



Royal College of
Obstetricians &
Gynaecologists

Consolidated Annual Report and Accounts

For the period to 30 June 2021



Royal College of Obstetricians and Gynaecologists

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Royal College of Obstetricians and Gynaecologists

Reference and administrative information

For the year ended 30 June 2021

RCOG principal activities, aims and objectives

The principal object of the College, as described in its Royal Charter, is ‘the encouragement of the study and advancement of the science and practice of obstetrics and gynaecology’. This is reflected in the College’s mission, which is to set standards to improve women’s health and the clinical practice of obstetrics and gynaecology in the British Isles and across the world. Promoting best practice is at the heart of the College’s activities.

In practical terms, the College does this through setting standards for training and best practice, educating and supporting Fellows, Members, Trainees and other clinicians, and advancing science and practice in the speciality by working with other organisations in health and in the care of women.

RCOG activities are primarily funded through membership fees, examination charges and educational activities. Additional funding is generated through a variety of sources, including but not limited to publications, operating as a conference venue, carefully selected commercial partnerships, sponsorship and advertising activity and restricted funding received for the delivery of specific research and initiatives to help achieve our mission of improving the health of women and girls around the world.

The College is registered with the Charity Commission in England and the Scottish Charity Regulator, although it pursues educational and standards setting activities across the whole of the UK as well as in an increasing number of other countries.

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First published 2022

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Published by the Royal College of Obstetricians and Gynaecologists

Royal College of Obstetricians and Gynaecologists

10-18 Union Street

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UK

Registered Charity No. 213280

Scottish Registered Charity No. SC041594

Royal College of Obstetricians and Gynaecologists

Reference and administrative information

For the year ended 30 June 2021

Board of Trustees

Chair	Baroness Tessa Blackstone
President	Edward Morris
Senior Vice President	Ranee Thakar
Vice President	Jo Mountfield
RCOG Fellow	David Farquharson (resigned 31 January 2021)
RCOG Member	Daghni Rajasingam (resigned 31 January 2021)
RCOG Fellow	Steven Thornton (appointed 1 February 2021)
RCOG Member	John Heathcote (appointed 1 February 2021)
RCOG Council Representative	Ian Currie
Trustee	Patrick Finch (resigned 31 July 2020)
Trustee	Linda Nash (resigned 31 July 2020)
Trustee	Sir Eric Thomas (resigned 30 June 2021)
Trustee	Kate Mathers
Trustee	Roy Clarke
Trustee	Noah Franklin (appointed 1 September 2020)

Council

President	Edward Morris
Senior Vice President Global Health	Ranee Thakar
Vice President Workforce and Professionalism	Jo Mountfield
Vice President Membership	Pat O'Brien
Vice President Education	Sue Ward
Vice President Clinical Quality	Tim Draycott

Elected Fellows

London: North, Central, East & NW	Nick Panay
London: South	Basky Thilaganathan
Eastern England	Andrew Leather
Northern/Yorkshire/Humber	Adam Balen
South West	Tim Overton
North West	Sarah Vause
Kent Surrey & Sussex	Hany Habeeb
Thames Valley & Wessex	Ian Currie
East Midlands	Ian Scudamore
West Midlands	Sean Kehoe / Andrew Sizer*
Wales	Euan Kevelighan / Geeta Kumar*
Scotland	Kirsty Dundas
	Alastair Campbell
Republic of Ireland	Michael Geary
Northern Ireland	Carolyn Baillie
Middle East and North Africa	Hassan Shehata
America/Australasia/Pacific Rim	John Latimer
Sub-Saharan Africa	Dilly Anumba
South Asia	Jyotsna Acharya

Royal College of Obstetricians and Gynaecologists

Reference and administrative information

For the year ended 30 June 2021

Europe

Fionnuala McAuliffe / Stergios Doumouchtsis*

Elected Members

London: North, Central, East & NW

George Attilakos

London: South

Vasanth Andrews

East of England

Alastair McKelvey

Northern/Yorkshire/Humber

Usha Nair / Hlupekile Chipeta*

South West

Jonathan Frost

North West

Martin Maher

Kent, Surrey & Sussex

Abhijeet Shah

Thames Valley & Wessex

Deborah Harrington / Vanitha Kumar*

East Midlands

Indranil Dutta / William Dudill***

West Midlands

Tony Thomas / William Parry-Smith***

Scotland

Lucky Saraswat

Ireland

Declan Quinn / Claire Thompson*

Wales

Anthony Griffiths / Angharad Jones*

Members

Chair Trainees' Committee

Adalina Sacco / Heidi Stelling**

Vice Chair Trainees' Committee

Sarah Murray / Sarah Quinn****

Academic Board

Andrew Horne / Emma Crosbie**

SAS Lead

Laura Hipple

Women's Voices Lead

Shaista Gohir

Vice Chair Women's Network (rotating)

Catherine Nestor and Jane Plumb

President Faculty of Sexual and

Reproductive Healthcare, RCOG

Asha Kasliwal

* to 23 October 2020 / wef 23 October 2020

** to 30 April 2021 / wef 1 May 2021

*** to 9 July 2021 / wef 3 September 2021

**** to 27 August 2020 / wef 27 August 2020

Executive Director Team

Chief Executive

Kate Lancaster

Executive Director of Education, Quality and
Projects

Gary Waltham (resigned November 2021)

Carly Edwards (in post from November 2021)

Executive Director of Finance and Resources

Paul Di Paola (resigned August 2020)

Yusuf Firat (interim from September 2020, until April
2021)

Ian Hill (from April 2021)

Executive Director of External Affairs

Claire Dunn (resigned April 2021)

Ben Butler (interim from April 2021, permanent from
October 2021)

Executive Director of Membership and Global

Kristen Morgan (interim, permanent from December
2021)

Royal College of Obstetricians and Gynaecologists

Reference and administrative information

For the year ended 30 June 2021

Advisers

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Sayer Vincent LLP
Invicta House
114-118 Golden Lane
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EC1Y 0TL

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Barclays Bank plc
Hanover Square Corporate Banking Group
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50 Pall Mall
London
SW1A 1QD

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100 Wood Street
London EC2V 7AN

Bates Wells
10 Queen St, Place
London EC4R 1BE

Foreword

For the year ended 30 June 2021

Foreword

I am pleased to introduce the RCOG Annual Report and Accounts for the year beginning 1 July 2020 and ending 30 June 2021. The last 12 months have marked further progress in the College's aim to improve women's health globally by ensuring the highest standards of education and clinical practice in obstetric and gynaecological care around the world.

Whilst COVID-19 has continued to present the College with challenges, it has not hampered the organisation's ability to deliver a range of initiatives that contribute to the improvement of the quality of maternity and gynaecological care provided in this country and around the world.

I am proud of the vital role the RCOG has played in supporting healthcare professionals, as well as women and their families, during the pandemic. There has been progress in making its training and education resources more accessible globally through a programme of digital transformation, and through our digitally connected and accessible membership, our global reach and influence has grown. While more must be done to improve the health of women and girls around the world, we are pleased to note early successes such as the continuation of our Making Abortion Safe programme in Africa, our support for an obstetric programme in Myanmar and Somaliland and our fledgling Essential Gynaecological Skills training in Bangladesh.

The College embarked on its new five-year strategy with COVID-19 at its peak. The strategy has at its heart the ambition to bring together the powerful combination of the clinical expertise of our global membership and the experiences and voices of the girls and women we are ultimately here to serve. This report demonstrates the progress already made to achieve this ambition and the sure foundations that have been put in place for the remaining four years of the strategy.

Baroness Blackstone
Chair, Board of Trustees

Foreword

For the year ended 30 June 2021

As the RCOG President over the past year I have performed many varied roles and overseen a number of achievements, but this year, much like the one before, has been dominated by the COVID-19 pandemic. For all working in medicine, and particularly in our specialty, these have been times of huge change, where adaptability and flexibility, especially in relation to the impact on the workforce, has been needed.

I have been proud of the dedication and hard work displayed by all our Trainees, Members and Fellows and how the College as a whole has responded to the changing needs of our members and the women for whom we provide care.

Our Guidance Cell, established at the beginning of the pandemic to rapidly develop clinical guidance to support healthcare professionals, as well as women and their families, has continued to meet to urgently respond both to policy changes and the emerging evidence base. By the end of June 2021, our online COVID hub had received over 5.2 million unique views.

The College has continued to face financial and operational challenges, but thanks to the diligence, commitment and professionalism of the Officer and Executive Teams, this has not restricted our ability to deliver a number of successes in support of our global mission to improve the health of women and girls.

Maternity safety has continued to be at the forefront of our work. Alongside our colleagues at the Royal College of Midwives we argued convincingly for the need for greater investment in maternity services in written and oral submissions to the Health and Care Select Committee. We presented a clear vision for safe, high quality maternity services, making the case for increased funding to ensure a cohesive system that enables all staff to be appropriately trained and supported to work to the best of their abilities in well-functioning teams, allowing them to provide the best possible care to women and their families. This public facing work was accompanied by a significant programme of behind the scenes engagement with policy makers and politicians. This helped to secure not just the much-needed additional £95.9m year on year investment into maternity services announced in March 2021, but also significant funding for a project to develop a safe staffing tool for O&G and for the Avoiding Brain Injury in Childbirth programme.

We look to the future with an optimism that the worst of the pandemic is behind us, but with the recognition there is much work ahead of us. The importance of collaboration and pulling together in the face of common challenges has never been in greater focus. Our mission simply could not be achieved were it not for the RCOG community, comprising of expertise from almost 2,500 volunteers around the globe, all providing invaluable support to our mission to improve the health of women and girls all around the world.

Mr Edward Morris
President

Foreword

For the year ended 30 June 2021

As has been the case for many organisations, the year beginning 1 July 2020 and ending 30 June 2021 has not been without challenge. However as we embark on the delivery of our new five-year strategy there are many achievements of which the organisation can be rightly proud.

The digital transformation of the organisation has resulted in a more connected membership with more than 6,500 digital exams across 361 test centres in 60 countries being delivered in this year. 3,000 delegates from more than 85 countries attended and spoke at our Virtual World Congress and delegates from all over the world attended 65 digital educational courses and events this year.

The organisation has supported our members and the wider O&G workforce through the publication of a refreshed Workplace Behaviour Toolkit and a report on the Roles and Responsibilities of a Consultant. Through vital External Affairs work we have cemented the College's vital role as the go-to-place for evidenced based information about COVID-19, pregnancy and vaccination for healthcare professionals, stakeholders and the media. Finally, the Clinical Quality Team has secured funding for new national initiatives including the Avoiding Brain Injury in Childbirth collaboration and the COVID Maternity Equality Project, to help transform care for women and their families.

We have pursued our ambition of creating a women's health hub in our excellent new building at Union Street, London, and to that end were delighted to welcome the Royal College of Midwives into the building. We are also delighted to be sharing our home with Wellbeing of Women, The Florence Nightingale Foundation and Endometriosis UK.

The College's achievements are thanks to the dedication and hard work of our Officers, our members and the continued commitment and hard work of our passionate staff, and I am privileged to be able to work with them.

Kate Lancaster
CEO

Report of Trustees

The RCOG launched its new five year strategy in January 2021. The Report of Trustees is structured around the following four strategic goals:

1. We will develop our membership offering to best meet the needs of our members globally and the women they serve and expand our reach across the international O&G community
2. We will leverage our strong brand and world-renowned reputation to develop partnerships and influence UK and international policy to improve women's health globally
3. We will become more resilient, accessible and influential through the delivery of a comprehensive digital transformation programme to ensure our research, educational and clinical products have benefit globally and drive up standards in women's health
4. We will ensure our financial and environmental sustainability through delivery of all of the above objectives and contribute to a significantly reduced carbon footprint

During this reporting period the coronavirus pandemic and associated government restrictions have continued to present a number of challenges and opportunities to the College. These are captured in a separate 'Spotlight on COVID-19' section of this report.

Spotlight on COVID-19, July 2020 – June 2021

The coronavirus pandemic, and accompanying government restrictions both in the UK and worldwide, continued to have an impact on the College's activities this year. However, through our accelerated digital transformation programme and evolved business continuity arrangements we were able to return all essential College services to support our members to provide compassionate and high-quality healthcare to women and girls around the world. As we have throughout the pandemic, the College continued to champion the needs of pregnant women as focus shifted to the vaccination rollout. This spotlight section covers College activities within the 2020/21 financial year.

Supporting clinical practice

At the beginning of the pandemic the College established a Guidance Cell to rapidly develop clinical guidance to support healthcare professionals, as well as women and their families, during the pandemic. Working closely with a range of stakeholders, this multi-disciplinary group has continued to meet to ensure the suite of guidance was updated rapidly in response both to policy changes and the emerging evidence base, to support the provision of high quality care to women and their families.

The suite of guidance currently includes:

- COVID-19 infection and pregnancy, including vaccination in pregnancy and when breastfeeding
- Optimising maternity services in the coronavirus pandemic
- Optimising gynaecology services in the coronavirus pandemic
- COVID-19 infection and abortion care
- Restoration of services post-pandemic

External Affairs activities were integral to the College's ongoing response to COVID-19:

- Regular data collection from Independent Sector Providers gave us strong evidence for our responses to consultations on making telemedicine for abortion permanent in England, Scotland and Wales.
- Economic analysis was undertaken to identify cost efficiencies with this new abortion pathway. The modelling demonstrated a saving of £3 million per year to the NHS.
- The College successfully lobbied for the need for NHS England-produced guidance to allow partners to attend maternity appointments and antenatal scans, to bring England in line with the rest of the UK and support the pregnant population.
- In the autumn of 2020, in response to widespread maternity staffing shortages during the peak of the pandemic, the College issued clear advice to NHS services to avoid again redeploying maternity staff as services began to prepare for the second wave.
- We advised Trusts and Boards to encourage women to attend day assessment and triage services if they had concerns about their wellbeing or that of their babies.
- We recommended a full schedule of antenatal and postnatal care be offered wherever possible, with appointments offered in-person especially for those from Black, Asian or minority ethnic communities and women living with medical, social or psychological issues.

Report of the Trustees

For the year ended 30 June 2021

In addition, the College responded to a number of policy consultations on issues related to the pandemic, including:

- DHSC: Making a vaccination a condition of deployment in adult care homes
- London Assembly: COVID and the NHS workforce
- Maternal Mental Health Alliance: COVID and maternal mental health
- Academy of Medical Royal Colleges: learning from the pandemic

COVID-19 and vaccination

The College was an early and forceful advocate of the need to establish greater understanding of the suitability of COVID-19 vaccines for use in pregnancy. We have been instrumental in establishing and communicating the position that vaccination provides the best protection against COVID-19 in pregnant women. Our work in the last year has centred on raising awareness of the benefits of vaccination among pregnant women and empowering healthcare professionals to feel confident discussing the options with those who are pregnant. In relation to the vaccination programme the RCOG has contributed in the following ways:

- In early 2021, the RCOG established a vaccine subgroup of the COVID-19 Guidance Cell, including clinicians supporting the delivery of COVID-19 vaccination to eligible pregnant women and representatives from UK Obstetric Surveillance Service (UKOSS), UK Teratology Information Service (UKTIS) and academia.
- The RCOG and Royal College of Midwives (RCM) developed information and guidance on the magnitude of the risks of morbidity and mortality for pregnant women with COVID-19 infection and provided this to support the Joint Committee on Vaccination and Immunisation (JCVI) decision-making on the use of COVID-19 vaccines in pregnancy. This helped inform the JCVI announcement in April that all pregnant women would be offered the COVID-19 vaccine, in line with the vaccine roll out plan for the UK.
- Throughout the vaccine roll out, the College and the RCM have continued to advocate and debate with relevant bodies on a range of issues around vaccination in pregnancy, including thrombosis risk, dose schedule and booster jabs.
- By June 2020, at least one dose of COVID-19 vaccination was offered to all pregnant women in the UK over the age of 18.

Information resources for healthcare professionals, women and the wider public

Alongside this engagement and advocacy work, the College developed information resources for healthcare professionals, women and the wider public on dedicated COVID-19 and vaccination webpages:

- In January 2021 we developed a COVID-19 vaccination and pregnancy information sheet and decision aid to help pregnant women make an informed choice about accepting a vaccination, used by obstetric and midwifery teams across the UK to counsel pregnant women.

Report of the Trustees

For the year ended 30 June 2021

- We developed Q&As aimed at a lay audience which included answers to common questions asked by pregnant women and their families about COVID-19 vaccination, pregnancy, fertility and breastfeeding.
- The dedicated COVID-19 inbox enabled both members and the public to ask questions and make suggestions for future resources. Between July 2020 and end of June 2021, 600 enquiries had been received and responded to.
- Two social media surveys were delivered to seek pregnant women's views on vaccine intention, which helped to inform JCVI and other partners.
- In May 2021 we published clinical guidance for healthcare professionals on COVID-19 infection and pregnancy, as an annex to the main Coronavirus and pregnancy clinical guidance.
- In April we held a webinar about COVID-19 and pregnancy which attracted more than 3,000 Fellows and Members globally.
- We produced a series of bite size training videos for healthcare professionals on COVID-19 and pregnancy.
- We published several media statements and produced videos to address misinformation around COVID-19 vaccination and fertility.
- More than a dozen RCOG spokespeople have recorded videos for College social media channels and the Cabinet Office, Department of Health and Social Care (DHSC) and the NHS in England and Scotland.
- The College took part in Q&A events with NCT, Mumsnet and BabyCentre, and Pregnant then Screwed, reaching thousands of women directly and answering hundreds of their questions.

Reach of our guidance and information for women

- The College developed a public facing information campaign about COVID-19 vaccination and pregnancy, including infographics and animations that reached 3 million people up to 30 June 2021.
- In the six months from December 2020 to end of June 2021, we responded to more than 250 media enquiries, published over 30 press releases and statements and facilitated more than 50 television and radio interviews across international, national and regional media, reaching millions of people worldwide.
- By the end of June 2021, our coronavirus hub received over 5.2 million unique views, with 15,000 people signed up to receive email alerts whenever updates to our guidance are released.
- College social media accounts saw continued audience growth as people sought trusted information about COVID-19 vaccination and pregnancy:
 - Facebook: 5,356 new page likes (10% increase to 58,563); 6.8 million reached
 - Instagram: 13,835 new followers (77% increase to 31,727); 2.36 million reached
 - LinkedIn: 5,423 new followers (40% increase to 18,906); 177,660 reached
 - Twitter: 5,130 new followers (14% increase to 40,644); 3.83 million reached

Strategic goal 1: We will develop our membership offering to best meet the needs of our members globally and the women they serve and expand our reach across the international O&G community

Ensuring that the RCOG's global membership of 16,000 in 130 countries and the O&G profession more broadly is supported throughout their careers to deliver the highest levels of care to women and girls is a key strategic priority in the College's five year strategy.

In September 2020, all RCOG Fellows, Members and Trainees were surveyed to understand their satisfaction with the College and how membership value and benefits are perceived. Whilst overall satisfaction with our work and response to the pandemic was high amongst our global membership, clear areas for improvement were identified, with the experience of our Trainees a clear priority. Following the survey, we completed reviews of our Associate, Affiliate, Fellowship and late career/retired membership offerings and revised subscription concessions to make it clear, fair and equitable for all.

Throughout the pandemic, the College ensured the digital delivery of membership benefits, including the continued provision of CPD ePortfolio, RCOG eLearning, BJOG, TOG, College library databases and eJournals, bookings for events and courses, and the online register of Fellows and Members. In addition we completed a review of our Awards and Honorary Fellowship to better celebrate member achievements and advance our vision through the disbursement of travel and research awards.

The College strengthened its commitment to understand and address issues which have an adverse effect on workplace cultures and good team working through the delivery of support services, resources and collaborative working with other organisations. The RCOG Workplace Behaviour Toolkit was updated to make it easier to use and we continued to work with the Royal College of Surgeons of Edinburgh and the RCM to draw attention to undermining and bullying and to promote positive workplace behaviours and patient safety. The College's Confidential Peer-to-Peer service was also maintained to provide practical support and guidance to members who may be facing challenging circumstances.

The RCOG continued to work with Health Education England (HEE) to develop a greater understanding and a clearer articulation of the challenges facing the O&G workforce now and in the future. To support this work, we received funding from the DHSC to develop a Safe Maternity Staffing Tool, allowing us to undertake research and workforce planning to determine the number of obstetricians required in units, to drive improvements in the safety of maternity services.

The College continued to develop and strengthen relationships with its International Representative Committees (IRCs). Annual collaboration frameworks between the College and each IRC were formalised to define how we will work together in support of the RCOG's strategic goals.

Within education a key focus has been on recovery of training following the impact of COVID-19. Senior education committees have worked closely with the General Medical Council (GMC), statutory education bodies, the Academy of Medical Royal Colleges (AoMRC) and the National Trainees Committee to support and enable continued trainee progression. Curricula derogations have been revised and continue to be in place for the 2021/22 academic year and the College has supported the flexible approach to the annual

Report of the Trustees

For the year ended 30 June 2021

assessment process. In response to the issues surrounding the delivery of high-quality gynaecological surgical training in the UK, a gynaecological surgery recovery plan has also been developed. The Training Evaluation Form survey (TEF) relaunched in June 2021 following a period of significant redesign and implementation of robust quality assurance and information governance processes. New data is being captured on differential attainment, the impact of the pandemic and the implementation of the 2019 curriculum.

The Education Board appointed the College's very first Educational Supervisor (ES) Champion role, in recognition of the vital role our educational faculty provide to education and training. One of the initial key activities was to undertake a national Educational Supervisor survey, to which over 230 ESs responded. The data will be key to shaping an educational faculty strategy and the development of an ES toolkit.

Thanks to the rapid acceleration of our exams digitisation programme we were able to deliver examinations during the pandemic. Please see the report on strategic goal 3 for more information.

Strategic goal 2: We will leverage our strong brand and world-renowned reputation to develop partnerships and influence UK and international policy to improve women's health globally

The College's External Affairs activity has continued to grow the College's influence on issues vital to the improvement of the health of women and girls both in the UK and around the world.

The RCOG responded to the UK Government's call for evidence to inform a new Women's Health Strategy for England in June 2021. The RCOG and RCM also submitted a comprehensive response to the Health and Care Committee inquiry into maternity safety in September 2020. The RCOG responded to a further 20 policy consultations on a wide variety of subjects, and notable successes include the reclassification of the progesterone-only pill as an over-the-counter medicine and the increase in storage limits for frozen eggs, sperm and embryos in line with our recommendations to the UK Government consultation.

The Race Equality Taskforce (RET) was established as a cross-college project to guide the RCOG's work to understand and address racism, bias and health inequities within the O&G specialty and in women's health outcomes. The full membership comprises experts from the UK, Welsh and Scottish governments, NHS bodies, other medical colleges, regulators and Arms-Length Bodies, community groups and academics.

Through our communications activity we ensured the RCOG's voice was heard in news articles about pregnancy, maternity services and gynaecology care, and in protecting and promoting the reputation of the College. We have worked with journalists and researchers to respond to more than 600 media enquiries about all aspects of women's healthcare. Most notably, this has been in relation to ongoing media interest in the safety of maternity services, including the publication of the Ockenden Report into maternity services at Shrewsbury and Telford NHS Trust, and the landmark Health and Social Care Committee inquiry into maternity services in England.

Our vital Patient and Public Involvement (PPI) activities have focused on maintaining and building relationships with partner organisations and women and their families to ensure women's voices are at the heart of what we do. The RCOG Women's Network (a formal RCOG committee), Women's Voices Involvement Panel (an online network of over 700 members of the public) and a wide range of patient support and campaign groups informed the College's work this year, with women and families sharing their perspectives and lived experience through virtual engagement opportunities.

Our ability to influence and improve women's health globally also continued to flourish, with the Centre for Women's Global Health making significant progress on new and existing projects. The most significant area of work for the centre continued to be the US\$3m Making Abortion Safe programme; a three-year programme working to support healthcare professionals to address barriers to safe abortion and/or post-abortion care for women and girls globally. Through this programme we are working with over 60 sexual and reproductive health and rights (SRHR) Champion volunteers across five African countries; Nigeria, Rwanda, Sierra Leone, Sudan and Zimbabwe.

A key focus in our effort to expand our global health activity was our work to secure funding for Essential Gynaecological Skills training in Bangladesh. This was significantly impacted by UK Government cuts to Overseas Development Aid. The College worked to secure a \$250,000 grant from the Children Investment Fund Foundation (CIFF) to fund a two year project to advocate for the UK Government to maintain its

Report of the Trustees

For the year ended 30 June 2021

global commitment to women and girls' health, and return official development assistance to 0.7% of gross national income (GNI). This funding commences from the 2021/2022 financial year.

This year marked an acceleration in the College's contribution to quality improvement and patient safety. Our flagship national audit, the National Maternity and Perinatal Audit (NMPA), has continued to offer an authoritative voice on the performance of maternity service across the UK and has been vital during the pandemic. The OASIS2 project, which seeks to understand how the evidence-based care bundle developed in the first project should best be rolled out to have maximum impact for women, progressed with the first data from the 30 participating units collected.

Each Baby Counts published its final report at the end of March 2021 and Each Baby Counts + Learn and Support, a joint initiative between the RCOG and the RCM to support Trusts to improve maternity care in England, completed its engagement with 16 Trusts, exploring how to build capacity in the maternity workforce to implement change.

The Tommy's Centre for Maternity Improvement demonstrated strong progress. The Centre is one year into a five-year programme with the overarching aim of reducing rates of preterm birth and stillbirth in the UK, by improving care in the least well-performing 80% of maternity units so they match the level of the top 20% using a digital tool or app. Development of the app has concluded and the first site in Sheffield is live, with women and professionals using the app to help plan and deliver maternity care.

The College received confirmation of funding from the DHSC to deliver the Avoiding Brain Injury in Childbirth (ABC) collaborative. This work, beginning from the 2021/2022 financial year, will explore the very real clinical challenges of intrapartum Foetal Monitoring and Impacted Foetal Head. We were also successful in securing funding for the COVID-19 Maternity Equality Project from the Health Foundation. This project is seeking to understand the impact of the service changes necessitated by COVID-19 on the differential outcomes for women from different ethnicities.

The College continued to produce clinical guidance in a range of formats, as an aid to good clinical practice. In the last year the update of the Green-top Guideline (GTG) on Gestational Trophoblastic Disease (Green-top Guideline No. 38) was published, as well as two Scientific Impact Papers (SIPs) on uterine transplantation and the evidence to Support the Clinical Utility of Prenatal Exome Sequencing in the Evaluation of the Foetus with Congenital Anomalies. Both the GTGs and SIPs were published in BJOG.

The National Guideline Alliance (NGA), commissioned by NICE to produce evidence-based guidelines for health and social care in England and Wales across women's and children's health, cancer, mental health and social care, delivered five new and updated national guidelines in 2020/21.

Strategic goal 3: We will become more resilient, accessible and influential through the delivery of a comprehensive digital transformation programme to ensure our research, educational and clinical products have benefit globally and drive up standards in women's health

The impact of COVID-19 was felt across the breadth of RCOG operations. Fortunately, prior to the pandemic, the College had begun work on an ambitious programme of digital transformation to revolutionise how we deliver essential services, such as exams, events and education, to achieve the College's mission of improving the health of women and girls. This meant, when the pandemic hit, we had

Report of the Trustees

For the year ended 30 June 2021

the foundations of a progressive digital strategy and projects we could accelerate to restart disrupted operations and offer new and improved services to our members, trainees and wider O&G community. One such project related to our work to digitise the RCOG examinations offering. Here the clear aim was to transform and enhance the candidate's exam experience, moving away from traditional paper-based exam formats to offer digitally agile, computer-based exams. These are hosted in verified test centres around the world, with the objective of making the exams more accessible to our global members, enabling them to sit their exams closer to home. Work on this project was accelerated to ensure a cohort of candidates could sit their exams in September 2020. Since then, more than 6,000 RCOG digital exams have been sat by candidates in 361 test centres, in 60 countries, across three rounds of MRCOG Part 1 and MRCOG Part 2 exam diets, with an additional 500 candidates sitting the MRCOG Part 3 globally.

The College's training and events programme has similarly been made more accessible to the global RCOG membership and the broader O&G profession around the world through the introduction of virtual online delivery capability. Between July 2020 and June 2021, the College delivered 65 virtual courses and conferences to support our members' professional development, share knowledge and keep the O&G community connected. During this time, overall delegate numbers rose by 54% to over 5,300 attendees, and international attendance of virtual courses rose by 91%. In addition, the College introduced a monthly webinar series to further enhance its Members, Fellows, Trainees and Associates training and professional development opportunities. The RCOG's first-ever virtual World Congress, held in June 2021, further demonstrated how our use of digital technology has increased our global reach and accessibility. Congress attracted 3,100 attendees from more than 85 countries, with 47% of delegates from low-resource countries.

The College's future events and education programme will be further enhanced across the duration of the five year strategy with the delivery of the RCOG digital studio. This state-of-the-art studio, built in our offices at Union Street, will enable the creation and delivery of high quality educational content, digital training and events to our members, wherever they are in the world.

The RCOG website is the entry point for essential College information and services. In the last year more than 3.2 million people visited the site, accessing over 13 million pages, including 2.4 million visits to our COVID-19 content and 5.3 million unique visits to our COVID-19 material since it was first published. Work on a new RCOG website has begun, to deliver an improved look and feel, easier to use navigation tools and search mechanisms, and enhanced integrations with College systems, such as for booking events and making payments, this is set for launch in early 2022.

The foundations of this programme of digitally transformative work is being supported by the delivery of a series of backend technical infrastructure improvements. A number of projects have been delivered in this area to ensure the RCOG members' engagement with the College is seamless, with their data accessible to them, whilst securely protected and managed.

Our digital accessibility and reach have increased across all channels, with essential information to our members and information and advice for women and girls reaching over 12.5 million people through social media activity and our audience growing by 24%. This expanded reach has facilitated an increase in

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For the year ended 30 June 2021

engagement with commercial brands and partners to promote the RCOG's work, making it more accessible and influential whilst generating new and growing income streams for the College.

Strategic goal 4: We will ensure our financial and environmental sustainability through delivery of all of the above objectives and contribute to a significantly reduced carbon footprint

As the pandemic continued to place significant restrictions on College operations, staff were supported to work productively from home. As restrictions began to ease, the College trialled an agile working approach, underpinned by a new performance management process, to support staff to work in a way that balances productivity and efficiency with improved wellbeing. A structured and phased 'return to Union Street' plan was put in place to support those that wished to transition back to office working.

The College's IT services and standards have been developed to support this agile working approach, enabling staff to work irrespective of location. We have further invested in scalable and resilient systems to support the College and enable growth, putting in place strong IT security that exceeds government and healthcare sector standards.

With financial and environmental sustainability in mind, the College welcomed two further women's health charities, Wellbeing of Women and the Florence Nightingale Foundation, to our Union Street building alongside our two existing tenants, the Faculty of Sexual and Reproductive Health (FSRH) and the RCM. This has helped to establish Union Street as a hub for women's health organisations, where like-minded organisations can work alongside one another, fostering partnerships and working together to improve women's health.

Improving the College's carbon footprint is a prominent goal of the College's five-year strategy. We have been able to see the direct environmental sustainability benefits achieved by our increased use of digital technology to deliver College activity. For example, when considering the 2021 RCOG World Congress alone, 110,000 KG of CO₂ was saved by delegates not needing accommodation to attend the event and 3,535+ tonnes of carbon emission was saved through international flights not being required; the equivalent of 32 million miles in an average car. The digitisation of our examinations has also reduced the carbon footprint of exam delivery considerably. All examiner and invigilator travel has been removed and as candidates are now able to sit examinations closer to home, their travel time has been greatly reduced.

Significant progress has been made to ensure equality, diversity and inclusion (EDI) are prioritised in all aspects of the College's work. An EDI review of the College's recruitment processes resulted in changes to language in all job adverts and role descriptions to ensure EDI is promoted, anonymisation of all applications to avoid unconscious bias, and the capturing and monitoring of protected characteristics of all job applicants and appointments. The Joint Negotiating and Consultative Committee (JNCC) led the work to establish networks for staff with protected characteristics, to provide peer support and to input into the College's future EDI activity. Mandatory EDI training has been introduced College-wide and support and guidance was shared to support staff who wished to share their preferred pronouns in their email signatures. The Board of Trustees agreed the revised terms of reference for the College's re-established EDI Committee which will provide oversight of EDI activity and assurance to the Board of Trustees. This work has complemented the activity being led by the President through the Race Equality Taskforce.

Operational management of BJOG formally passed from the RCOG to Wiley on 1 January 2021, following a detailed handover period. The College completed all necessary actions under the terms of the Asset

Report of the Trustees

For the year ended 30 June 2021

Purchase Agreement and worked closely with Wiley to establish mechanisms for College members to provide feedback to Wiley on BJOG and its future strategic direction, in line with the Affiliation Agreement.

Future plans

The 2020 calendar year represented the first year of the College's new five-year strategy. As the above report demonstrates, considerable progress has already been made against the four strategic objectives. As we look forward to the next 12 months and building on the successes of the past year, priorities will include:

Strategic goal 1: We will develop our membership offering to best meet the needs of our members globally and the women they serve and expand our reach across the international O&G community

- Expand overseas candidate seat availability in Pearson VUE test centres for the MRCOG Part 1 and 2 exams and run additional diets for the MRCOG Part 1, Part 2 and Part 3 to manage the global backlog.
- Expand digital accessibility to increase the number of international participants taking part in our courses.
- Publish the RCOG/HEE Joint Workforce report, focused on developing greater understanding and a clearer articulation of the workforce challenges faced now and in the short-medium term.
- Complete the evaluation of the 2019 core curriculum and its implementation, with a formal submission to the GMC due to be made in early 2022.
- Implement a mesh complications management training pathway, including curricula, quality standards and assessment methodology.

Strategic goal 2: We will leverage our strong brand and world-renowned reputation to develop partnerships and influence UK and international policy to improve women's health globally

- Deliver the Safe Maternity Staffing Tool.
- Deliver the Making Abortion Safe initiative in Africa, launch our Essential Gynaecological Skills project in Bangladesh and pilot the use of existing global health projects to influence women's health policy and practice outside the UK.
- Complete the Each Baby Counts Learn and Support programme with the launch of a learning platform for maternity care professionals.
- Continue to ensure the College remains the go-to-place for evidenced based information about COVID-19, pregnancy and vaccination by healthcare professionals, stakeholders and the media.
- Deliver key objectives of the RCOG's Race Equality Taskforce.
- Work with policy makers and key stakeholders to ensure the delivery and implementation of Women's Health Strategies for England, Scotland and Wales which commit to improving women's health throughout the life course.

Strategic goal 3: We will become more resilient, accessible and influential through the delivery of a comprehensive digital transformation programme to ensure our research, educational and clinical products have benefit globally and drive up standards in women's health

- Complete phase 2 of the digital examinations project to deliver a simpler and more transparent examination booking process, a fully functioning candidate exam portal and streamlined examination department processes.
- Deliver key projects of the College's digital transformation programme, including a new and improved events booking system, enhanced digital events and enhanced membership engagement driven by improvements to our Customer Relationship Management system.
- Launch the new and enhanced College website including a communication preference centre to allow audiences to personalise the types of communications they receive.
- Launch the RCOG digital studio to enable the creation and delivery of high quality educational content, digital training and events to members, wherever they are in the world.
- Identify further opportunities to diversify College income by leveraging reach and influence of the RCOG brand and quality of its digital content.

Strategic goal 4: We will ensure our financial and environmental sustainability through delivery of all of the above objectives and contribute to a significantly reduced carbon footprint

- Increase number of international delegates to all our digital events, including RCOG World Congress 2022 to maximise global accessibility, reduce environmental impact and deliver high return on financial investment.
- Further develop the MRCOG Part 3 delivery models to ensure the examination can be delivered globally post-pandemic in a financially and environmentally sustainable manner.
- Maximise the commercial potential of our Union Street premises whilst further establishing its environmental credentials.
- Continued use of agile working by staff to drive a lower direct environmental footprint in the Union Street building and reduced indirect footprint arising from reduced commuting.
- Work with our catering partner, Graysons, to ensure sustainability is at the heart of their offering, for example by reducing single use plastics.
- Welcome more women's health charities as tenants in the RCOG offices to further establish our home at Union Street as a hub for women's health organisations.

Financial Review

2020/21 overview

These accounts cover the 12-month period from 1 July 2020 to 30 June 2021. Like many organisations across the world, the College's financial results for the year reflect a full year of service delivery under the continuing impact of the COVID-19 pandemic.

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In November 2020, the Board of Trustees acted decisively and approved the funding of a Recovery Programme to transform and digitalise operational delivery alongside their approval of the Strategic Plan for 2021-2025. Work to deliver the Recovery Programme commenced during 20/21 and will continue into 21/22 and 22/23.

Given the early stages of implementing the Recovery Programme and the ensuing impact of the pandemic, the Board of Trustees have approved a deficit Income & Expenditure (I&E) budget for 2021/22. Alongside the budget the Board approved a five year financial plan based on delivery of their Strategic Plan for 2020-2025.

In terms of the College's financial performance for 2020/21, the Board of Trustees is very pleased to report a total I&E surplus of £6.26 million.

	Year to 30 June 2021	Year to 30 June 2020
Continuing Unrestricted	(£230,016)	(£2,106,990)
Discontinued Unrestricted	£4,421,052	£444,567
Endowment	£15,362	£21,485
Restricted funds	(£413,934)	£965,620
Total surplus / (deficit) before investment gains/(losses)	£3,792,464	(£675,318)
Unrealised Investment gains	£1,564,088	£200,415
Impairment of Fixed Assets	-	(£7,247,119)
Actuarial gains Defined Benefit Pension Scheme	£906,000	£546,000
Total Surplus/(deficit)	£6,262,552	(£7,176,022)

Contributing factors to this year's results include:

Unrestricted

- The proceeds of the sale of BJOG which realised £3.88 million and is included within discontinued activities in the table above.
- Excluding the proceeds from the BJOG sale the underlying operational performance for 2020/21 was a deficit of (£88k) compared to a deficit of (£675k) for 2019/20.
- The financial year 2020/21 has seen an improvement in the performance of the College's investment portfolio. The financial year concluded with net gains of £1.56 million (2019/20 £200k).
- Actuarial gains on the defined benefit pension scheme resulted in the release of the £906k provision for the defined benefit pension liability, the release in 2019/20 was £546k.
- In response to the challenges posed by the pandemic the Executive Management Team introduced a tight management of the expenditure-base, with regular reviews of cash forecasts. This focus on cost control combined with reduced levels of face to face activities brought down the non-pay related cost base by £2.2 million compared to 2019/20.

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- At the start of the pandemic, the College placed 38 staff on furlough. During 2020/21 an average of 17 staff remained on furlough. As a result, the College was able to claim £335k of support under the Coronavirus Job Retention Scheme (CJRS) during 2020/21.
- The College held a very successful first ever virtual RCOG World Congress, which generated a surplus of £808k. The World Congress in 2020 was cancelled due to the COVID-19 pandemic.
- The College's trading activities are partly carried out through our partners Graysons: these activities were put on hold in March 2020 with the first lockdown, and these are not expected to resume until early 2022. Given the reduced level of activity in the Trading Company the RCOG Board has approved a request from the Trading Company Directors to make a one off waiver of their management charge for 2020/21. The trading gross profit for 2020/21 was £17k (2019/20 £363.k). The management fee charged by the parent company for 2020/21 was nil (2019/20 £188k). The remaining part of RCOG's trading activities is the income from charges to partner organisations for office accommodation at Union Street: this income was curtailed during the enforced office closure in 20/21.

Endowment

- The endowment income of £15,362 is derived from the Lindsay Stewart capital endowments related investments held in Newton and BlackRock portfolios. The total endowment income for the year was £15,362 (2019/20 £21,485).

Restricted

- Total restricted income for the year was £5,072,934, of which £1.65m was received for standards and clinical governance, £627k for education and training initiatives (Making Abortion Safe) and £2.7m for the National Guideline Alliance.
- Of the £1.65m received for standards and clinical governance, £1,181,889 was for the Centre for Quality Improvement and Clinical Audit and related activities (previously known as the Lindsay Stewart Centre), and £293,731 was for the Tommy's National Centre for Maternity Improvement.

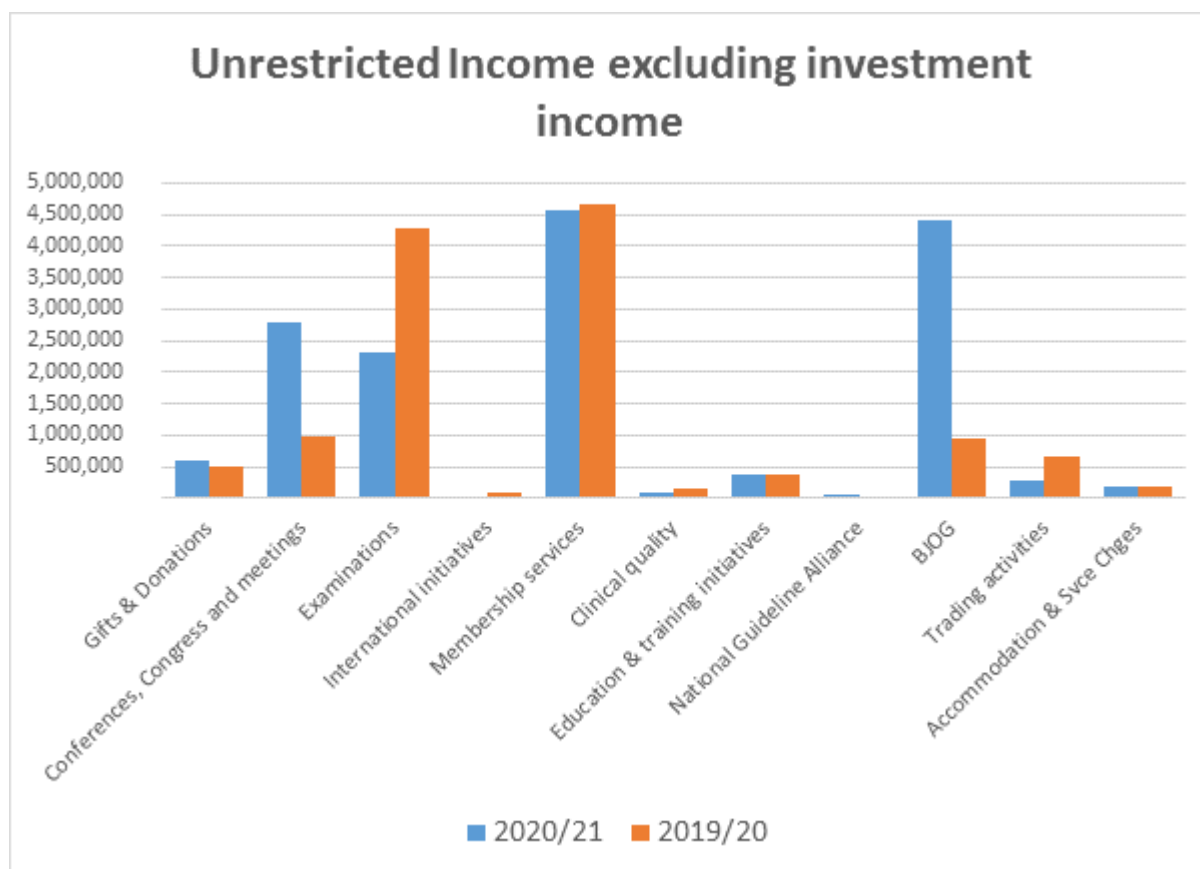
Analysis of income and expenditure

Income

Income for the year totalled £21.0m (2019/20: £18.8m), an increase of 12% on 2019/20. The income split between unrestricted and restricted was £15.9m and £5.1m, respectively.

The main source of restricted income in the year was the funding received from the National Institute for Health and Care Excellence (NICE) for the National Guideline Alliance (£2,704,558).

A comparison of the 2020/21 and 2019/20 unrestricted income is shown below.



Core income streams remain membership, examinations, and conferences and meetings. Gifts and donations generated £0.6m in the year, accounting for 4% of the total unrestricted income.

Exams income for 2020/21 was £2.3m, 46% down on the previous year due to restrictions on face to face delivery.

Conferences and Events income was £1.8 million up on the previous year (182% increase). £1m of the additional income was from the virtual World Congress held in June 2021, the balance was generated by the successful transition from face to face digital events.

Expenditure

Expenditure totalled £17.2m in 2020/21 (2019/20: £19.5m), a decrease of 11.8% on the previous year. This split was between unrestricted and restricted expenditure as £11.7m and £5.5m, respectively.

Much of the reduction in expenditure was related to a decline in unrestricted activity, attributed to those areas severely affected by the pandemic, e.g. exams, membership, Trading, and events. Strict cost control measures introduced in response to the pandemic as part of managing the College's liquidity also contributed to the reduction in expenditure.

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Support costs totalled £5.2m representing 30.4% of total expenditure. These support costs are split over the College's charitable activities using the percentages shown in note 1(i) to the accounts. Support costs include expenditure related to back office functions, premises and facilities and pensions. Direct cost of governance were £369k (2%) compared with £140k in 2019/20 (0.7%).

Balance sheet

Total funds at 30 June 2021 stood at £58,731,026. £43.8m of this is in tangible fixed assets, £15.6m in investments, and further additions of £13.8m in current assets, which are reduced by current liabilities of £8m and long-term liabilities of £6.5m.

The long-term liabilities include the outstanding liability of £7,000,000 in relation to the balance of the loan facility taken out to complete the purchase of Union Street.

The College has not breached its EBITDA loan covenant during the financial year 2020/21. During 2019/20 as a result of the financial impact of the COVID-19 pandemic there was a covenant breach. However, the College's lender, Barclays Bank PLC, issued a waiver for this breach in view of the pandemic on 12th October 2020.

Reserves

83% of the College's total reserves are in the form of unrestricted reserves, 11% in restricted funds and 6% in capital endowment funds.

Designated funds

Designated funds reflect a total of £37,802,047 (2020: £35,053,043). Fixed assets represent £36,517,463 of the designated funds (see note 20a and 23a for complete breakdown), plus the heritage fund of £300,000, representing the valuation of historic donations of furniture, books, pictures and equipment. Details of all remaining funds are included in note 22 to 23 on pages 63 to 67 of the Annual Accounts.

Policy on general reserves

The RCOG Trustees have established a reserves policy to protect the organisation from fluctuations in income, to properly manage risk and to be capable of realising unforeseen opportunities that may arise from time to time. Trustees consider a reasonable level of reserve to be essential in supporting the College's ongoing commitments and its contractual obligations.

The RCOG's reserves policy reflects financial risks and commitments, including the following:

- Working capital requirements.
- Short-term increases in spend for known liabilities.
- Contingencies for those risks on the corporate risk register which potentially could have a serious financial impact.
- Identified infrastructure expenditure in the next 12 months.

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The Trustees reviewed these areas and concluded that the minimum free reserve required for this financial period is £4,293,000. This level of reserve will be reviewed annually to ensure that it is sufficient to manage risk within the business.

The total funds balance of £58,731,026 (2020: £52,468,474) includes endowments, restricted funds, designated funds and general funds. Only a small proportion of the reserve is backed by unrestricted, freely realisable cash.

At 30 June 2021, the free reserves amounted to £11,024,143 (2020: £6,654,396). This exceeds the required free reserve of £4.3m by £6.7m. Trustees consider the current level of free reserve to be within an acceptable margin. The reserves policy is reviewed on an annual basis.

The total of free reserves is calculated as follows:

RESERVES	2020/21	2019/20
Total charity funds	58,731,026	52,468,474
Less permanent endowment funds	-2,719,459	-2,627,417
Less expendable endowment funds	-1,053,677	-1,337,485
Less restricted income funds	-6,131,700	-7,702,133
Less designated funds	-37,802,047	-35,053,043
Add pension reserve		906,000
Total free reserves	£11,024,143	£6,654,396

The closing cash balance as at 30 June 2021 was £13,449,837 (2020: £7,489,847). Investments valued at £15,630,328 (2020: £14,056,309) are funds invested in short- and medium-term vehicles which generate a small but steady income.

Investment policy

The key investment objectives within the RCOG's formal investment policy statement are as follows:

- The RCOG seeks to produce the best financial return within an acceptable level of risk.
- The investment objective of the endowments (considered long-term) is to balance income and capital returns. The assets should be managed to at least maintain the real capital value of the endowments.
- The RCOG Trustees resolved that seven permanent endowments be treated on a total return basis, after the Trusts (Capital and Income) Act 2013 came into force in 2014.
- The investment objective of the general restricted reserves (considered long-term) is to generate a total return in excess of inflation over the long-term while generating income to support the ongoing activities defined by the restrictions.
- The unrestricted reserves are categorised in four ways:
 - Standard cash holding, sufficient to meet the working capital requirements of the charity, to achieve the best available returns within the risk parameters set out in para. 3.4 of the Investment Policy Statement.

Report of the Trustees

For the year ended 30 June 2021

- High liquidity cash deposit account holding, to manage funds required over a 0-2-year time horizon. These funds were used for the construction and fit-out of 10-18 Union Street. The key objective for these funds is capital preservation with a return deemed reasonable within that context.
- Reserves with a medium-term horizon are invested on a cash + basis in diversified funds.
- Reserves with a longer time horizon are managed to maximise real return within a risk profile associated with real assets, including the ownership of London property assets.

The RCOG considers and reviews the ethical dimensions of any direct investments it makes, specifically in relation to its values and charitable objects. The RCOG understands that in its use of pooled and diversified growth funds, it is unable to control the detailed stock allocation. Following Board approval of the new five-year strategy in November 2020, and the College's commitment to financial and environmental sustainability, it was agreed to undertake a strategic review of the investment policy in 2021.

Policy for permanent endowment funds

The total return approach is applied to seven of the permanent endowments. This transfer allows the College to use any gains made on those endowments as income. The policy is to treat the calculated present value of the original gift as the core capital that will remain as an endowment. The remaining value is the 'unapplied return'. Out of that, the College is able to set aside 5% each year, available to spend on restricted projects, this being the 'applied return'. Details of these funds are included in note 22 on pages 63 to 65.

Fund management

Investment holdings returned an income of £317,791 and a capital gain of £1,564,088 in the year. The total return therefore was £1,881,879, which equates to a return of 13.4% on the opening balances of £14,056,309.

The total market value of investment portfolio increased by 11.1%, from £14,056,309 at 1 July 2020 to £15,630,328 at 30 June 2021. The capital growth for 2020/19 was £200,415 (3%). The interest received for the period was £317,791 a return of 2.3%. 2020/2019 £357,797 (2.63%).

The RCOG Investment and Advisory Panel has continued to monitor the effectiveness of the RCOG's investments in order to obtain maximum growth within the remit of its investment policy and risk tolerance.

Further details on investments can be found in note 15 on page 58 of the Annual Accounts.

Fundraising

The RCOG is registered with the Fundraising Regulator and has established fundraising policies using the Code of Fundraising Practice as a guideline. Our campaigns are run by an in-house team and we do not engage the services of commercial partners to raise funds on our behalf.

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For the year ended 30 June 2021

We aim to follow best practice in our fundraising activities and to ensure that communications are carried out in accordance with members' contact preferences.

A complaints procedure is in place to ensure any complaints received are dealt with promptly and handled in accordance with our policy. During the period of this report no complaints were received relating to our fundraising activities.

Pensions

The College operates two pension schemes: the Defined Contribution Scheme (DCS), which is open to all staff, and the Defined Benefit Scheme (DBS), both operated through a separate trustee-administered fund. In May 2014, the College introduced an auto-enrolment section within the DCS. The DBS was closed to new members in 2003 and future accrual for active members ceased from 31 December 2014. The triennial valuation of the DBS to 31 March 2019 was concluded and revealed a funding shortfall of c£2.709m. A deficit repayment plan was agreed with the employers up to 31st March 2027 (International Federation of Gynaecology and Obstetrics, the Faculty of Sexual and Reproductive Healthcare and the RCOG), and the RCOG made an initial payment in 2020 of £466k with further deficit repayments scheduled from 1st April 2022.

At 30 June 2021, the College's FRS102 actuarial valuation showed that that the fair value of the scheme's assets exceeded the scheme's liabilities. After discussion with our auditor the College's Trustees have determined that the prudent approach is not to recognise the net assets within the accounts. As at June 2020 the College's share of the accounting liability was £906,000. Further details of the schemes can be found in note 25 on pages 68 to 70 of the Annual Accounts.

Trading Company

The College has a commercial arm, RCOG Trading Limited, whose principal activities include the hire of rooms and the provision of catering facilities and accommodation under a contract with Graysons. Trading activities were effectively ceased with effect from March 2020 due to the COVID-19 pandemic and associated restrictions. This had a significant adverse impact on trading activities during the year. Limited trading activities recommenced in the first quarter of 21/22. The Board agreed to waive the management charge due to the parent undertaking for 20/21 due to the exceptional trading position. The management charge for 2019/20 was £188,197.

The Trading company generated a surplus of £13,219 in the year to 30 June 2021 (2020: £142,424), which was gifted in its entirety to the RCOG charity. These results are consolidated into the accounts of the College.

Going concern

Trustees have been closely monitoring and considering the ongoing impact of the COVID-19 pandemic on the College and its activities. At its meeting in June 2021 the Board approved a deficit budget for 2021/22 as part of a five year financial plan to June 2026. The financial plan describes the College's financial recovery driven by increased income generation over the next five years. The plan shows the College returning to a surplus position from 2022/23 onwards. The Trustees are satisfied that the College can

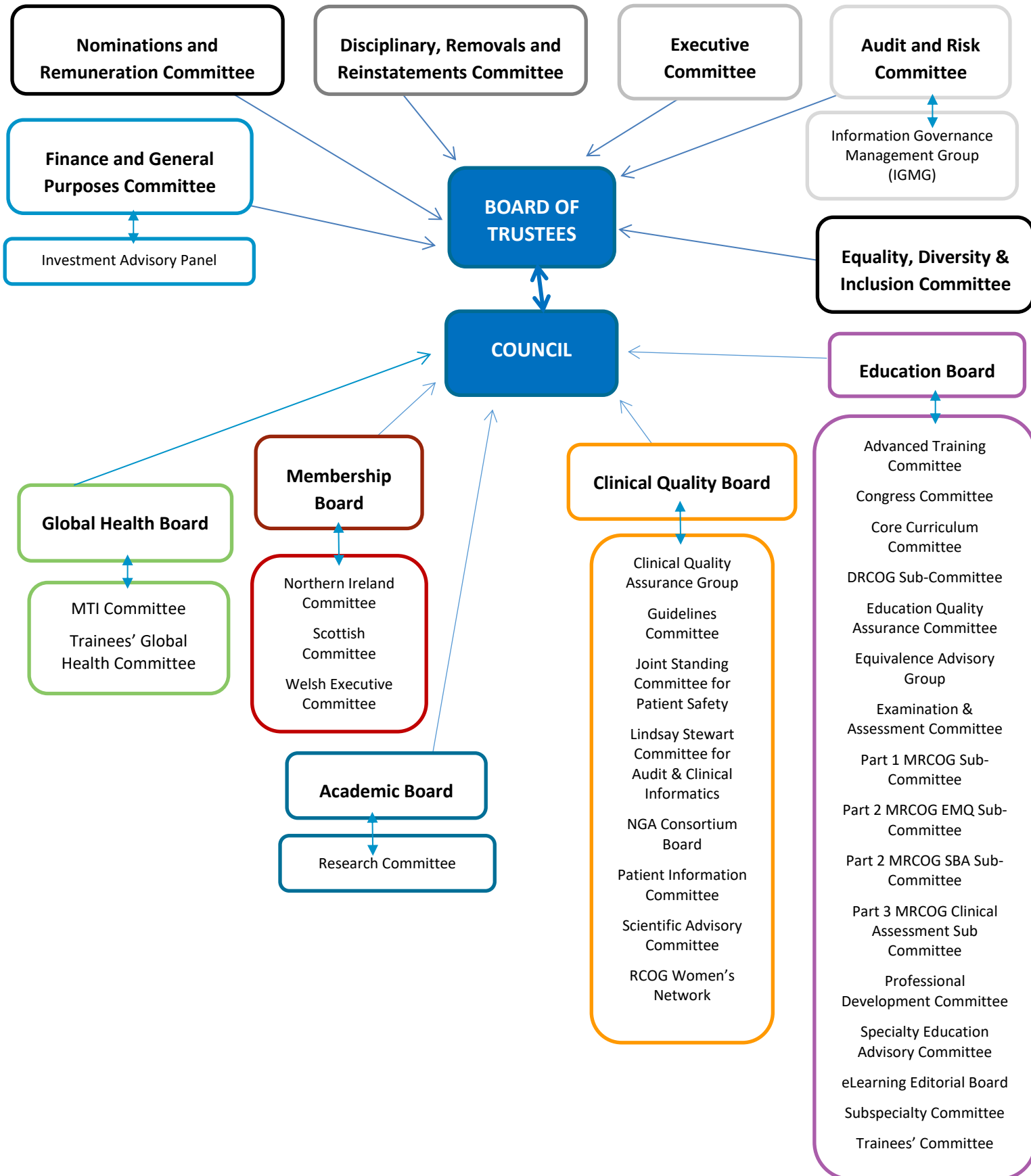
Royal College of Obstetricians and Gynaecologists

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continue operating for the foreseeable future and that there are no material uncertainties around going concern status for at least 12 months following approval of these financial statements.

Governance structure



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For the year ended 30 June 2021

The Board of Trustees, chaired by an independent Chair, combines both clinical leadership with wider expertise essential to charity governance. Its membership includes six O&G Trustees – the President, Senior Vice President, Vice President Workforce and Professionalism, a Member or Fellow elected from Council and two Members or Fellows of the College in active practice. The Board also currently includes four Trustees from a range of professional backgrounds. The Board meets on at least four occasions during the year and holds an annual joint workshop with Council.

The Board of Trustees provides the required scrutiny to the financial, business and legal matters of the College and is the ultimate decision making body. The work of the Board is supported by four Board subcommittees and Council. Day to day management of College business is led by the Executive team. Board delegated responsibilities to subcommittees, Council and the Executive are captured in a Schedule of Matters Reserved and Delegation.

Council is responsible for developing policies and activities on all clinical and professional matters for women's health. Chaired by the President, Council meets on five occasions during each year. Its members include the Officers of the College, Fellows and Members of the College, including 20 elected Fellows and 13 elected Members, 2 Trainee representatives, the Chair of the Academic Board, the Chair and Vice Chairs of the Women's Network and President of the FSRH.

The **Finance and General Purposes Committee** has delegated power to perform, on behalf of the Trustees, matters of specified business. It is responsible for the financial scrutiny of the College, including critically reviewing management accounts and recommending the annual budget to Trustees for approval.

The **Audit and Risk Committee** (ARC) provides the Trustees with an independent assessment of the College's statutory financial position and accounting affairs, with the objective of providing further assurance of the quality and reliability of the financial information. It also oversees the systems of governance, risk management and internal control across the whole of the College's activities. It meets not less than three times a year. In 2020/21 the ARC oversaw the appointment of a new Internal Audit Service provider and approved a three year internal audit plan set within the context of the five year RCOG strategy.

The **Equality, Diversity and Inclusion Committee** terms of reference and membership were refreshed and the first meeting of the committee took place in October 2021. The committee will support the work of the Board to ensure that the principles of equality, diversity and inclusion are embedded in the organisation and help to deliver the charity's public benefit. In the coming year the committee will review and oversee the establishment, delivery and maintenance of an effective EDI action plan across the whole of the College's activities, that supports the achievement of the organisation's objectives and strategic goals.

The Board governs the remuneration of Executive Directors and other RCOG staff via the **Nominations and Remuneration Committee**. The committee meets at least annually. In 2020/21 the committee oversaw the appointment of two trustees from the RCOG membership.

The **Executive team** is made up of the Chief Executive and the Executive Directors as listed on page 3.

Report of the Trustees

For the year ended 30 June 2021

Trustee appointment and responsibilities

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

In the period covered by this report, no serious incidents were reported to the Charity Commission.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the College and the group and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the College and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the College and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees confirm that, so far as they are aware, there is no relevant audit information of which the College's auditor is unaware. They have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the College's auditor is aware of that information.

Training and induction of Trustees

New Trustees are inducted into their role and College business through an induction programme which includes briefings from the Chief Executive, President and key staff. As part of this process, information is provided about their roles and duties as charitable Trustees, as well as other supporting information about the governance of the College. Trustees who joined in the year also received a briefing on the role of Trustee from the external auditor Sayer Vincent.

The Chief Executive is appraised by the Chair and President on an annual basis.

Report of the Trustees

For the year ended 30 June 2021

Remuneration

The College recognises the importance of attracting and retaining the right skills to ensure we can deliver our objectives.

The RCOG operates a graded pay structure and all roles are subject to an evaluation process to determine the applicable pay grade.

The objectives of the evaluation process are as follows:

- To enable consistent decisions to be made on grading and rates of pay.
- To establish the extent to which there is comparable worth between jobs so that equal pay can be provided for work of equal value.
- To ensure staff are rewarded appropriately for the work they undertake for the College.
- To make sure all new posts are graded appropriately by ensuring a standard approach is taken when allocating grades.

The College operates an annual appraisal system to evaluate individual performance. This performance evaluation process enables an individual to move up their pay grade.

The Board governs the remuneration of staff via the **Nominations and Remuneration Committee**. The committee annually reviews all pay levels and, if affordable, recommends an annual uplift for Board approval. It is recommended that this reflects CPI (capped at 3%), however the Board can choose to exceed this.

Information on those employees paid over £60,000 in the year can be found in note 9 to the accounts. Trustees are not remunerated as these are voluntary roles.

Charity and related parties

Related party transactions for the year are split as follows: sales ledger £643,552 and purchase ledger £11,500. Further details can be found in note 11 to the accounts.

Principal risks and uncertainty

The Audit and Risk Committee, as part of its duties, oversees risk management activity at the College. The committee has an assurance and oversight role to provide the Board of Trustees with the necessary assurance on the adequacy and effectiveness of the College's risk management framework. Risk management is viewed as a dynamic cycle of assessment, action and review.

The Risk Management Policy outlines the approach to managing risk, setting out common requirements and definitions, and details specific responsibilities of staff, management and governance bodies. The risk management framework includes a Board Assurance Framework which is monitored and updated by the Executive Directors and reported to the Audit and Risk Committee and the Board of Trustees on a quarterly basis. The corporate risk register, which focuses on key operational risks, operates alongside this framework. The register is regularly updated by the Senior Leadership Team and reviewed by Executive Directors, with higher level risks reported to Audit and Risk Committee at their quarterly meetings.

Report of the Trustees

For the year ended 30 June 2021

The Board Assurance Framework and Corporate Risk Register were updated in the year to reflect the new five year strategy.

The most significant risks identified in the Board Assurance Framework are:

Key risk areas	Key controls
<p>Financial instability due to the cessation of some income generating activities, inability to deliver services digitally, a lack of diverse income streams, lack of revenue growth and/or an uncontrolled cost base, which affects our long-term sustainability and capacity to deliver our vision.</p>	<p>Five-year strategy and supporting financial plan approved by the Trustees. Recovery Programme with business case for investment, enhanced spending controls, close monitoring of cashflow, robust budget setting process, focus on business development roles within the organisation and sound financial principles to provide clear guidance for the Senior Leadership Team.</p>
<p>College fails to provide services and products that are of high quality, are fit for purpose, meet the changing needs of our global membership and trainees and are sustainable; leads to reduced use or client satisfaction and an adverse impact on patient safety or quality of care.</p>	<p>Five-year strategy and supporting financial plan approved by the Trustees. ePortfolio project recovery project and governance, Recovery Programme, digital examination implementation, membership satisfaction survey, project management guidance with effective project/programme board monitoring of new projects and initiatives, effective board scrutiny, EDI Policy process maps, quality assurance processes and standard operating procedures, project lessons learnt capture and sharing.</p>
<p>Adverse publicity from an untoward event or College actions which are not in line with our mission and values damages our reputation and stakeholder confidence, negatively affecting support received, key relationships and/or income generated.</p>	<p>Information governance policies and guidelines, regular reports to donors on progress against plan, due diligence exercises prior to and throughout the programme lifecycle, clear policy position statements on key issues, informing all media and stakeholder engagement work, Code of conduct for members and RCOG representatives and complaints policy, working group in place to monitor and manage all police investigations and independent inquiries.</p>
<p>There is a risk that the College IT capability and IT architecture does not support delivery of the strategic goals.</p>	<p>Five-year strategy and supporting financial plan approved by the Trustees. Recovery Programme with business case for investment including implementation of virtual exams, organisational business continuity and incident response framework, buildings policies and protocols in place including building related maintenance and support contracts, project management framework, standard operating</p>

Report of the Trustees

For the year ended 30 June 2021

	procedures, robust IT systems and Cyber Essentials Plus accreditation.
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Equality, Diversity and Inclusion

The Board commissioned a review of governance practices against the refreshed Charity Code of Governance to identify application of recommended practices and areas for improvement. Following the implementation of recommendations arising from the 2019/2020 Governance Review, the review against the Charity Code of Governance reflected good progress against each principle of the Code. It was agreed that the focus in 2021/22 would be on principle six (Equality, Diversity and Inclusion). Key to this would be the reinstatement of the Board’s EDI Committee and implementation of the RCOG EDI Action Plan.

The College has already committed to building an inclusive and diverse workforce to ensure our employees can thrive, feel included, valued and reach their full potential whilst working with us.

As part of the EDI strategy we have prioritised four areas to base our action plan on. The first area is inclusion and organisation culture, to ensure that as we improve representation we can retain staff who thrive in a culture that is welcoming and understanding of difference with practices in place that support inclusion. The second area is organisational performance and monitoring where we ensure we base our actions on data and that we benchmark our progress externally. The third area is leadership and accountability where we will work with our EDI committee and Board to ensure that the principles of equality, diversity and inclusion are embedded in the organisation. The last area is policies, practices and procedures where our actions will focus on reducing inequalities and barriers to inclusion by reviewing and making changes across the whole employee lifecycle from recruitment through to talent development and exit from the College.

Sustainability

The College is committed to environmental sustainability.

In July 2021, RCOG committed to two carbon reduction targets and to monitoring progress against them. The College committed to a 50% co2e reduction targets 2030, using 2019 as the baseline.

Agile working by staff has resulted in a lower direct footprint in the building because of lower footfall and reduced indirect footprint arising from less commuting.

The digital studio has been launched and used for a range of events. The studio is part of a continued focus on new ways of working to maximise the use of technology and increase the reach of our services digitally and enable a reduced ongoing footprint through reduced physical events and travel. We are continuing to work with our catering partner Grayson’s to ensure sustainability, for example, no single-use plastics, roof beehives at Union Street and sustainable food sourcing. In November 2021 we introduced on-site hot composting for commercial kitchen waste.

Report of the Trustees

For the year ended 30 June 2021

Nature of governing document

The RCOG is governed by a Royal Charter, granted in 1947, and Regulations made pursuant to the Charter. The Charter was renewed in December 2003, amended in 2012 and the College is bound by its regulations. In 2010, the College was separately registered as a charity in Scotland.

Public benefit

The Trustees confirm that they have considered the Charity Commission's guidance on Public Benefit in determining the strategy for achieving the charity's aims and objectives. The identifiable benefits women receive include the specialist clinical care made possible through the education of doctors. Women also benefit from service improvements through our focus on clinical quality, our participation in research and audit and our collaborative work with other educational providers, service bodies and policy makers in health. The number of doctors successfully qualifying in the specialty and the tangible use of our standards to improve care confirm that these benefits are being achieved. The general public and health professionals can access information via our website.

While the College is a professional and educational body, the ultimate beneficiaries of our work are women and their families in all the countries where our clinicians work and where the College delivers targeted help, including in lower-resourced regions.

Auditor

Sayer Vincent LLP were re-appointed as the charity's auditor during the year and have expressed their willingness to continue in that capacity.

Consolidated accounts statement

This annual report and accounts have been approved by the Trustees on 4 March 2022 and are signed on their behalf by:

Baroness Tessa Blackstone
Chair

Independent auditor's report

To the trustees of

Royal College of Obstetricians and Gynaecologists

Independent auditor's report to the trustees of Royal College of Obstetricians & Gynaecologists

Opinion

We have audited the financial statements of Royal College of Obstetricians & Gynaecologists (the 'parent charity') for the year ended 30 June 2021 which comprise the consolidated statement of financial activities, the group and parent company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including 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 group and parent charity's affairs as at 30 June 2021 and of the group's incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011 and of the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent auditor's report

To the trustees of

Royal College of Obstetricians and Gynaecologists

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient and proper 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 in the trustees' annual report, 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report

To the trustees of

Royal College of Obstetricians and Gynaecologists

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Independent auditor's report

To the trustees of

Royal College of Obstetricians and Gynaecologists

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the parent charity's trustees as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the parent 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 parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

24 March 2022

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Royal College of Obstetricians and Gynaecologists

Consolidated statement of financial activities

For the year ended 30 June 2021

		2021					2020				
	Note	Continuing unrestricted £	Discontinued unrestricted £	Endowment £	Restricted £	Total £	Continuing unrestricted £	Discontinued unrestricted £	Endowment £	Restricted £	Total £
Income from:											
Charitable activities											
Donations and legacies	2	599,562	-	-	7,563	607,125	496,059	-	-	619,733	1,115,792
Charitable activities	3	10,180,182	540,554	-	4,993,800	15,714,536	10,539,134	940,313	-	5,001,535	16,480,982
Other trading activities	4	437,775	-	-	-	437,775	836,358	-	-	-	836,358
Investments	5	230,858	-	15,362	71,571	317,791	257,542	-	21,485	78,771	357,798
Sale of BJOG		-	3,880,498	-	-	3,880,498	-	-	-	-	-
Total income		11,448,377	4,421,052	15,362	5,072,934	20,957,725	12,129,093	940,313	21,485	5,700,039	18,790,930
Expenditure on:											
Charitable activities											
Raising funds	7	323,981	-	-	-	323,981	356,841	-	-	-	356,841
Charitable activities	7	11,240,984	-	-	5,486,868	16,727,852	13,275,137	495,746	-	4,734,419	18,505,302
Other trading activities	7	113,428	-	-	-	113,428	604,105	-	-	-	604,105
Total expenditure	7	11,678,393	-	-	5,486,868	17,165,261	14,236,083	495,746	-	4,734,419	19,466,248
Net income / (expenditure) before net gains / (losses) on investments		(230,016)	4,421,052	15,362	(413,934)	3,792,464	(2,106,990)	444,567	21,485	965,620	(675,318)
Net gains / (losses) on investments		1,072,577	-	276,894	214,617	1,564,088	110,946	-	40,604	48,865	200,415
Net income / (expenditure)	8	842,561	4,421,052	292,256	(199,317)	5,356,552	(1,996,044)	444,567	62,089	1,014,485	(474,903)
Transfers between funds	21-23	7,098,438	(5,243,300)	(484,022)	(1,371,116)	-	-	-	(3,427)	3,427	-
Net income / (expenditure) before other recognised gains and losses		7,940,999	(822,248)	(191,766)	(1,570,433)	5,356,552	(1,996,044)	444,567	58,662	1,017,912	(474,903)
(Losses) on impairment of fixed assets	13	-	-	-	-	-	(7,247,119)	-	-	-	(7,247,119)
Actuarial gains / (losses) on defined benefit pension schemes	25	906,000	-	-	-	906,000	546,000	-	-	-	546,000
Net movement in funds		8,846,999	(822,248)	(191,766)	(1,570,433)	6,262,552	(8,697,163)	444,567	58,662	1,017,912	(7,176,022)
Reconciliation of funds:											
Total funds brought forward		39,979,191	822,248	3,964,902	7,702,133	52,468,474	48,676,354	377,681	3,906,240	6,684,221	59,644,496
Total funds carried forward	21-23	48,826,190	-	3,773,136	6,131,700	58,731,026	39,979,191	822,248	3,964,902	7,702,133	52,468,474

Discontinued activities relate to British Journal of Gynaecology, which was sold on 3 August 2020. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Notes 21-23 to the financial statements.

Balance sheets

As at 30 June 2021

	Note	The group		The charity	
		2021 £	2020 £	2021 £	2020 £
Fixed assets:					
Tangible assets	13	43,817,463	43,833,217	43,817,463	43,833,217
Investments	15	15,630,328	14,056,309	15,630,330	14,056,311
		59,447,791	57,889,526	59,447,793	57,889,528
Current assets:					
Stock		7,520	5,494	4,881	2,855
Debtors	16	314,397	1,434,197	289,991	1,397,526
Cash at bank and in hand		13,449,837	7,489,847	13,449,837	7,488,129
		13,771,754	8,929,538	13,744,709	8,888,510
Liabilities:					
Creditors: amounts falling due within one year	17	(7,997,611)	(6,571,863)	(7,970,568)	(6,530,837)
Net current assets		5,774,143	2,357,675	5,774,141	2,357,673
Creditors: amount due after one year	18	(6,490,908)	(6,872,727)	(6,490,908)	(6,872,727)
Net assets excluding pension asset / (liability)		58,731,026	53,374,474	58,731,026	53,374,474
Defined benefit pension scheme asset / (liability)	25	–	(906,000)	–	(906,000)
Total net assets		58,731,026	52,468,474	58,731,026	52,468,474
Funds:					
Capital funds:					
Permanent endowment funds		2,719,459	2,627,417	2,719,459	2,627,417
Expendable endowment funds		1,053,677	1,337,485	1,053,677	1,337,485
		3,773,136	3,964,902	3,773,136	3,964,902
Restricted income funds		6,131,700	7,702,133	6,131,700	7,702,133
Unrestricted income funds:					
Designated funds		37,802,047	35,053,043	37,802,047	35,053,043
Pension reserve		–	(906,000)	–	(906,000)
General funds		11,024,143	6,654,396	11,024,143	6,654,396
Total unrestricted funds		48,826,190	40,801,439	48,826,190	40,801,439
Total charity funds		58,731,026	52,468,474	58,731,026	52,468,474

Approved by the board of management on 4th March 2022 and signed on their behalf by

Baroness Tessa Blackstone
ChairKate Mathers
Trustee

Consolidated statement of cash flows

For the year ended 30 June 2021

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

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	5,356,552	(474,903)
Depreciation charges	872,335	1,073,929
(Gains) on investments	(1,564,088)	(200,415)
Dividends and interest from investments	(317,791)	(357,798)
(Increase)/decrease in stocks	(2,026)	4,298
Decrease in debtors	1,119,800	4,367,755
Decrease/ (increase) in creditors	1,043,929	(231,380)
Loss on disposal of Fixed Assets	13,989	-
Pension adjustments	-	(11,000)
Net cash provided by operating activities	6,522,699	4,170,486

	2021 £	£	2020 £	£
Cash flows from operating activities				
Net cash provided by operating activities		6,522,700		4,170,486
Cash flows from investing activities:				
Dividends, interest and rents from investments	317,791		357,798	
Purchase of fixed assets	(870,570)		(6,944,799)	
Proceeds from sale of investments	-		300,929	
Purchase of investments	(9,931)		(550,929)	
Net cash provided by / (used in) investing activities		(562,710)		(6,837,001)
Cash flows from financing activities:				
Cash outflows from repayment of borrowing	-		(3,000,000)	
Net cash provided by / (used in) financing activities		-		(3,000,000)
Change in cash and cash equivalents in the period		5,959,990		(5,666,515)
Cash and cash equivalents at the beginning of the period		7,489,847		13,156,362
Cash and cash equivalents at the end of the period		13,449,837		7,489,847

Analysis of cash and cash equivalents and of net debt

	At 1 July 2020 £	Cash movements £	At 30 June 2021 £
Cash at bank and in hand	7,489,847	5,959,990	13,449,837
a Total cash and cash equivalents	7,489,847	5,959,990	13,449,837
Loans falling due within one year	127,273	-	509,092
Loans falling due after more than one year	6,872,727	-	6,490,908
Total	7,000,000	-	7,000,000

Notes to the financial statements

For the year ended 30 June 2021

1 Accounting policies

a) Statutory information

The Royal College of Obstetricians and Gynaecologists is incorporated by Royal Charter as a charity registered with the Charity Commission in England & Wales and OSCR in Scotland. The registered office address is 10–18 Union Street, London, SE1 1SZ.

b) Basis of preparation

The accounts 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) (Charities SORP FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts 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'. This departure has involved following 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 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary RCOG Trading Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as the summary of the result for the period is disclosed in the notes to the accounts.

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

c) Public benefit entity

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

d) Going concern

Since March 2020 the coronavirus pandemic and associated government restrictions have presented a number of opportunities and challenges to the College. The trustees have been closely monitoring and considering the on-going impact of the pandemic on the College and its activities and the College has prepared budgets and cashflow forecasts through to March 2023 taking into account the associated risks and uncertainties. Further detailed information on this assessment can be found in the Financial Review in the Report of the Trustees. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Coronavirus job retention scheme income and other coronavirus support income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Endowment funds are split between permanent endowments and expendable endowments. The capital of the permanent endowments must be maintained, although the income can be utilised in accordance with the terms of the endowment. The total return approach is applied to 7 of the College's permanent endowments. The policy is to treat the calculated present value of the original gift as the "core capital" that remains an endowment. The remaining value is the unapplied return and from this the College can set aside 5% each year for use on restricted projects. This represents the "applied return".

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering membership, examination, educational services undertaken to further the purposes of the charity and their associated support costs

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

Notes to the financial statements

For the year ended 30 June 2021

1 Accounting policies (continued)

i) Allocation of support costs & governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

● Conferences and meetings	12%
● Examinations	9%
● International initiatives	7%
● Membership Services	43%
● Clinical Quality	11%
● Education and training	11%
● BJOG	3%
● Other trading activities	4%

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £10,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Freehold land	not depreciated
● Freehold buildings	50 years
● Plant	10 years
● Furniture and fittings	5 years
● IT infrastructure	7 years
● Computer Equipment	3 years

l) Listed 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. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

n) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

o) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Debtors due in greater than one year have been discounted to net present value.

p) Cash at bank and in hand

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

q) Creditors and provisions

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

r) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Notes to the financial statements

For the year ended 30 June 2021

1 Accounting policies (continued)

s) Pensions

The defined benefit pension scheme is recognised and treated in accordance with section 28 of FRS 102.

The defined benefit pension scheme assets are measured using market values. The scheme's liabilities are measured using the projected units actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The current service cost and any increase in the present value of the liabilities within the College's defined benefit scheme expected to arise from employee service in the period is allocated to the respective expenses category (as outlined above) in respect to staff costs.

Actuarial gains and losses, in respect of the College's defined benefit scheme are recognised in the Statement of Financial Activities in recognised gains and losses for the period.

Contributions in respect of the College's defined benefit scheme are recognised in the Statement of Financial Activities in recognised gains and losses for the period.

The College also operates a defined contribution scheme. The assets of this scheme are held separately from those of the College in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the College to the fund. The College has no liability under this scheme other than for the payment of those contributions.

2 Income from donations and legacies

	Unrestricted £	Endowment £	Restricted £	2021 Total £	Unrestricted £	Endowment £	Restricted £	2020 Total £
Gifts & Donations	346,554	-	7,563	354,117	496,059	-	619,733	1,115,792
Legacies	253,008	-	-	253,008	-	-	-	-
	599,562	-	7,563	607,125	496,059	-	619,733	1,115,792

Gifts & donations represent income from fundraising activities.

3 Income from charitable activities

	Unrestricted £	Endowment £	Restricted £	2021 Total £	Unrestricted £	Endowment £	Restricted £	2020 Total £
Conferences, Congress and meetings	2,778,271	-	-	2,778,271	984,369	-	-	984,369
Examinations	2,304,799	-	-	2,304,799	4,279,062	-	-	4,279,062
International initiatives	-	-	-	-	77,500	-	-	77,500
Membership services	4,551,959	-	-	4,551,959	4,643,987	-	-	4,643,987
Clinical quality	86,997	-	2,289,242	2,376,239	167,729	-	1,702,413	1,870,142
Education and training initiatives	390,138	-	-	390,138	386,487	-	253,022	639,509
National Guideline Alliance	68,018	-	2,704,558	2,772,576	-	-	3,046,100	3,046,100
British Journal of Gynaecology (discontinued)	4,421,052	-	-	4,421,052	940,313	-	-	940,313
Sub-total from charitable activities	14,601,234	-	4,993,800	19,595,034	11,479,447	-	5,001,535	16,480,982

4 Income from other trading activities

	Unrestricted £	Endowment £	Restricted £	2021 Total £	Unrestricted £	Endowment £	Restricted £	2020 Total £
Venue hire and catering	76,560	-	-	76,560	665,555	-	-	665,555
Accommodation and service charges	168,515	-	-	168,515	170,803	-	-	170,803
Other income	192,700	-	-	192,700	-	-	-	-
	437,775	-	-	437,775	836,358	-	-	836,358

5 Income from investments

	Unrestricted £	Endowment £	Restricted £	2021 Total £	Unrestricted £	Endowment £	Restricted £	2020 Total £
Newton Real Return Income Fund	-	11,442	71,571	83,013	-	17,207	78,771	95,978
BIJF Dynamic Diversified Growth Fund	22,135	3,920	-	26,055	24,154	4,278	-	28,432
Sarasins	202,060	-	-	202,060	189,401	-	-	189,401
Other Investments	6,663	-	-	6,663	43,987	-	-	43,987
	230,858	15,362	71,571	317,791	257,542	21,485	78,771	357,798

Notes to the financial statements

For the year ended 30 June 2021

6 Trading Income and Expenditure

The College owns 100% of RCOG Trading Limited (Company no: 04495641), whose main activities include the hire of facilities owned by the Royal College of Obstetricians and Gynaecologists and the provision of catering. It donates its taxable profits to the College under gift aid. Trading results extracted from its audited financial statements are shown below:

	2021 £	2020 £
Profit and loss account		
Turnover	21,396	693,842
Cost of sales	(4,343)	(331,245)
Gross profit	17,053	362,597
Administrative expenses	(3,834)	(31,976)
Management charge due to parent undertaking	-	(188,197)
Operating profit	13,219	142,424
Profit on ordinary activities before taxation	13,219	142,424
Taxation	-	-
Profit on ordinary activities after taxation	13,219	142,424
Gift aid donation to Royal College of Obstetricians and Gynaecologists	(13,219)	(142,424)
Profit for the financial period	-	-
The aggregate of the assets, liabilities and funds was:	2021 £	2020 £
Assets	76,388	92,235
Liabilities	(76,386)	(92,233)
Funds	2	2

Amounts owed to/from the parent undertaking are shown in Note 17 (2020: Note 16)

Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	20,949,548	18,239,512
Results for the year	6,262,552	(7,176,022)

7a Analysis of expenditure (current year)

	Charitable activities														2021 £	2020 £
	Cost of raising funds £	Conferences, Congress and Meetings £	Examinations £	International initiatives £	Membership services £	Clinical Quality £	Education and Training Initiatives £	National Guideline Alliance £	British Journal of Gynaecology (discontinued) £	Other restricted funds £	Other trading activities £	Governance costs £	Support costs £			
Staff costs (Note 9)	191,959	546,880	496,402	48,323	1,743,649	354,611	830,754	2,203,452	-	2,109,671	-	323,302	2,046,889	10,895,891	10,585,694	
Direct costs (Note 7a)	630	485,921	185,322	5,015	772,117	25,136	73,904	551,486	-	622,259	8,177	369,415	-	3,099,382	4,808,656	
Support costs:																
Officers, Council and Administration	-	-	-	-	-	-	-	-	-	-	-	-	17,443	17,443	582,065	
Finance	-	-	-	-	-	-	-	-	-	-	-	-	1,188,828	1,188,828	506,061	
Facilities and Premises	-	-	-	-	-	-	-	-	-	-	-	-	450,503	450,503	1,243,385	
Other:																
Depreciation/IT/HR & Pension	-	-	-	-	-	-	-	-	-	-	-	-	1,513,214	1,513,214	1,740,387	
	192,589	1,032,801	681,724	53,338	2,515,766	379,747	904,658	2,754,938	-	2,731,930	8,177	692,717	5,216,877	17,165,261	19,466,248	
Support costs	117,853	712,569	778,497	143,823	2,057,382	712,874	605,554	-	-	-	88,326	-	(5,216,877)	-	-	
Governance costs	13,540	74,742	69,123	26,573	270,050	128,564	93,200	-	-	-	16,925	(692,717)	-	-	-	
Total expenditure 2021	323,981	1,820,112	1,529,344	223,734	4,843,198	1,221,185	1,603,412	2,754,938	-	2,731,930	113,428	-	-	17,165,261	19,466,248	
Total expenditure 2020	356,841	1,836,086	2,020,337	597,487	6,063,269	2,115,897	962,237	3,130,053	495,746	1,284,190	604,105	-	-	19,466,248		

7 Direct costs comprise:

Conferences and meetings

Includes venue and catering costs, course materials and Congress expenditure.

Examinations

Includes fees for examiners, invigilators and role players; venue costs for external exam centres; costs for printing and preparation of exam papers.

International initiatives

Costs associated with the delivery of international projects; expenditure associated with International Liaison groups and the International Executive committee.

Fellows and members

Includes costs of member services; journals & e-publishing (excl BJOG); eLearning resources expenditure; media and policy expenditure.

Clinical quality

Includes costs of producing and printing guidelines; costs of providing review services to Trusts; expenditure on grant funded projects.

Education and training

Costs incurred for the development and ongoing review of educational resources and associated marketing.

Leading Safe Choices

Costs incurred for the delivery of the LSC project.

NGA

Costs incurred in delivering NICE guidelines women and children's health, mental health and cancer.

BJOG

Includes editorial costs, publication costs and distribution costs.

Other restricted funds

Costs incurred in the delivery of restricted activity.

Notes to the financial statements

For the year ended 30 June 2021

7b Analysis of expenditure (prior year)

	Charitable activities													2020 £
	Cost of raising funds £	Conferences, Congress and Meetings £	Examinations £	International initiatives £	Membershi p services £	Clinical Quality £	Education and Training Initiatives £	National Guideline Alliance £	British Journal of Gynaecology (discontinued) £	Other restricted funds £	Other trading activities £	Governance costs £	Support costs £	
Staff costs (Note 9)	201,988	476,624	461,683	192,202	2,121,752	1,116,473	425,539	2,689,159	-	775,875	-	-	2,124,399	10,585,694
Direct costs (Note 7a)	11,376	573,317	710,284	114,148	1,192,807	267,165	74,282	440,894	387,819	508,315	388,250	139,999	-	4,808,656
Support costs:														
Officers, Council and Administration	-	-	-	-	-	-	-	-	-	-	-	-	582,065	582,065
Finance	-	-	-	-	-	-	-	-	-	-	-	-	506,061	506,061
Facilities and Premises	-	-	-	-	-	-	-	-	-	-	-	-	1,243,385	1,243,385
Other:														
Depreciation/IT/HR & Pension	-	-	-	-	-	-	-	-	-	-	-	-	1,740,387	1,740,387
	213,364	1,049,941	1,171,967	306,350	3,314,559	1,383,638	499,821	3,130,053	387,819	1,284,190	388,250	139,999	6,196,297	19,466,248
Support costs	140,456	768,167	834,773	283,583	2,689,298	713,979	451,323	-	104,906	-	209,812	-	(6,196,297)	-
Governance costs	3,021	17,978	13,597	7,554	59,412	18,280	11,093	-	3,021	-	6,043	(139,999)	-	-
Total expenditure 2020	356,841	1,836,086	2,020,337	597,487	6,063,269	2,115,897	962,237	3,130,053	495,746	1,284,190	604,105	-	-	19,466,248

Notes to the financial statements

For the year ended 30 June 2021

8 Net income / (expenditure) for the period

This is stated after charging:

	2021 £	2020 £
Depreciation	872,335	1,073,929
Impairment of Freehold Property	–	7,247,119
Operating lease rentals:		
Buildings	–	167,816
Other	35,036	30,022
Auditors' remuneration (excluding VAT):		
Audit (college)	26,200	23,000
Audit (subsidiary)	5,800	5,400
Other services	3,570	3,800

9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	9,345,508	8,940,547
Redundancy costs	116,586	191,214
Social security costs	859,856	863,552
Employer's contribution to College pension schemes	573,941	590,383
	10,895,891	10,585,696

The following number of employees received employee benefits (excluding employer pension costs) during the period between:

	2021 No.	2020 No.
£60,001–£70,000	7	11
£70,001–£80,000	9	6
£80,001–£90,000	1	1
£90,001–£100,000	1	2
£140,001–£150,000	–	1
£150,001–£160,000	1	–

Redundancy costs of £116,586 (2020: £191,214) were paid during the year and related to compensation for loss of office. During the year funding of £334,565 was received under the Government's Job Retention Scheme (2020: £208,716); this has been credited to Charitable income.

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £696,555 (2020: £718,491).

The Trustees were not paid or received any other benefits from employment with the charity in the period (2020: £nil). No member of the board of management received payment for professional or other services supplied to the charity (2020: £nil).

Trustees expenses represents the payment or reimbursement of travel and subsistence costs totalling £3,359 (2020: £62,104) incurred by 6 (2020: 9) members relating to attendance at meetings of the trustees.

Notes to the financial statements

For the year ended 30 June 2021

10 Staff numbers

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

	2021 No.	2020 No.
Raising funds	4.0	3.0
Conferences & Meetings	9.0	11.0
Examinations	10.0	12.0
International Initiative	5.0	5.0
Membership services	31.0	37.0
Clinical Quality	30.0	32.0
Education and training initiatives	15.0	15.0
NGA	41.0	48.0
British Journal of Gynaecology (discontinued)	-	2.0
Support	53.0	43.0
	198.0	208.0

11 Related party transactions

Related party transactions for the financial year were split between sales and purchase ledger transactions. These were payments to Council members as follows; C Nestor £500 honorarium and J Plumb £1,000 honorarium as joint vice chairs of the Women's Network; S Gohir £10,000 as Chair for the Women's Network. FIGO also invoiced RCOG for £23,094 for membership fees during the year. (2020: £23,095 for membership fees). RCOG also recharged FIGO £643,552 during the year for payroll costs (2020: £735,370). RCOG is one of the national member society representatives on FIGO Council.

Aggregate donations from related parties were £nil (2020: £nil).

12 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary RCOG Limited gift aids available profits to the parent charity.

13 Tangible fixed assets

For the group and charity

	Freehold Land and Buildings £	Plant, furniture and equipment £	Donated assets £	2021 Total £	2020 £
Cost					
At the start of the period	41,900,000	3,726,682	300,000	45,926,682	47,521,782
Additions in period	-	870,570	-	870,570	6,944,799
Disposals in period	-	(1,146,039)	-	(1,146,039)	(722,725)
Impairment					(7,247,119)
At the end of the period	41,900,000	3,451,213	300,000	45,651,213	46,496,737
Depreciation					
At the start of the period	-	2,093,465	-	2,093,465	2,312,316
Charge for the period	488,000	384,335	-	872,335	1,073,929
Eliminated on disposal	-	(1,132,050)	-	(1,132,050)	(722,725)
At the end of the period	488,000	1,345,750	-	1,833,750	2,663,520
Net book value					
At the end of the period	41,412,000	2,105,463	300,000	43,817,463	43,833,217
At the start of the period	41,900,000	1,633,217	300,000	43,833,217	45,209,466

All of the above assets are used for charitable purposes.

In February 2020 the College completed the capital works on the new freehold property in Union Street, London Bridge which is now the College's new headquarters. Following the completion of the building, a valuation was undertaken by Jones Lang LaSalle Ltd on 12 October 2020. This valuation, which was at market value, is below the total costs of the building and therefore in line with accounting standards, the carrying value in the financial statements has been adjusted to this lower value.

Freehold land and buildings comprise the land in Union Street valued at £17.5m and the building valued at £24.4m, the latter depreciated over 50 years. Due to a change in accounting estimate in the year the land element was not depreciated in 2021 and all accumulated depreciation relating to the land element was released in the year.

Notes to the financial statements

For the year ended 30 June 2021

14 Heritage Assets

A separate category of donated assets are those historic assets which the College holds for their heritage, scientific importance and contribution to the educational advancement in women's health. These items hold an intrinsic value to the business of the College.

The Heritage items mainly include books, sculptured busts and portraits of past Presidents and instruments used in the historic application and study of Obstetricians and Gynaecologists. Many of the portraits remain on display around the College and a small sample of the instruments held form part of the display in the College museum. The remaining collections are held in appropriate environmentally controlled conditions on the premises.

The College maintains a central electronic catalogue of Heritage items which is reviewed and updated at least annually by the Operations Director and Archivist & Records Manager.

Trustees do not believe that a reasonable valuation can be placed on those donated assets which are held as heritage assets and which have not been capitalised.

Expenditure which, in the Trustees view, is required to preserve or clearly prevent further deterioration of individual collection items is recognised in the statement of financial activities when incurred.

Because of the uniqueness, substance and direct affiliation of these heritage assets with the College, conventional market valuation would lack the true value imparted and comparisons on which to base this value are unlikely to be reflected in the open market. As a result, these items are not recognised in the balance sheet of the College.

15 Listed investments (group and charity)

	2021 £	2020 £
Consolidated		
Fair value at the start of the period	14,056,309	13,605,894
Additions at cost	9,931	550,929
Disposal proceeds	-	(300,929)
Net gain / (loss) on change in fair value	1,564,088	200,415
	<u>15,630,328</u>	<u>14,056,309</u>
Fair value at the end of the period	15,630,328	14,056,309
Historic cost at the end of the period	12,588,082	12,578,151
Investments comprise:		
	2021 £	2020 £
UK based unit trusts	4,518,109	4,060,421
UK based equity funds	11,081,769	9,958,646
Overseas equities/other funds	30,450	34,115
Cash awaiting re-investment	-	3,127
	<u>15,630,328</u>	<u>14,056,309</u>

16 Debtors

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	291,009	1,065,574	266,603	1,028,903
Other debtors	17,558	156,315	17,558	156,315
Prepayments	5,830	212,308	5,830	212,308
	<u>314,397</u>	<u>1,434,197</u>	<u>289,991</u>	<u>1,397,526</u>

With the exception of listed investments and debtors due in more than one year all of the charity's financial instruments, both assets and liabilities, are measured at amortised cost.

Notes to the financial statements

For the year ended 30 June 2021

17 Creditors: amounts falling due within one year

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	740,564	480,974	670,828	481,102
Amounts owed to subsidiary	–	–	49,343	51,206
Taxation and social security	646,006	601,818	646,006	595,441
Accruals	1,863,410	1,401,448	1,856,760	1,370,351
Deferred income	4,238,539	3,960,350	4,238,539	3,905,464
Bank loans	509,092	127,273	509,092	127,273
	7,997,611	6,571,863	7,970,568	6,530,837

18 Creditors: amounts falling due after one year

	2021	2020	2021	2020
	£	£	£	£
Bank loans repayable in 1–5 years	6,490,908	6,872,727	6,490,908	6,872,727
	6,490,908	6,872,727	6,490,908	6,872,727

Bank loans totalling £7,000,000 (2020: £7,000,000) are secured against 10–18 Union Street, London. Interest is charged at 1.65% above Base Rate. The creditor is disclosed at cost.

19 Deferred income

	2021	2020	2021	2020
	£	£	£	£
Balance at the beginning of the period	3,960,350	3,487,067	3,905,464	3,342,779
Amount released to income in the period	(3,960,350)	(3,487,067)	(3,905,464)	(3,342,779)
Amount deferred in the period	4,238,539	3,960,350	4,238,539	3,905,464
Balance at the end of the period	4,238,539	3,960,350	4,238,539	3,905,464

Deferred income largely comprises deferred membership and journal income relating to the next financial year.

Notes to the financial statements

For the year ended 30 June 2021

20a Analysis of group net assets between funds (current period)

	General unrestricted £	Designated £	Endowment £	Restricted £	Total funds £
Tangible fixed assets	-	43,817,463	-	-	43,817,463
Investments	6,985,727	984,584	3,773,136	3,886,881	15,630,328
Net current assets	4,038,416	(509,092)	-	2,244,819	5,774,143
Long Term Creditors	-	(6,490,908)	-	-	(6,490,908)
Defined benefit pension asset / (liability)	-	-	-	-	-
Net assets at the end of the period	11,024,143	37,802,047	3,773,136	6,131,700	58,731,026

20b Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated £	Pension £	Endowment £	Restricted £	Total funds £
Tangible fixed assets	9,764,758	34,068,459	-	-	-	43,833,217
Investments	5,441,976	-	-	3,964,902	4,649,431	14,056,309
Net current assets	(1,679,611)	984,584	-	-	3,052,702	2,357,675
Long Term Creditors	(6,872,727)	-	-	-	-	(6,872,727)
Defined benefit pension asset / (liability)	-	-	(906,000)	-	-	(906,000)
Net assets at the end of the period	6,654,396	35,053,043	(906,000)	3,964,902	7,702,133	52,468,474

Notes to the financial statements

For the year ended 30 June 2021

21a Movements in funds – permanent endowments (current period)

There are 7 transfers from Permanent Endowment to Restricted Funds totalling £34,022. These represent transfers from the 7 funds operating under the Total Return accounting policy where investment gains in excess of the present value of the original donation are transferred to Restricted Funds.

	At 1 July 2020	Income & gains	Expenditure & losses	Transfers	At 30 June 2021
	£	£	£	£	£
Permanent Endowments					
Edgar Research – Jean Ethel Gentili	541,176	25,966	–	(13,505)	553,637
Florence and William Blair Bell	1,116,506	53,570	–	–	1,170,076
Sims Black Travelling Professors Fund	498,311	23,909	–	(12,436)	509,784
Thomas Watts Eden Fellowship	264,023	12,668	–	(6,589)	270,102
Green Armytage and Spackman Travelling	30,989	1,487	–	(773)	31,703
Green Armytage Anglo American	30,263	1,452	–	–	31,715
Tim Chard Prize Fund	31,578	1,515	–	–	33,093
Florence Blair–Bell Art Fund	22,337	1,072	–	(557)	22,852
William Blair–Bell Memorial	29,012	1,392	–	–	30,404
Victor Bonney Prize Fund	27,659	1,327	–	–	28,986
James Wyatt Dining Fund	15,346	736	–	–	16,082
JY Simpson Oration	2,138	103	–	(54)	2,187
William Meredith Fletcher Shaw	13,719	658	–	–	14,377
Sir Eardley Holland Medal fund	4,360	209	–	(108)	4,461
	2,627,417	126,064	–	(34,022)	2,719,459
Expendable Endowments					
President's Fund	184,680	10,685	–	–	195,365
President's Global Health Fund	304,881	17,640	–	–	322,521
Ethicon Foundation Fund	142,678	6,846	–	–	149,524
Lindsay Stewart Fund	705,246	131,021	–	(450,000)	386,267
	1,337,485	166,192	–	(450,000)	1,053,677
Total endowment funds	3,964,902	292,256	–	(484,022)	3,773,136

21b Movements in funds – permanent endowments (prior year)

	At 1 July 2019	Income & gains	Expenditure & losses	Transfers	At 30 June 2020
	£	£	£	£	£
Permanent Endowments					
Edgar Research – Jean Ethel Gentili	536,700	5,837	–	(1,361)	541,176
Florence and William Blair Bell	1,104,494	12,012	–	–	1,116,506
Sims Black Travelling Professors Fund	494,189	5,375	–	(1,253)	498,311
Thomas Watts Eden Fellowship	261,838	2,848	–	(663)	264,023
Green Armytage and Spackman Travelling	30,733	334	–	(78)	30,989
Green Armytage Anglo American	29,937	326	–	–	30,263
Tim Chard Prize Fund	31,238	340	–	–	31,578
Florence Blair–Bell Art Fund	22,152	241	–	(56)	22,337
William Blair–Bell Memorial	28,700	312	–	–	29,012
Victor Bonney Prize Fund	27,361	298	–	–	27,659
James Wyatt Dining Fund	15,181	165	–	–	15,346
JY Simpson Oration	2,120	23	–	(5)	2,138
William Meredith Fletcher Shaw	13,571	148	–	–	13,719
Sir Eardley Holland Medal fund	4,324	47	–	(11)	4,360
	2,602,538	28,306	–	(3,427)	2,627,417
Expendable Endowments					
President's Fund	180,748	3,932	–	–	184,680
President's Global Health Fund	298,389	6,492	–	–	304,881
Ethicon Foundation Fund	141,143	1,535	–	–	142,678
Lindsay Stewart Fund	683,422	21,824	–	–	705,246
	1,303,702	33,783	–	–	1,337,485
Total endowment funds	3,906,240	62,089	–	(3,427)	3,964,902

Notes to the financial statements

For the year ended 30 June 2021

21 Movements in funds – permanent endowments (continued)

Purposes of permanent endowments

Edgar Research – Jean Ethel Gentilli Scholarship

For the purpose of education and or research in obstetrics and or gynaecology.

Florence and William Blair–Bell Memorial Fund

To fund fellowships with the object of bridging the widening gap between scientific research and clinical practice.

Sims Black Travelling Fund

For the provision of travel awards to lecture, teach or engage in research in Obstetrics or Gynaecology.

Thomas Watts Eden Fellowship

For the provision of travelling expenses of medical graduates of not less than two years standing to any approved UK or Commonwealth University for participation in a research project.

Green Armytage and Spackman Travelling Scholarship Fund

To fund a scholarship to encourage the study and to advance the science and art of obstetrics and gynaecology.

Green Armytage Anglo American

To award a lectureship biennially, alternatively between a British and an American lecturer.

Tim Chard Prize fund

To fund the Tim Chard Case History Prize endowed by St Bartholomew Hospital Trust and the Royal London School of Medicine and Dentistry to mark the late Professor Tim Chard's contribution to 3q3 Obstetrics and Gynaecology.

Florence Blair–Bell Art fund

To purchase antique furniture, ornaments, pictures and books printed before 1937.

William Blair–Bell Memorial

To pay honorariums and contribute to travelling expenses for two lectures.

Victor Bonney Prize fund

To pay honorariums and contribute to travelling expenses for two lectures.

James Wyatt Dining fund

To provide a dinner for the Council every 2 years.

JY Simpson Oration fund

To fund the delivery of an annual lecture.

William Meredith Fletcher Shaw Memorial Lectureship

For awarding a lectureship to a senior Fellow of the College.

Sir Eardley Holland Medal fund

For awarding a gold medal once every five years for outstanding original work.

Purposes of expendable endowments

President's Fund

To fund exceptional items of expenditure at the President's discretion.

President's Global Health fund

The fund is to be used to pump prime the initiation of the RCOG International fundraising strategy.

Ethlcon Foundation Fund

For the provision of travel awards to enable members to attend postgraduate training courses, centres for research and similar.

Lindsay Stewart Research and Development Fund

To support the ongoing and future health service research activities of the College.

Notes to the financial statements

For the year ended 30 June 2021

22a Movements in funds – restricted funds (current period)

	At 1 July 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 June 2021 £
Restricted funds:					
Scholarship and lecture funds					
Lockyer Travelling Fellowship	504,797	29,207	-	-	534,004
Bernhard Baron Scholarship Fund	342,339	19,807	(18,000)	-	344,146
Sims Black Travelling Professors Fund	819,045	52,312	-	12,436	883,793
Thomas Watts Eden Fellowship	66,310	6,445	(5,000)	6,589	74,344
Other Funds	165,799	10,638	(4,000)	1,080	173,517
	<u>1,898,290</u>	<u>118,409</u>	<u>(27,000)</u>	<u>20,105</u>	<u>2,009,804</u>
Research funds					
Sir William Gilliatt Memorial Fund	32,366	1,873	-	-	34,239
Edgar Research–Jean Ethel Gentilli	1,967,332	119,174	(48,316)	(486,495)	1,551,695
Florence and William Blair–Bell Memorial Fund	262,052	26,192	-	-	288,244
	<u>2,261,750</u>	<u>147,239</u>	<u>(48,316)</u>	<u>(486,495)</u>	<u>1,874,178</u>
Other special purpose funds					
Marjorie Kuck	19,036	-	-	-	19,036
Millennium Endometriosis Fund	12,326	713	(6,000)	-	7,039
Trusts (Capital)	1,085,000	-	-	(1,085,000)	-
Making Abortion Safe	176,384	627,136	(312,580)	-	490,940
Lindsay Stewart Centre and related	1,039,296	1,181,889	(1,809,164)	177,523	589,544
Covid–19 Impact on Inequalities	-	179,486	(146,754)	-	32,732
Other funds	458,029	321,120	(382,115)	2,751	399,785
	<u>2,790,071</u>	<u>2,310,344</u>	<u>(2,656,613)</u>	<u>(904,726)</u>	<u>1,539,076</u>
Government grants					
National Guidelines Alliance	663,984	2,704,558	(2,754,938)	-	613,604
EFL	85,110	-	-	-	85,110
THET	-	1,500	-	-	1,500
Other	2,928	5,500	-	-	8,428
	<u>752,022</u>	<u>2,711,558</u>	<u>(2,754,938)</u>	<u>-</u>	<u>708,642</u>
Total restricted funds	<u>7,702,133</u>	<u>5,287,550</u>	<u>(5,486,867)</u>	<u>(1,371,116)</u>	<u>6,131,700</u>

The transfer of £177,523 to the Lindsay Stewart Centre and related Funds represents the net movement from the Lindsay Stewart Expendable Endowment Fund, established to finance the work of the Lindsay Stewart Centre, and costs charged to the associated National Maternity and Perinatal Audit Fund.

Notes to the financial statements

For the year ended 30 June 2021

22b Movements in funds – restricted funds (prior year)

	At 1 July 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 June 2020 £
Restricted funds:					
Scholarship and lecture funds					
Lockyer Travelling Fellowship	509,503	11,085	(15,791)	–	504,797
Bernhard Baron Scholarship Fund	344,955	7,505	(10,121)	–	342,339
Sims Black Travelling Professors Fund	818,553	23,186	(23,947)	1,253	819,045
Thomas Watts Eden Fellowship	62,069	4,199	(621)	663	66,310
Other Funds	162,691	4,660	(1,630)	78	165,799
	<u>1,897,771</u>	<u>50,635</u>	<u>(52,110)</u>	<u>1,994</u>	<u>1,898,290</u>
Research funds					
Sir William Gilliatt Memorial Fund	34,189	744	(2,567)	–	32,366
Edgar Research–Jean Ethel Gentilli	2,007,301	49,512	(90,842)	1,361	1,967,332
Florence and William Blair–Bell Memorial Fund	249,908	17,455	(5,311)	–	262,052
	<u>2,291,398</u>	<u>67,711</u>	<u>(98,720)</u>	<u>1,361</u>	<u>2,261,750</u>
Other special purpose funds					
Marjorie Kuck	19,228	–	(192)	–	19,036
Millennium Endometriosis Fund	14,060	306	(2,040)	–	12,326
Trusts (Capital)	500,000	585,000	–	–	1,085,000
Making Abortion Safe	–	253,022	(76,638)	–	176,384
Lindsay Stewart Centre and related activities	658,693	1,586,522	(1,205,919)	–	1,039,296
Other funds	461,521	159,608	(163,172)	72	458,029
	<u>1,653,502</u>	<u>2,584,458</u>	<u>(1,447,961)</u>	<u>72</u>	<u>2,790,071</u>
Government grants					
National Guidelines Alliance	747,937	3,046,100	(3,130,053)	–	663,984
EFL	90,685	–	(5,575)	–	85,110
THET	(822)	–	–	822	–
Other	3,750	–	–	(822)	2,928
	<u>841,550</u>	<u>3,046,100</u>	<u>(3,135,628)</u>	<u>–</u>	<u>752,022</u>
Total restricted funds	<u>6,684,221</u>	<u>5,748,904</u>	<u>(4,734,419)</u>	<u>3,427</u>	<u>7,702,133</u>

Notes to the financial statements

For the year ended 30 June 2021

22 Movements in funds – restricted funds (continued)

Purposes of restricted funds

Scholarship and Lecture Funds

Lockyer Travelling Fellowship

To fund College travel and facilitate links with Fellows and Members.

Bernhard Baron Scholarship fund

A fund for the provision of travel awards to Fellows and Members.

Sims Black Travelling Professors fund

To enable practicing obstetricians and gynaecologists to travel to countries of the Commonwealth to further the aims of the College.

Thomas Watts Eden Fellowship

A fund for the provision of travel awards to Fellows and Members.

Research funds

Sir William Gilliatt Memorial fund

To encourage research in all aspects of Obstetrics and Gynaecological medicine.

Edgar Research – Jean Ethel Gentilli

To fund education and or research into Obstetrics and or Gynaecology. Transfers out of restricted funds represent the net book value of the assets purchased with these grants being transferred into designated funds.

Florence and William Blair–Bell Memorial fund

For the upkeep and maintenance of 27 Sussex Place.

Other Special Purpose Grants

Marjorie Kuck Millennium

For research into the medical problems of Obstetrics.

Endometriosis fund

To stimulate and encourage research in the field of endometriosis. Alternatively to provide a contribution towards a travelling fellowship to attend a recognised training centre.

Making Abortion Safe

Funding for a programme to increase healthcare professionals capacity to address the barriers to safe abortion and post-abortion care for women and girls globally.

Lindsay Stewart Centre and related activities

Funding for the Lindsay Stewart Centre for Audit and Clinical Informatics, incorporating funding for the National Maternity and Perinatal Audit, Each Baby Counts and the OASI Care Bundle.

Trusts (Capital)

Grants from Trusts & Foundations to support the Union Street capital project. Transfers out of restricted funds represent the net book value of the assets purchased with these grants being transferred into designated funds.

Government Grants

NGA

This represents funding provided by NICE for guideline production. In April 2016, the National Guideline Alliance was launched and produces guidelines for women and children's healthcare, mental health care and cancer care.

EFL

Funds received for the development and delivery of the electro fetal monitoring programme.

THET

Grant secured from the Tropical Health and Education Trust (funded by UK Aid) to fund an education programme at Kitovu hospital in the Masaka District of Uganda.

Other funds

After a review of fund balances brought forward from 2014, it has been determined that a number of funds can now be released to general funds as their purpose is now complete and the balances represent overhead recoveries or expenditure absorbed by general funds.

Notes to the financial statements

For the year ended 30 June 2021

23a Movements in funds – unrestricted funds (current period)

	At 1 July 2020	Income & gains	Expenditure & losses	Transfers	At 30 June 2021
	£	£	£	£	£
Designated funds					
Fixed Asset Fund	33,768,459	-	-	2,749,004	36,517,463
Overseas fund	9,888	-	-	-	9,888
Heritage Fund	300,000	-	-	-	300,000
John Lawson Fund	26,873	-	-	-	26,873
Herbert Erik Reiss Memorial Fund	12,931	-	-	-	12,931
Edgar Gentilli Research Fund	6,827	-	-	-	6,827
Maternal 3rd World Care	1,909	-	-	-	1,909
Long term liability Fund	901,476	-	-	-	901,476
Trainees Committee Fund	24,680	-	-	-	24,680
Total designated funds	35,053,043	-	-	2,749,004	37,802,047
General funds	6,654,396	17,037,170	(11,773,557)	(893,866)	11,024,143
Total unrestricted funds	41,707,439	17,037,170	(11,773,557)	1,855,138	48,826,190
Pension fund	(906,000)	906,000	-	-	-
Total funds including pension fund	40,801,439	17,943,170	(11,773,557)	1,855,138	48,826,190

23b Movements in funds – unrestricted funds (prior period)

	At 1 July 2019	Income & gains	Expenditure & losses	Transfers	At 30 June 2020
	£	£	£	£	£
Designated funds					
Fixed Asset Fund	41,585,633	-	(7,247,119)	(570,055)	33,768,459
Overseas fund	112,388	-	(2,500)	(100,000)	9,888
Heritage Fund	300,000	-	-	-	300,000
Repairs & Maintenance Funds	42,985	-	(41,749)	(1,236)	-
Transition Fund	400,000	-	(74,172)	(325,828)	-
John Lawson Fund	27,023	-	(150)	-	26,873
Herbert Erik Reiss Memorial Fund	12,931	-	-	-	12,931
Edgar Gentilli Research Fund	7,577	-	(750)	-	6,827
Maternal 3rd World Care	1,909	-	-	-	1,909
Video Conferencing fund	171,460	-	-	(171,460)	-
Long term liability Fund	901,476	-	-	-	901,476
Trainees Committee Fund	24,680	-	-	-	24,680
Business Intelligence Development	56,214	-	-	(56,214)	-
Total designated funds	43,644,276	-	(7,366,440)	(1,224,793)	35,053,043
General funds	6,872,759	13,180,352	(14,623,508)	1,224,793	6,654,396
Total unrestricted funds	50,517,035	13,180,352	(21,989,948)	-	41,707,439
Pension fund	(1,463,000)	546,000	11,000	-	(906,000)
Total funds including pension fund	49,054,035	13,726,352	(21,978,948)	-	40,801,439

Notes to the financial statements

For the year ended 30 June 2021

23 Movements in funds – designated funds (continued)

Purposes of designated funds

Fixed Asset Fund

Representing the net book value of all assets in use by the College in furtherance of its charitable activities.

Overseas fund

For the provision of travel for overseas Members of the College to undertake further training in the UK.

Heritage fund

These funds represent those assets donated to the College at their market value.

Education fund

Representing amounts set aside for the capital spend on educational facilities.

Repairs & Maintenance funds

Representing the amounts set aside for future repair work on the property and replacement furnishings.

Transition Fund

Funds designated by the Board to meet any additional/unexpected costs incurred during the move from Sussex Place to Union Street.

John Lawson fund

For the award of a Prize awarded to the candidate who provides the best article on a topic of O&G derived from work carried out in Africa.

Herbert Erik Reiss Memorial fund

For the award of a Prize for junior doctors working in Foundation Yrs 1 and 2 or Specialist Training years 1 & 2 in the UK and ROI.

Edgar Gentilli Research fund

To generate income to fund an annual Prize in perpetuity.

Maternal 3rd World Care

To subsidise the production costs of a RCOG Press book called “Maternity Services in the Developing World”.

Video Conferencing

Provision to contribute to the design and rebuild of the College website. In 2016 the Board redesignated this fund to support the Video Conferencing project.

Long term liability fund.

Funds designated by the Board to manage future pension and estate planning.

Trainees’ Committee Fund

Funds designated by the Board for use by the Trainees’ Committee.

Business Intelligence Development Fund

Funds designated by the Board to support the work of the BI department.

Notes to the financial statements

For the year ended 30 June 2021

24 Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases are as follows for each of the following periods:

	Equipment 2021 £	2020 £
Less than 1 year	37,465	29,972
1 – 5 Years	–	37,465
	<u>37,465</u>	<u>67,437</u>

25 Pension Costs

Defined Contribution Scheme

The College operates a pension scheme based on defined contributions. The assets of the scheme are held separate from those of the College and are invested in exempt approved investment funds. The defined contribution scheme is open to all staff. The cost for the period was £585,897 (2020: £540,783).

Defined Benefit Scheme

The College sponsors the Royal College of Obstetricians and Gynaecologists Pension Scheme which is a funded defined benefit arrangement. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities for some 115 past and around 8 present employees. The level of retirement benefit is principally based on the best salary earned in the last three years of employment.

The Trustees of the scheme are required to act in the best interest of the scheme's beneficiaries. During 2016 the Scheme moved to a sole trustee structure.

A full actuarial valuation of the scheme was carried out as at 1 April 2019 in accordance with the scheme funding requirements of the Pensions Act 2004 and the funding of the scheme is agreed between the College and the Trustees in line with these requirements. These in particular require the deficit to be calculated using prudent, as opposed to best estimate, actuarial assumptions. The actuarial valuation showed a funding shortfall of £4.98m.

The Scheme is a non-segregated multi-employer scheme. On an approximate basis, RCOG is responsible for c84.7% of the total liability.

For the purposes of FRS102, the preliminary actuarial valuation as at 1 April 2019, which was carried out by a qualified independent actuary, has been updated on an approximate basis to 30 June 2021. This update is inherently less rigorous than a full valuation, adding to the level of uncertainty which pervades any assessment of the current value of the scheme's long term obligations and likely ability of the expected performance of its assets to meet those obligations.

Present values of RCOG's share of scheme liabilities, fair value of assets and deficit

	2021 £'000	2020 £'000
Fair value of scheme assets	22,204	21,559
Present value of scheme liabilities	<u>(20,936)</u>	<u>(22,465)</u>
Surplus/(Deficit) in scheme	<u>1,268</u>	<u>(906)</u>

The present value of scheme is measured by discounting the best estimate of future cash flows to be paid out by the scheme using the projected unit method. The value calculated in this way is reflected as nil in the balance sheet as RCOG are not able to recoup the value of this asset.

Notes to the financial statements

For the year ended 30 June 2021

25 Pension costs (continued)

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	2021 £	2020 £
Scheme liabilities at start of period	22,465	21,369
Interest cost	307	464
Actuarial (gains)/ losses	(720)	1,168
Benefits paid and expenses	(1,116)	(536)
Scheme liabilities at end of period	<u>20,936</u>	<u>22,465</u>

Reconciliation of opening and closing balances of the present value of the scheme assets

	2021 £'000	2020 £'000
Fair value of scheme assets at period start	21,559	19,906
Expected return on scheme assets	1,295	2,147
Contributions by employer	466	42
Benefits paid and expenses	(1,116)	(536)
Fair value of scheme assets at end of period	<u>22,204</u>	<u>21,559</u>

The actual return on the scheme assets over the period ending 30 June 2021 was £1,295,000 (2020: £2,147,000.)

Contributions

The total contributions made by the employer over the period of £466,000 (2020: £42,036) includes 0% (2020: 0%) employer's contributions towards the final salary scheme.

The best estimate of contributions to be paid by the employer to the scheme for the period beginning after 30 June 2021 is £69,919 (2020: £nil).

Total expenses recognised in net incoming/(outgoing) resources

	2021 £'000	2020 £'000
Past service cost	-	-
Interest on obligations	10	31
	<u>10</u>	<u>31</u>
Difference between expected and actual return on scheme assets		
Amount: (gain)	998	1,714
Experience gains and losses arising on the scheme liabilities		
Amount: loss	720	(1,168)
Amount: loss/(gain)	<u>1,718</u>	<u>546</u>

Notes to the financial statements

For the year ended 30 June 2021

25 Pension costs (continued)

The major categories of plan assets as a percentage of total plan assets are as follows:

	2021	2,020
Equities & Diversified Growth Funds	81.6%	62.1%
Corporate Bonds	0.0%	21.5%
UK Fixed Gilts	0.0%	0.0%
Cash & other	2.0%	0.6%
Annuities	0.0%	0.0%
Liability Driven Investments	16.4%	15.8%
Total assets	<u>100.0%</u>	<u>100.0%</u>

Pension costs (continued)

Assumptions

	30 June 2021	30 June 2020	30 June 2019	30 June 2018	30 June 2017	31 December 2015
	£'000	£'000	£'000	£'000	£'000	£'000
Inflation	3.2	2.8	3.1	3.0	3.2	3.0
Salary increases	3.0	2.8	3	3.0	3.0	3.0
Rate of discount	1.8	1.4	2.2	2.7	2.6	3.8
Allowance for pension in payment increases of RPI or 5% p.a. if less	3.2	2.8	3.1	2.9	3.1	2.9
Allowance for revaluation of deferred pensions of RPI or 5% p.a.if less	<u>2.4</u>	<u>1.8</u>	<u>1.9</u>	<u>1.8</u>	<u>2.6</u>	<u>2.4</u>

The mortality assumptions adopted are based on those applied in the most recent formal actuarial valuation as at 1 April 2019 updated to 30 June 2021 by a qualified actuary.

Male retiring at age 60 in 2020	26.5 years
Female retiring at age 60 in 2020	29.2 years
Male retiring at age 60 in 2040	28.0 years
Female retiring at age 60 in 2040	30.6 years

Analysis of the sensitivity of the principal assumptions of the value of the scheme liabilities

Assumptions	Change in assumptions	Approx. impact on scheme liabilities
Discount rate	Increase by 0.4% p.a.	Decrease by 9%
Rate of inflation	Increase by 0.4% p.a.	Increase by 7%
Rate of salary growth	Increase by 0.2% p.a.	Increase by 1%
Rate of mortality	1 year increase in life expectancy	Increase by 3%

Amounts for the current and previous periods

	2021	2020
	£'000	£'000
Fair value of assets	22,204	21,559
Present value of scheme liabilities	<u>(20,936)</u>	<u>(22,465)</u>
Surplus/(deficit) in scheme	<u>1,268</u>	<u>(906)</u>
Experience adjustment on scheme assets	720	(1,168)
Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities	<u>998</u>	<u>1,714</u>
Total	<u>1,718</u>	<u>546</u>

26 Discontinued activities

On 3 August 2020 the College sold the British Journal of Obstetrics and Gynaecology (BJOG) to the academic publisher Wiley for £3,850,000. The sale agreement included both transfer of ownership to Wiley and an ongoing relationship between the College and BJOG.