation						
At 1 January 2017	–	40	539	1,748	–	2,327
Charge for year	–	1	162	79	–	242
Disposals	–	–	(162)	(31)	–	(193)
At 31 December 2017	–	41	539	1,796	–	2,376
Net book value						
At 31 December 2017	16,554	118	535	95	215	17,517
At 31 December 2016	16,554	119	610	70	215	17,568

Notes to the accounts

Included within the freehold land and buildings balance is £2,260k in relation to property classed as an investment property which is used for short term lets to organisations not working to fulfil the College's objectives. Freehold land and buildings are not depreciated as the College has a policy of maintaining them in such a condition that their value is not impaired by the passage of time.

The net book value of equipment, furniture and fittings included £103k (2016: £109k) in respect of assets held under finance leases. The amount of depreciation charged for the year in respect of such assets amounted to £87k (2016: £75k) and the finance charges amounted to £5k (2016: £5k).

The net book value of leasehold land and buildings represents the College flat, which is available for College Trustees to use.

Assets acquired using restricted funds are recognised in the statement of financial activities in the year of purchase.

15 Heritage assets

The College owns a collection of antiquarian books, some of which date back to the fifteenth century. Most of the books were donated to the Medico-Psychological Association and the Royal Medico-Psychological Association, predecessor bodies of the College, from 1895. The donations were in the form of gifts and bequests towards the development of the Associations' library. The donations mainly came from the libraries of doctors Daniel Hack Tuke, J Lord, C Lockhart Robertson and J Whitwell. Since 2013, the College has also received donations of antiquarian books from the families of the late Professor Neil Kessel, valued at £6k.

The collection contains English, French and German language books written by notable authors such as John Charles Bucknill, Henry Maudsley, John Conolly, Sigmund Freud, Emil Kraepelin and Charles Darwin. The collection also contains 18th century MD (Doctor of Medicine) dissertations in Latin submitted to various European Universities.

The collection is an important source of information on the history of psychiatry, psychology, mental illness and learning disability.

In 2002 the College received the Wellcome Trust's Research Resources in Medical History Award to restore and conserve part of the collection. The remainder of the collection which requires restoration is now being conserved by the College's adopt-a-book scheme. Over 70 books have now been restored since the establishment of the scheme in 2007. Over ten books have also been restored using College funds.

All the books excluding the dissertations have been catalogued using the Soutron Library Management System. The catalogue is reviewed, updated and maintained by the Library staff, whilst the preservation and conservation of the collection is the responsibility of the Archivist. The catalogue can be searched online via the College website and COPAC (Consortium of Online Public Access Catalogues).

The College also has an archives collection with records dating back to 1841. The archives comprise institutional records, deposited archives and manuscripts, and mental nursing examination papers. The collection is being catalogued using Adlib Archive Management System.

The College has an Archives Collections Development Policy. The primary aim of the policy is to collect, maintain, document, preserve and conserve the corporate history and heritage of the College.

The archives and books are held in appropriate environmentally controlled conditions on the premises and access to these collections is by appointment with the College Archivist.

Analysis of heritage assets

	2017 £'000	2016 £'000	2015 £'000	2014 £'000	2013 £'000
Carrying amount at 1 January	215	215	201	201	–
Additions	–	–	6	–	–
Depreciation / impairment	–	–	–	–	–
Revaluation	–	–	8	–	201
Carrying amount at 31 December	215	215	215	201	201

There has been no movement in the year to the collection of books.

Heritage assets have been recognised in the Balance Sheet at market value. Due to the nature of the heritage assets they are not depreciated and the College Trustees are of the opinion that any provision for depreciation would not be material and that the heritage assets are worth at least their book value.

16 Capital Commitments

At 31 December 2017 capital commitments were as follows:

	2017 £'000	2016 £'000
Authorised and contracted for	248	–

Capital commitments authorised and contracted for at 31 December 2017 was in respect of the College website redesign project £248k (2016: £nil).

Notes to the accounts

17 Investments

	2017 £'000	2016 £'000
Listed Investments		
Fair value at 1 January	8,644	7,341
Additions at cost	6,576	4,803
Disposal proceeds	(5,985)	(4,663)
Net realised investment gain	45	315
Net unrealised investment gain	587	848
Fair value at 31 December	9,867	8,644
Cash held by investment managers in UK for reinvestment	808	392
	10,675	9,036
Cost of Listed investments at 31 December	8,635	7,838

Listed investments held at 31 December 2017 comprised the following:

	2017 £'000	2016 £'000
Fixed Interest Bonds		
– United Kingdom	1,096	1,006
– Overseas	446	368
Equities		
– United Kingdom	3,860	2,674
– Overseas	4,104	4,350
Property	361	246
	9,867	8,644

Investments which were in excess of 5% of the total value of the Portfolio at 31 December 2017:

	% of portfolio valuation	2017 £'000
Threadneedle Inv UK Zna	6.47	638
	6.47	638

The investments are held through a diversified portfolio to maximise total return on investments with minimal risk.

Notes to the accounts

18 Stocks

	2017 £'000	2016 £'000
Stock of saleable goods	67	63
Stock held for consumption	9	5
	76	68

During 2017 no stock had been written-off through the Statement of Financial Activities (SOFA) (2016: £nil).

19 Debtors

	2017 £'000	2016 £'000
Trade debtors	2,194	1,298
Prepayments	604	472
Accrued income	706	1,294
Other debtors	253	262
	3,757	3,326

20 Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Expense creditors	1,402	1,028
Deferred income	2,318	2,553
Other creditors	88	90
Accruals	1,343	1,202
Obligations under finance leases	54	52
Other tax and social security	422	354
	5,627	5,279

Notes to the accounts

Movement in deferred income

	Balance b/f 1 January 2017 £'000	Realised to SOFA £'000	Deferred in year £'000	Balance c/f 31 December 2017 £'000
Membership subscriptions received in advance	49	(49)	189	189
Examination fees received in advance	393	(393)	356	356
Journal subscription received in advance	337	(337)	103	103
Grants received in advance	206	(206)	64	64
Subscription to network review in advance	1,550	(1,550)	1,461	1,461
Training income received in advance	18	(18)	122	122
Cambridge University Press transition income	–	–	23	23
Total	2,553	(2,553)	2,318	2,318
Amounts to be released in more than 1 year (note 21)				
Subscription to network review in advance	548	(399)	364	513
Total	3,101	(2,952)	2,682	2,831

Deferred income relates to income received in advance to which the College is not entitled until future years.

21 Creditors: amounts falling due after more than one year

	2017 £'000	2016 £'000
Subscription to network review in advance		
– two years	416	399
– two to five years	97	149
Cambridge University Press transition income		
– two years	45	–
– two to five years	45	–
Obligations under finance leases		
– two years	37	38
– two to five years	13	–
	653	586

Finance cost in respect of finance leases is £5k (2016: £5k).

22 Financial instruments

	2017 £'000	2016 £'000
Financial assets measured at amortised cost	3,153	2,854
Financial liabilities measured at amortised cost	(2,833)	(2,320)

Notes to the accounts

23 Endowment fund

The capital funds of the charity include endowed monies which must be retained indefinitely.

	At 1 January £'000	Incoming resources £'000	Transfers £'000	At 31 December £'000
Mary Margaret Slack	262	3	(3)	262
2017	262	3	(3)	262
2016	262	3	(3)	262

The interest from this fund is applied towards a travelling fellowship to enable a psychiatric trainee working in the UK to attend a centre of excellence in the UK or abroad.

24 Restricted funds

The income funds of the College include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

	At 1 January 2017 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 December 2017 £'000
Member and trainee services	1,241	1,052	(1,620)	303	976
Donations received for specific purposes	833	324	(48)	(303)	806
Other funds for specific purposes (note 25)	83	1	(7)	3	80
Total Member and trainee Services	2,157	1,377	(1,675)	3	1,862
Restricted research funds	318	3,465	(3,122)	–	661
Other projects	122	65	(60)	–	127
2017	2,597	4,907	(4,857)	3	2,650

	At 1 January 2016 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 December 2016 £'000
Member and trainee services	306	1,240	504	199	1,241
Donations received for specific purposes	848	184	–	(199)	833
Other funds for specific purposes (note 25)	101	2	23	3	83
Total Member and trainee Services	1,255	1,426	527	3	2,157
Restricted research funds	495	2,676	2,853	–	318
Other projects	122	–	–	–	122
2016	1,872	4,102	3,380	3	2,597

Member and trainee services

The fund will be applied towards the training and education of psychiatrists and trainees world-wide.

During 2017 the College received £805k (2016: £880k) from Health Education England for the development of clinical leadership and capacity in perinatal mental health psychiatry. These funds are to be used during 2017 and 2018 to fund 10 bursaries for consultant psychiatrists to be placed in high quality and approved perinatal mental health services and to train as Clinical Leads, then to return to their own Trust with expectations to lead the development of services.

Donations received for specific purposes

The fund is allocated to three projects. The Pathfinder Fellowship scheme, which supports a cohort of 10 medical students over three years with access to peer networks, mentoring, CPD online modules, attendance at the College's International Congress and a series of events to keep them abreast of developments in psychiatry. The Gatsby/Wellcome Integrating Neuroscience Project which ensures that advances in basic and clinical neuroscience are made more accessible to trainee psychiatrists.

The Donald Dean Research Memorial Fellowship which has established a three-year Research Fellowship in mental health in the workplace.

Other funds for specific purposes

This is represented by the individual balances of funds set up to accommodate donations and bequests and to be applied for prizes and other specific purposes. The transfer made into the fund represents the interest generated £3k (2016: £3k) from the endowment fund. This is applied towards a travelling fellowship to enable a psychiatric trainee working in the UK to attend a centre of excellence in the UK or abroad.

Restricted research funds

The funds represent external funding to be used for the College's research activities.

Transfers

A transfer of £303k from donations received for specific purposes into member and trainee services represents expenditure incurred in relation to the Pathfinder Fellowship Scheme, the Sustainable Mental Health Programme, the Donald Dean Research Fellowship and Neuroscience, in accordance with restrictions in donations. The incoming transfer of £3k into other funds for specific purposes represents the return on the endowment fund.

Other projects

This represents the following projects:

Public Information Leaflets – St Andrew’s

The fund exists to produce mental health information leaflets which are sold in large quantities to Trusts, PCTs, GP Surgeries, PALs, schools and carer organisations.

Inter-collegiate working group

This is a restricted grant given by the Department of Health to the Inter-Collegiate steering group, comprising The Royal College of Psychiatrists, The Royal College of Physicians, The Royal College of General Practitioners, The Royal College of Paediatrics and Child Health and the Faculty of Public Health for developing a strategy against addictions across all age groups.

25 Other funds for specific purposes

	At 1 January 2017 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 December 2017 £'000
Prize Funds					
Alexander Mezey Prize	6	–	–	–	6
Brian Oliver Prize	1	–	–	–	1
Gillian Page Prize	2	–	–	–	2
Laughlin Prize	22	1	1	–	22
Margaret Davenport Prize	4	–	–	–	4
Morris Markowe Public Education	2	–	1	–	1
Peter Scott Prize	7	–	–	–	7
Standish–Barry Fund	1	–	–	–	1
Chris Mace Essay Prize	2	–	–	–	2
Travelling Fellowships					
Ferdinande Johanna Kanjilal Travelling Fellowship	1	–	–	–	1
John Hamilton Travelling Fellowship	28	–	2	–	26
Margaret Slack Travelling Fellowship	–	–	2	3	1
Other Funds					
Margaret Methven Lecture	2	–	–	–	2
Lieberman Bequest	1	–	–	–	1
Honorary Fellows Fund	2	–	1	–	1
Arpana Funding	2	–	–	–	2
2017	83	1	7	3	80

Notes to the accounts

	At 1 January 2016 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 December 2016 £'000
Prize Funds					
Alexander Mezey Prize	7	–	1	–	6
Brian Oliver Prize	1	–	–	–	1
Gillian Page Prize	2	–	–	–	2
Laughlin Prize	22	1	1	–	22
Margaret Davenport Prize	4	–	–	–	4
Morris Markowe Public Education	3	–	1	–	2
Peter Scott Prize	7	–	–	–	7
Philip Davis Prize	1	–	1	–	–
Standish–Barry Fund	1	–	–	–	1
Chris Mace Essay Prize	1	1	–	–	2
Travelling Fellowships Wards					
Ferdinande Johanna Kanjilal Travelling Fellowship	1	–	–	–	1
John Hamilton Travelling Fellowship	28	–	–	–	28
Margaret Slack Travelling Fellowship	1	–	4	3	–
Other Funds					
Margaret Methven Lecture	2	–	–	–	2
Lieberman Bequest	1	–	–	–	1
Honorary Fellows Fund	7	–	5	–	2
Arpana Funding	2	–	–	–	2
Dr P J H Gosling Fund	10	–	10	–	–
2016	101	2	23	3	83

The transfer made into the Margaret Slack Travelling Fellowship fund represents the interest generated £3k (2016: £3k) from the endowment fund. This is applied towards a travelling fellowship to enable a psychiatric trainee working in the UK to attend a centre of excellence in the UK or abroad.

26 Unrestricted funds

	At 1 January 2017 £'000	Net incoming / (outgoing) resources before transfers £'000	Transfers £'000	Other recognised gains and losses £'000	At 31 December 2017 £'000
Designated funds (note 27)	22,174	390	(47)	–	22,517
General fund	5,180	1,925	47	632	7,784
2017	27,354	2,315	–	632	30,301

Notes to the accounts

	At 1 January 2016 £'000	Net incoming / (outgoing) resources before transfers £'000	Transfers £'000	Other recognised gains and losses £'000	At 31 December 2016 £'000
Designated funds (note 27)	20,754	1,612	(192)	–	22,174
General fund	4,142	(317)	192	1,163	5,180
2016	24,896	1,295	–	1,163	27,354

The transfers made between the designated funds and the general fund represent £47k from the Trainee fund towards costs spent on Trainees.

27 Designated funds

The income fund of the College includes the following designated funds which have been set aside out of unrestricted funds by the College Trustees for specific purposes:

	At 1 January 2017 £'000	New designations £'000	Transfers £'000	At 31 December 2017 £'000
Fixed asset fund	18,029	56	–	18,085
Repairs provision	1,211	100	–	1,311
College Centre for Quality Improvement (CCQI) fund	1,907	148	–	2,055
Faculties, Divisions and Special Interest Groups (FDS) fund	1,002	62	–	1,064
Trainee fund	25	24	(47)	2
2017	22,174	390	(47)	22,517

	At 1 January 2016 £'000	New designations £'000	Transfers £'000	At 31 December 2016 £'000
Fixed asset fund	18,026	3	–	18,029
Repairs provision	386	825	–	1,211
College Centre for Quality Improvement (CCQI) fund	1,318	589	–	1,907
Faculties, Divisions and Special Interest Groups (FDS) fund	851	151	–	1,002
Trainee fund	173	44	(192)	25
2016	20,754	1,612	(192)	22,174

Fixed asset fund

This represents the net book value of all intangible and tangible fixed assets held by the College, including heritage assets.

Notes to the accounts

Repairs provision

The fund exists to finance exceptional repairs and maintenance of College buildings. In 2017, £100k had been transferred into this fund (2016: £825k). In future, the College aims to designate in excess of £100k each year. The objective of the fund is to set aside approximately £2m by 2023 for major repairs and maintenance to the College's headquarters including the roof, lift and air conditioning system.

College Centre for Quality Improvement (CCQI) and Faculties, Divisions and Special Interest Groups (FDS) fund

The CCQI fund of £2,055k (2016: £1,907) and the FDS (Faculties, Divisions and Special Interest Groups) fund of £1,064k (2016: £1,002) were both set up in 2016 as separate reserves for these specific activities of the College and represent six months of their operating expenditure, in line with the College's Reserve Policy. Where current or future reserves exceed this figure, the excess will be transferred to General Fund. An account will be maintained of the amount

of reserves in the General Fund that relates to CCQI and FDS and this will be available to the CCQI and FDS, at the discretion of the Trustees if they depleted their entire designated reserves. £148k (2016: £589k) was transferred to the CCQI fund and £62k (2016: £151k) to the FDS fund during 2017.

Trainee fund

The fund, established in 2012, represents amounts set aside from the excess of examination surplus to be spent towards trainees. It applies only if examinations surplus in a year represents more than 10% of examinations income. In 2017 the excess above the agreed threshold was £24k (2016: £44k) and this has been designated to the Trainee fund. During 2017 £44k (2016: £192k) had been transferred into the general fund to provide for the maintenance of an eLearning package aimed specifically for trainees and £3k (2016: £nil) to support the European Federation of Psychiatric Trainees; therefore giving a net transfer of £23k from the Trainee fund to the general fund. The Trustees are yet to agree how the remaining balance of the fund is to be spent on trainees.

28 Analysis of net assets between funds

	General fund £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2017 £'000
Fund Balances at 31 December 2017 are represented by:					
Fixed assets	–	18,085	–	–	18,085
Investments	10,413	–	–	262	10,675
Current assets	3,651	4,432	2,650	–	10,733
Creditor: amounts falling due within one year	(5,627)	–	–	–	(5,627)
Creditor: amounts falling due after more than one year	(653)	–	–	–	(653)
2017	7,784	22,517	2,650	262	33,213

Notes to the accounts

	General fund £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2016 £'000
Fund Balances at 31 December 2016 are represented by:					
Fixed assets	–	18,029	–	–	18,029
Investments	8,774	–	–	262	9,036
Current assets	2,271	4,145	2,597	–	9,013
Creditor: amounts falling due within one year	(5,279)	–	–	–	(5,279)
Creditor: amounts falling due after more than one year	(586)	–	–	–	(586)
2016	5,180	22,174	2,597	262	30,213

29 Leasing commitments

Operating leases

At 31 December 2017 the College had total future minimum payments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Amount due:				
Within one year	50	38	14	14
Within two to five years	23	47	41	54
Total commitment	73	85	55	68

30 Net obligations under finance leases

	2017 £'000	2016 £'000
Amount due:		
Within one year	54	52
Within two to five years	50	38
Total commitment	104	90

Obligations under finance leases are secured on the related asset. At 31 December 2017 the College had net obligations under finance leases as disclosed in notes 20 and 21.



About this report

This is the report of the Board of Trustees of the Royal College of Psychiatrists, including the accounts of the College, for the year ended 31 December 2017.

The accounts have been prepared in accordance with the accounting policies set out on pages 37 to 43 of the attached accounts and comply with the College's Charter, applicable laws and the requirements of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, effective from 1 January 2015. Published in July 2014.

College objectives and activities

In 1971, the College was established to:

- Advance the science and practice of psychiatry and related subjects
- Educate the public about psychiatry and related subjects
- Promote study and research work in psychiatry – and all sciences and disciplines connected with the understanding and treatment of mental disorder in all its forms and aspects, and related subjects – and publish the results of all this study and research.

As a registered charity (number 228636 with the Charity Commission for England and Wales and number SC038369 with the Office of the Scottish Charity Regulator), we have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities we undertake. This annual report sets out the details of our work in 2017 that demonstrates public benefit.

The College is a registered charity incorporated by Royal Charter. The College's affairs are managed and regulated in accordance with its Bye-laws and Regulations.

The Trustees are satisfied that all strands of the College's activities come under the overarching goal of improved mental health for all, and therefore work both directly and indirectly toward the benefit of the public.

Our governance

Board of Trustees

President	Professor Sir Simon Wessely (to 28 June 2017) Professor Wendy Burn (from 28 June 2017)
Registrar	Dr Adrian James
Dean	Dr Kate Lovett
Treasurer	Dr Jan Falkowski
Divisional representative	Dr Sadgun Bhandari (to 28 June 2017) Dr Louise Sell (from 28 June 2017)
Faculty representative	Dr Peter Hindley (to 28 June 2017) Dr Dasha Nicholls (from 28 June 2017)
Elected representative	Professor Gwen Adshead
Lay Trustees	Malcolm Basing Nigel Jones Anita Bharucha

Finance Management Committee (sub-committee of the Board of Trustees)

Chair	Dr Jan Falkowski
Divisional representative	Dr Rob Poole (to 28 June 2017) Dr Suresh Babu (from 28 June 2017)
Faculty representative	Dr Lenny Cornwall
Elected representative	Professor Keith Lloyd
Lay Trustees	Malcolm Basing

Council

Honorary Officers

President	Professor Sir Simon Wessely (to 28 June 2017) Professor Wendy Burn (from 28 June 2017)
Treasurer	Dr Jan Falkowski
Registrar	Dr Adrian James
Dean	Dr Kate Lovett

Chairs of Divisions Devolved Administrations

RCPsych in Northern Ireland	Dr Gerard Lynch
RCPsych in Scotland	Dr Alastair Cook (to 28 June 2017) Dr John Crichton (from 28 June 2017)
RCPsych in Wales	Professor Keith Robert Lloyd

England

Eastern	Dr Sadgun Bhandari (to 28 June 2017) Dr Abdul Raoof (from 28 June 2017)
London	Dr Shakeel Ahmad
Northern & Yorkshire	Dr Kannan Suresh Babu
North West	Dr Louise Sell
South East	Dr Hugh Series (to 28 June 2017) Professor Catherine Kinane (from 28 June 2017)
South West	Dr Richard Laugharne
Trent	Dr Christopher Rusius (to 28 June 2017) Dr Anandamandiram Ramakrishnan (from 28 June 2017)
West Midlands	Dr Gabrielle Milner (to 28 June 2017) Dr Ignacio Argiles (from 28 June 2017)

Council

Chairs of Faculties

Academic Psychiatry	Professor Anne Lingford-Hughes
Addictions	Professor David Drummond
Child & Adolescent Psychiatry	Dr Peter Hindley (to 28 June 2017) Dr Bernadeta Dubicka (from 28 June 2017)
Eating Disorders	Dr Dasha Nicholls
Forensic Psychiatry	Professor Pamela Taylor
General Adult Psychiatry	Dr Lenny Cornwall
Intellectual Disability	Dr Ashok Roy
Liaison Psychiatry	Dr Peter Aitken (to 28 June 2017) Dr James Bolton (from 28 June 2017)
Medical Psychotherapy	Dr Sue Mizen
Neuropsychiatry	Professor Eileen Joyce
Old Age	Dr Amanda Thompsell
Perinatal Psychiatry	Dr Gertrude Seneviratne
Rehabilitation & Social Psychiatry	Dr Sridevi Kalidindi (to 28 June 2017) Dr Rajesh Mohan (from 28 June 2017)

Chairs of Committees of Council

Conferences & Advanced Learning	Dr Ian Hall
Electroconvulsive Therapy & Related Treatments Committee	Professor Ian Ferrier
Leadership & Management	Dr Fiona Mason (to 28 June 2017) Dr David Somerfield (from 28 June 2017)
Patients and Carers	Ms Michelle Long (to 12 September 2017) Ms Dawn Lewis (from 9 September 2017) Mr Robert Milligan Mr Robert Walker

Council

Professional Practice & Ethics	Dr Mayura Deshpande
Psychiatric Trainees' Committee	Dr Charlotte Blewett Dr Kathryn Milward
Psychopharmacology	Professor Allan Young (to 28 June 2017) Prof David Baldwin (from 28 June 2017)
Public Engagement	Dr Tony Rao
Publications Management Board	Professor Kam Bhui
Elected Fellows and Members	Dr Anandamandiram Ramakrishnan (to 28 June 2017) Dr Gezinus Boer (from 28 June 2017) Dr Russell Razzaque (from 28 June 2017) Dr Pierre-Stanislas Taub (from 28 June 2017) Dr Matthew Tovey (from 28 June 2017)
Co-Opted Members	
CCQI	Professor Michael Crawford
NCCMH	Professor Tim Kendall
SAS	Dr Monique Schelhase

International Divisions

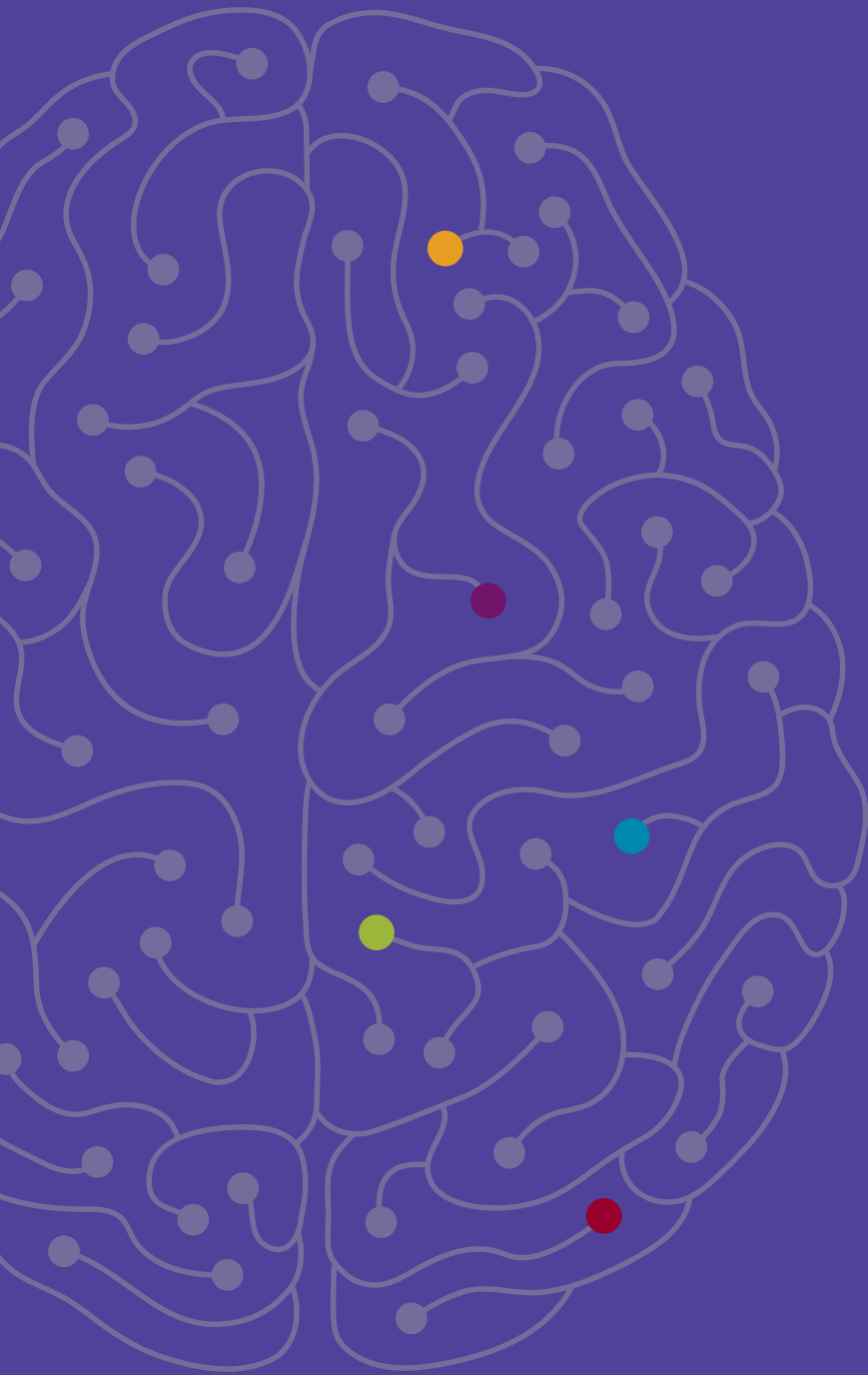
The current International Divisions of the College are:

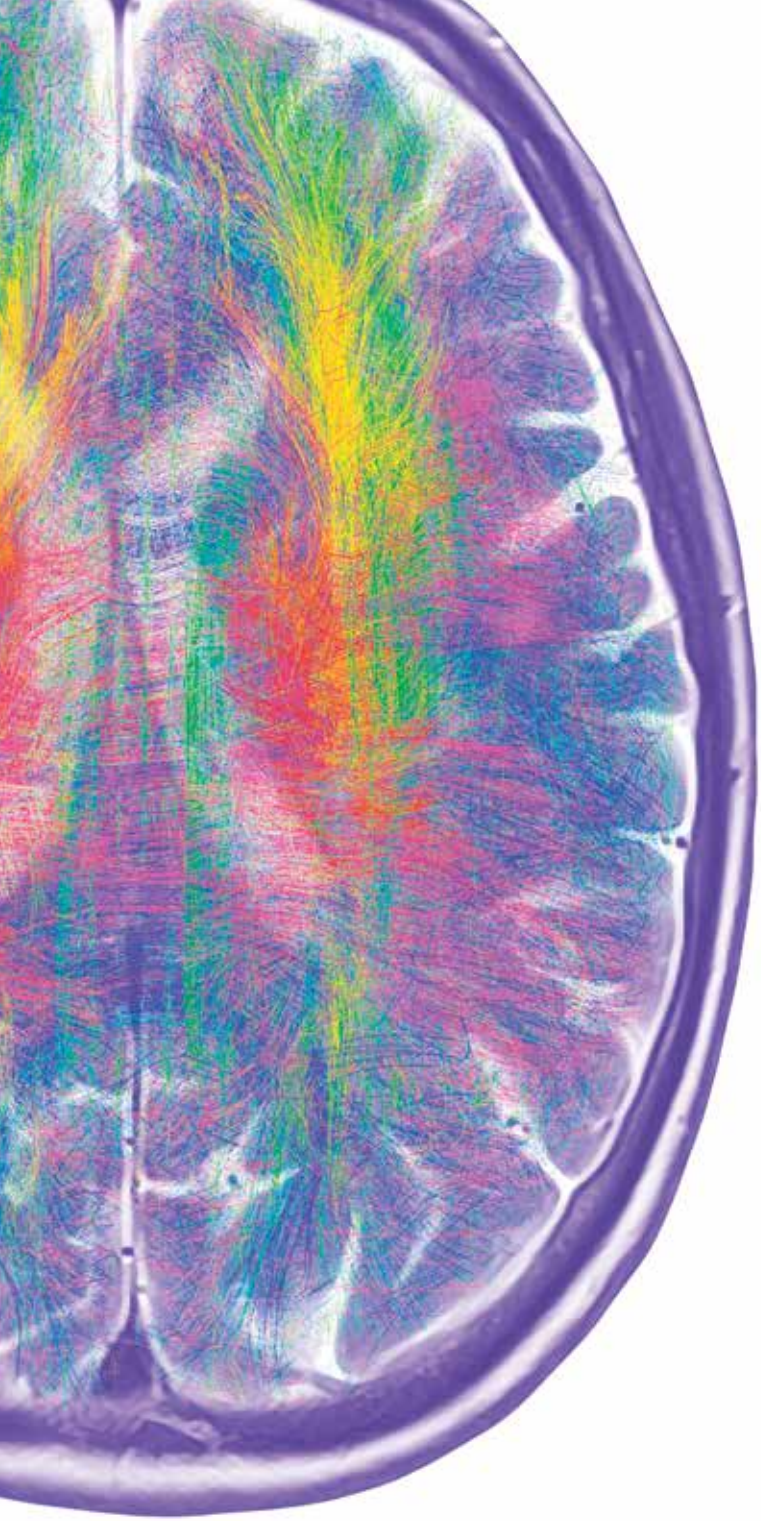
- African International Division
- European International Division
- Middle Eastern International Division
- Pan-American International Division
- South Asian International Division
- Western Pacific International Division

Senior Management Team

Chief Executive	Paul Rees
Director of Finance and Operations	Kumaresan Padmanathan
Director of Professional Standards	Fauzan Palekar
Director of Strategic Communications	Kim Catcheside
Director of Human Resources	Marcia Cummings
Director of Development	Ann Paul (up to June 2017) Liz George (from October 2017)
Senior Associate Director of NCCMH	Tom Ayers
Head of CCQI	Adrian Worrall (to November 2017)
Acting Head of CCQI	Lucy Palmer (from November 2017 to April 2018)
Director of Publications	Dave Jago (up to November 2017)
Head of Facilities	Lesley Cawthra

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Office of the Scottish Charity Regulator Registration number	SC038369
Statutory Auditor	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB
Internal Auditors	Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH
Principal bankers	Barclays Bank plc 1 Churchill Place London E14 5HP
Solicitors	Payne Hicks Beach 10 New Square Lincoln's Inn London WC2A 3QG Bates Wells & Braithwaite 10 Queen Street Place London EC4R 1BE
Investment managers	Barclays Wealth Management Limited 1 Churchill Place London E14 5HP C. Hoare & Co (to February 2017) 37 Fleet Street London EC4P 4DQ Cazenove Capital (from February 2017) 12 Moorgate London EC2R 6DA





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