

The Royal Society of Medicine

Annual Report.

2020-21



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Chief Executive, Michele Acton, and RSM President, Professor Roger Kirby

Report from the President and Chief Executive.

We are pleased to introduce the latest Annual Report for the Royal Society of Medicine. As we reflect on the RSM's activities and performance during the 12 months from 1 October 2020 to 30 September 2021, our overwhelming impression is one of endurance.

First and foremost, we salute the endurance of healthcare professionals – and the patients they care for – across the globe as they continue to deal with the direct and indirect impacts of the COVID-19 pandemic. We also acknowledge the remarkable resolution and contribution of our section councils, members, expert speakers and delegates in devising and engaging with the RSM's education programme while working through the pandemic.

Without question, we are proud of the quiet determination of our staff who have continued to work in difficult circumstances to maintain the RSM's reputation for offering the highest quality education, training and support for healthcare professionals.

Despite representing a beacon of continuity amidst a landscape of disruption, the RSM had a very challenging year. Pandemic restrictions meant that our building in London was closed for a substantial part of the year, and we were largely reliant on online delivery of our education programme. This also had a significant impact on the commercial side of the RSM's business, which includes the hiring of our venue to external clients, as well as use of our

restaurant, bar and hotel. Although there were some green shoots of recovery as we began the 2021-22 academic year, in person attendance at education events and club visits remains far below pre-pandemic levels.

Despite the resultant constraints on the Society's finances, we have, thanks to the herculean efforts of our staff, section volunteers and speakers, successfully delivered more than 600 education events.

While the majority of our education programme was focused on specialist medical events, we also ran high profile and impactful events with a broader remit. These included the continuation of our COVID-19 webinar series, of which there were 48 episodes during the year. This provided an invaluable source of information for healthcare professionals on the frontline and has been popular with a wider audience who have come to know the RSM as a trusted and credible voice in healthcare education.

An important ten-part webinar series on the health impacts of climate change featured an introduction from His Royal Highness The Prince of Wales. There were a series of video shorts on vaccines which garnered good engagement from the public, as did a campaign to provide safety information on COVID-19 during the festive season, which ran in December 2020. Both of these were promoted via the RSM's social media channels with the vaccine videos fronted by a diverse group of healthcare professionals.

Our *In Conversation Live* series has continued to offer inspiration and insights from leaders from a range of backgrounds, with guests including Nobel prize-winning geneticist Sir Paul Nurse, former Chair of the Vaccine Taskforce, Dame Kate Bingham, historian Tom Holland and the Most Reverend Justin Welby, Archbishop of Canterbury.

The breadth of topics, outstanding expert speakers and diverse range of participants, combined with a continued focus on online learning, has allowed us to expand our audiences, in the UK and internationally. During the year delegate registrations for our education programme increased to 202,795 compared to 153,229 in the previous year and 36,500 in 2018-19, the last full year of in-person events. YouTube views increased to 1,342,000 from 460,000 in the previous year.

With the library closed during lockdowns, the focus was on delivering an enhanced digital offering, with the introduction of search tools that helped to improve access to the library's resources and the move of all information skills training and support online. During the year, we registered 336,000 digital downloads from our learning resources.

We finished the year with 19,363 members, a similar number to the year before. This means that our membership numbers have stabilised from the previous downturn, which is a solid result given the challenges the RSM has faced with the pandemic. We are extremely grateful for the continued support of our members and the community of healthcare professionals that we have fostered here at the RSM.

As the financial statements presented in this Annual Report show, the pandemic has had a significant impact on the RSM's financial position.

We ended the year with total income of £8,198k, which is 26% lower than 2020, where we benefited from a one-off profit on the sale of Chandos House (£6,358k).

Membership income was £4,644k, slightly ahead of the previous year. Philanthropic income rose by 58% to £1,503k and we received £283k under the government's furlough scheme. Income from RSM Commercial Services Limited (excluding furlough income) fell by 82% to £617k.

Throughout the year, we continued a programme of cost-reduction across the organisation.

We ended the year with general reserves for the group of £7,109k. The Society will continue to focus on controlling costs and delivering new sources of income, including from philanthropy.

A major focus for the senior management team during the year was the development of a new, five-year strategy for the RSM. This was launched just after the year end. Further details can be found on page 8 of this report.

The path ahead for the RSM is now clearly signposted and, while we continue to work in uncertain times, the requirement to embed a sustainable financial model is of utmost importance. Key transformational projects, regarding our building and digital infrastructure, will be decided in the current financial year. These will shape the future of the organisation for the long-term and we look forward to sharing more details with our stakeholders in the months ahead.

Finally, we would like to extend our thanks to our Council Trustees who completed their terms of office at the end of the academic year. Professor Philip Bloom, RSM Vice-President Dr Suzy Walton and Trainee representative Dr Sarah Filson all made exceptional contributions to the work of the RSM. With the departure of these three Trustees, we welcomed Professor Henrietta Bowden-Jones, Dr Samantha Shinde and Dr Hiten Patel, who took up their posts on 1 October 2021.

Professor Roger Kirby, President
Michele Acton, Chief Executive



Delegates attending an event at the RSM

Strategy 2021 - 2026.

Vision

Better healthcare for better lives

Mission

To share learning and support innovation

Strategic goal

To be the leading provider of continuing learning to healthcare professionals

In October 2021, a new five-year strategy for the Royal Society of Medicine was shared with our members, section volunteers, staff and the wider medical and healthcare community. The strategy launch represented the culmination of a significant body of work undertaken during 2020-21.

Work on the new strategy started in 2019 but was paused in March 2020 due to the pandemic as the Society adapted to new ways of working. Led by Professor Roger Kirby, President, and Michele Acton, Chief Executive, this work resumed in 2020-21. Alongside the development of the strategy, work was already underway to establish a sustainable financial model to ensure the long-term future of the RSM.

The strategy project team undertook a detailed evaluation across every aspect of the organisation with the aim of clarifying what the RSM was endeavouring to achieve and the best way to meet our goals.

Every aspect of the Society's work was reviewed, including our education programme, our building at 1 Wimpole Street in London, our club operations, the technology we use, our people and capabilities. A membership survey undertaken

in May 2021 also confirmed the findings of the many discussions facilitated by the strategy project team and provided useful insights from members.

The output of this iterative process of assessment and engagement provided insights into the most highly valued aspects of our charitable purpose and RSM membership in relation to our education programme. Together, they gave a clear indication of how the RSM needs to transform and modernise for the next century. At the end of July 2021, the RSM's Council approved the strategy.

At the heart of the new strategy lies our vision of better healthcare for better lives. Our mission, as one of the most highly regarded and trusted voices in medical and healthcare education across the globe, is to share learning and support innovation. Our aim is to help educate this and future generations of healthcare professionals.

Education lies at the heart of the RSM's charitable purpose, and the four key pillars of our new five-year strategy are rooted in our strategic goal to be the leading provider of continuing learning to healthcare professionals.

The four pillars are:

- Education: delivering multidisciplinary specialist and general education as well as professional development.
- Learning Resources: providing excellent healthcare resources.
- Networks: connecting those involved in and interested in healthcare.
- Innovation Support: leveraging expertise from across the RSM to help and inspire innovators.

The RSM's great strength is in bringing people together to discuss the topics that matter. It is this convening power that will enable us to provide an education programme that is an exemplar in the healthcare sector, led by the foremost clinicians and experts of the day.

We look forward to sharing more on how we are delivering our new strategy and the progress we are making to deliver our goals.

Education.

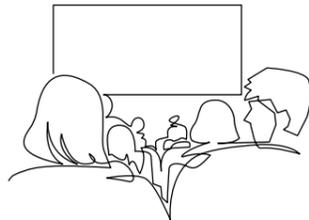
The backbone of the education provided by the RSM comprises the specialist programmes developed and delivered by the highly valued volunteers who run our 55 sections and societies. Working closely with RSM staff, these volunteers represent an immense breadth of healthcare expertise and knowledge.

Complementing the specialist education are general programmes of relevance to healthcare professionals and members of the public with an interest in medicine. In addition, work has begun to deliver a suite of professional development events to support healthcare professionals to further their careers.

Despite significant challenges posed by the continuing COVID-19 pandemic, including staff resourcing, technology and shifting audience behaviours, the RSM delivered an extensive and varied range of relevant and impactful education of the highest calibre during 2020-21. The majority of events took place online, with some in-person events hosted at our building towards the end of the academic year as pandemic restrictions eased.

608

events hosted:
- 16 in-person
- 592 online



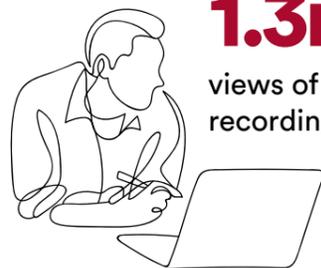
68

prizes awarded



1.3m

views of event recordings



202k

delegate registrations



Highlights

Specialist education:

There were many highlights throughout the year. Here is a brief snapshot:

- A two-day multidisciplinary webinar examining adult and paediatric vasculitis which was run in November 2020 by the Nephrology Section. Hosted in partnership with the UK and Ireland Vasculitis Rare Disease Group, the event featured 50 speakers and attracted over 600 delegates.
- In February 2021, the Plastic Surgery Section held a one-day webinar where medical students and junior doctors were taught the key components of plastic, reconstructive and aesthetic surgery using practical at-home kits and workshops. This was a fully interactive online event.

- In May 2021, the Psychiatry Section held a three-part series *Transforming mental health in schools and colleges* in partnership with the charity MIND. The series, which discussed concepts and ideas around mental health that could be adapted for use in the classroom, saw over 1,500 delegate registrations across the three episodes.
- In September 2021, the Vascular, Lipid and Metabolic Medicine Section ran a four-day virtual conference about peripheral vascular disease. The extensive programme featured world-leading experts from countries including Austria, Canada, Italy and Slovenia, and attracted over 400 delegates from around the world.

“Very well organised and very useful learning event. It had a wonderful comprehensive international programme. The case studies were extremely useful and generated lots of discussion around treatment dilemmas.”

General education:

A number of series attracted significant healthcare professional interest, as well as the attention of the general public.

The COVID-19 series of webinars that began at the outset of the pandemic continued throughout 2020-21, with 48 events held during the year. High profile speakers including Professor Sir Chris Whitty, Sir Jeremy Farrar, Professor Devi Sridhar and Professor Sharon Peacock, attracted over 80,000 delegate registrations. They also generated significant reporting in the UK and international media.

The popular *In Conversation Live* series continued in 2020-21 and attracted 46,295 delegates. With a huge range of guest speakers, audiences were treated to insights into the lives and views of leaders from the world of

healthcare and other fields, such as academia, entertainment, charity, sports and politics.

The *Health Emergency of Climate Change* series of webinars was launched in March 2021. The aim of this ten-part series was to educate healthcare professionals about the links between climate change and health, and how they can help to combat climate change and its effects. Introduced by His Royal Highness The Prince of Wales, the series featured global experts on health and climate change including Dr Nick Watts, Dr Arvind Kumar and Professor Annette Peters. Across the series, 6,600 people registered and over 7,000 watched the episodes on demand.

“...this was an eye-opener. I realised the gravity of climate change in our lives and in our practice. I hope to incorporate what I’ve learned in my health education in the future.”

Public engagement:

The RSM is grateful to receive the support of a range of generous donors who help to support our public engagement lectures. The highlights for the year include:

- The Christmas lecture, held in December 2020, was given by Baroness Deborah Bull and Dr Daisy Fancourt, on the art of good health.
- The London Clinic lecture, held in February 2021, was given by Professor Roger Kneebone on robotic surgery and what it can do for surgeons.
- The Jephcott lecture, held in March 2021, was given by Professor Baron Peter Piot on the age of the pandemic.
- The Stevens lecture, held in May 2021, was given by Mr Ben Challacombe on the future of surgical robotics.

In addition, in March 2021, a philanthropic donation from Dangoor Education funded a project to share information about COVID-19 vaccinations with

diverse communities. In a series of short videos, health professionals including Dr Chris van Tulleken, Dr Farzana Hussain and Dr Carter Singh addressed common concerns by providing evidence-based answers in understandable, accessible language. The video series was published on YouTube and achieved 388,000 views and 4.1 million impressions.

The RSM’s *Medicine and Me* series continued throughout the year. Focusing on different medical conditions by putting patient experience front and centre, each episode is offered in partnership with a different charity. Partners during the year were Behçet’s UK, Action Against AMD, Action for Pulmonary Fibrosis and the Ileostomy and Internal Pouch Association. A digital format in 2020-21 broadened the reach of the series, allowing those previously unable to attend in-person events in London to join, with over 1,000 delegates registering across the series. This programme is made possible through a generous philanthropic donation from an anonymous donor.

“For me, the RSM has really been a beacon of educational excellence and it’s been crucial to my own professional development since I qualified as a doctor.”



Healthcare professionals featured in a series of vaccine education videos

“Excellently chaired, covered a lot of ground, all relevant and topical as well as thought-provoking. I felt it gave me what I was seeking: an informed view on the true status, limits of our understanding and challenges ahead of Long COVID syndrome and its heterogeneity.”

Performance

More than 600 events were held during 2020-21, with almost all hosted online. This compares with 347 in-person and online events in 2019-20.

There was an increase in the number of delegates registering for RSM education programmes, from 153,229 in 2019-20 to 202,795 in 2020-21. These numbers compare to 36,500 in 2018-19 when all events were held in-person.

The number of views on the RSM’s YouTube video channel increased from 460,000 in 2019-20 to 1,342,000 in 2020-21, reflecting the impact of the pandemic during the year as online education predominated.

The number of meetings held with external partners increased slightly from 26 in 2019-20 to 30 in 2020-21. The number of prizes awarded through the Society’s prestigious programme for medical students and trainees was 68, compared with 70 in the previous year.

Since October 2020, the RSM has been collating speaker data to ensure there is oversight of the diversity of speaker panels. The data is benchmarked against published NHS data. Regular reporting on this data has enabled the RSM to identify the areas that require the greatest focus to help to increase diversity and/or better align with NHS benchmarks.



RSM President, Professor Roger Kirby, and RSM Honorary Fellow, Professor Dame Sarah Gilbert



In Conversation Live, hosted by Professor Sir Simon Wessely, with Nica Burns and Dr Harry Brunjes

Future plans

The new RSM strategy, launched in October 2021, provides a clear focus on outcomes and measures to assess success of the education programme. Using data to measure activity and performance will enable the goals identified in the five-year strategy to be benchmarked and reviewed, and targets set. This will help the RSM to achieve its strategic goal of being the leading provider of continuing learning to healthcare professionals.

Alongside the strategy, robust processes for approving and awarding Continuing Professional Development (CPD) have been overseen by a newly created Programme Approval Committee (PAC), launched in October 2021 and chaired by the RSM Dean of Education.

The last two years have enabled the RSM to trial new ways of offering education events and it is clear that technology

has an important part to play in enriching the learning experience for our delegates.

New digital solutions will be trialled during 2021-22 which will enable greater delegate interactivity and a more immersive learning experience for online delegates. This will complement the experience of those joining events in-person who are able to network in a more social, face-to-face environment. The aim is to allow delegates to choose between attending programmes in-person, joining via a live link, or watching an on-demand recording.

There will be a continued focus on important cross-cutting themes that began to be explored during 2020-21. These will include health inequalities, multi disciplinary working and professional and career development for healthcare professionals.

“Nobody has supported me more over the past two years than the RSM with your lively interactive web-seminars. ...your world-class RSM expert clinical tuition has been vital while I’ve been missing out on patient contact.”



Dr Allyson Egan, Consultant in nephrology and past President of the RSM Nephrology Section

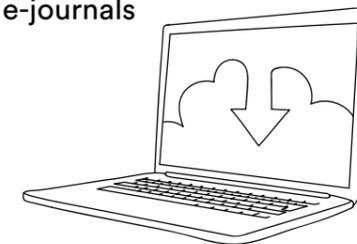
Library.

The library services provided by the Royal Society of Medicine support the delivery of continuing education for healthcare professionals. Relevant, up-to-date learning resources of outstanding quality are offered through the digital library and in-person at the RSM's building.

With the majority of education taking place online and a long period of closure of the building during the year due to pandemic restrictions, the availability of digital library services became increasingly relevant.

336k

downloads of e-journals

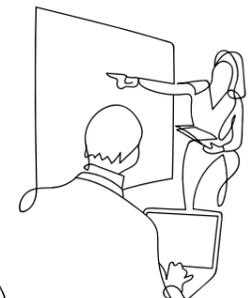


2.6k

visits to the library

35.3k

database searches



27

information skills tutorials delivered

Highlights

An integrated and streamlined digital Library Search Hub was launched in October 2020. The search hub saw improvements to display and functionality and, following trials of several e-book platforms, a significant number of e-books were added to our stock, to meet the needs of those researching remotely during the pandemic.

A major project to migrate the RSM's legacy authentication system to the more robust OpenAthens system began in April 2021 and launched in September 2021.

This new system provides library users with faster, more seamless access to journals, books and databases in the digital library. It also provides the RSM with a more robust, secure and long-lasting technical infrastructure, together with improved reporting on use of the digital library.

To assess the learning and research value of the RSM's heritage collections, which form a substantial part of the Society's physical print assets, a preliminary desk-top based exercise was carried out

between January and March 2021 using an established methodology developed by University College London. This concluded that, while a good proportion of the collection is rare, and of international importance to the history of the medical profession and the UK's cultural heritage, there are some areas of the collection of less value to the RSM's endeavours. This has helped to direct conservation efforts, staffing and shelf space resources appropriately.



A new digital Library Search Hub was launched in October 2020



Members using the RSM library

Library exhibitions are provided as part of the RSM's public engagement and charitable role. The highlight of the year was *Treasures of the RSM*, which ran from July to December 2021 and focused on the old, rare and unusual items from the heritage collections. Visitors to the exhibition, which was designed for both in-person and online attendance, recorded favourable comments about their experience and the exhibition also featured in a 'behind the scenes' tour for members in September 2021.

During the library's closure, online exhibitions, including *Famous Figures and Notable Presidents of the RSM*, drew on the Society's extensive collection of prints and portraits to provide fascinating insights into the history of medicine.

Summer 2021 saw the re-purposing of the second floor of the library with the removal of some journal stock and shelving to create a space to meet the needs of our education programme. The floor was re-named the *Wheatley Room* and now provides space for in-person meetings and events as well as live broadcasts.

“An extremely valuable benefit of being an Overseas Fellow of the RSM is access to the extensive online digital library resources.”

Performance

We are now undertaking a new approach to data collection to support our understanding and analysis of library service usage. This has been facilitated by the introduction of the OpenAthens system.

As a result, the key data points from the library are not directly comparable to previous years. However, as an indication of activity, there were 336,000 downloads and 35,000 unique searches during the year.

To support the education programme, library staff provided 55 reading lists to key events throughout the year.

A Critical Appraisal and Research Methods training course was re-introduced, attracting 108 delegates to three sessions in May, June and September 2021, while the publisher Karger hosted a series of three free webinars for RSM members in March, May and July 2021 focusing on research skills and writing for publication. These were attended by more than 230 members.

The closure of the library during a traditionally busy period for students and trainees, combined with a lacklustre recovery in visitor numbers over Summer 2021, resulted in 2,619 visits to the library during the academic year, compared to 14,456 in 2019-20 and an average of 33,100 in the four years prior to the pandemic. Enquiry and document delivery service figures were also lower than normal but picked up significantly in the final quarter.

“The digital library is a wonderful resource for people around the world and has fundamentally changed the way I learn. It’s a complete portable network and I’ve used it for all my learning and writing during the pandemic.”

Future plans

The launch of the new RSM strategy in October 2021 gives real purpose to the library’s aim to deliver excellent learning resources and services for members. There are seven goals which we are focused on delivering, with the central tenet to become a leading digital library for medical researchers.

In 2021-22, as the OpenAthens platform becomes fully embedded, it will allow more robust and consistent access to e-resources, enabling improved provision of e-books, faster access to journal content and a comparable method of measuring members’ use of the digital library.

The library’s enquiry service will be expanded, and knowledge services will continue to provide and enhance support for members’ learning through regular online training opportunities and the provision of

reading lists for RSM education events. The literature search service will be re-launched with a new free ‘quick search’ reading list service alongside a competitively priced comprehensive literature search offer.

Digital provision and support for learning is core to our purpose as a library service. However, print collections and heritage materials remain important assets for the RSM. This year’s evaluation exercise identified scope for rationalising the collections and a stock review will take place during the year.

Plans for the digitisation of the RSM archive will be revisited and work will continue towards museum and archive accreditation standards for the RSM’s heritage collections.

“What a great idea, to complement the webinar with a linked reading list. Many thanks for these references.”



The RSM’s building has a range of rooms available for meetings, work and social gatherings

Membership.

Royal Society of Medicine members are the lifeblood of the organisation. Collectively, they bring to the Society unparalleled specialist knowledge and expertise in all areas of healthcare and make an invaluable contribution to the RSM's work.

When people become members of the RSM, they join a unique community with access to outstanding education and learning resources in an environment where they can network, socialise and work, in-person and online, at every stage of their careers.

The priority during 2020-21 was to ensure members were kept informed of the online education and learning resources available during the pandemic and were encouraged to access services and attend online events.



19.3k
members

2.9k
new members



RSM staff attended The Future Surgery Show 2021 to meet existing and prospective members

Highlights

During the year, we successfully delivered a largely digital membership experience, given the closure of the building and other restrictions due to the pandemic. Despite this, we maintained high levels of engagement and satisfaction with our members. This was borne out in the results of a survey that we undertook in May 2021.

Members, previous members and prospective members were invited to take part in an online survey, designed to gather information about awareness and attitudes towards the RSM and the perceived benefits of membership.

The results showed that RSM members were broadly satisfied

with their membership, with 85% stating they were 'very' or 'fairly' satisfied. Only 4% stated they were not satisfied. 32% of members felt their RSM membership had exceeded their expectations in the previous 12 months, compared with 15% in the 12 months before the pandemic. This is likely to be the result of extensive efforts to deliver RSM education programmes online and improve access to e-resources.

The research results indicate that members value the continuity of learning offered by the RSM throughout their career, enjoy using the RSM as a place to relax and socialise, and appreciate the ability to network with other medical practitioners.

In the run up to the RSM building re-opening from May 2021, members were provided with information on online events as well as other services that were on offer via digital means. By holding events to familiarise new members with the RSM and engaging more regularly with active members, we were able to engender positive relationship building as well as gain insights to help inform future membership activities.

Towards the end of the year, members started to return to the club bar, hotel and private dining rooms.



London Clinic lecture: "Robotic surgery: What can it do for surgeons?" by Professor Roger Kneebone and Mr Chris Peters

“The location is amazing and it’s a great place to meet with colleagues or relax in a safe and friendly environment.”

“The RSM is a wonderful institution, and I am a third-generation member. It is a fantastic resource for me on frequent visits to London.”



A ceremony was held in July 2021 to induct the RSM's new honorary fellows, award RSM medals and to formally inaugurate Professor Roger Kirby as President

Performance

The overall membership number at the year end was similar to the previous year end at around 19,400. However, volumes fluctuated during the year, particularly in response to the restrictions and UK national lockdowns in the early part of 2021.

The largest growth was seen in the Associate, Student and Overseas Fellows membership categories. Alongside this, the highest renewal of membership was seen in the UK Fellows and Retired Fellows categories.

The mix of overall RSM membership categories remains similar to previous levels, with 66% of our members categorised as Fellows.

Future plans

With members playing such an important role in the life of the RSM, the aim is to continue to improve their experience when using the Society's services by building on our digital programme and extending our reach to more members. Several enhancements are planned, including improving access to events via a content management facility for archived events, launching new

member-exclusive products and services, providing more online networking facilities and holding a number of member-only events.

The aim is to grow the number of RSM members by encouraging event delegates who are non-members to join the Society.

“The RSM is an oasis for me, both as a library resource and meeting place. I cannot praise it highly enough.”



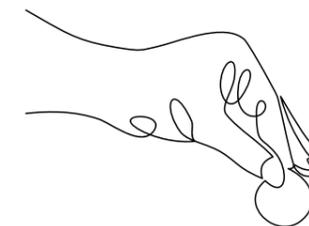
The RSM held a gala dinner to raise funds for its highly regarded education programme

Philanthropy.

Philanthropy is an important source of income for the RSM and contributes significantly to our mission to share learning and support innovation. During the pandemic, we have broadened our philanthropic activity and as a result have generated new sources of income.

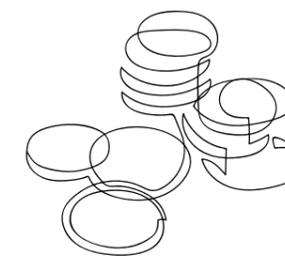
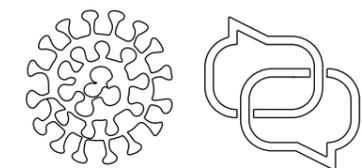
£22k

from summer appeal



£98.8k

COVID-19 and
In Conversation Live
series donations



£1.5m

fundraising total

Highlights

The RSM enjoys the support of a range of donors who remain committed to the charity's ideals.

During the year, we received significant donations which enabled us to deliver a number of education initiatives. This included a suite of impactful videos on COVID-19 and the festive season (December 2020), a ten-part series on climate change and health and a series of information videos about COVID-19 and vaccines.

We continued to benefit from valuable legacy gifts over the year and are grateful to everyone who chooses to remember the RSM in their will. Legacy giving is one way for donors to support the delivery of our continued education programme.

During the year, we undertook two direct appeals to members and supporters for donations. Together, these raised just under £70k.

Our *In-Conversion Live* series continued with a strong performance and an array of interesting guests. As well as welcoming 46,295 delegate participants to the events, we raised voluntary donations of £80k from delegates.

Shortly after the year end, the RSM held a fundraising gala dinner to showcase our educational work, and to engage with our members and supporters. The gala dinner raised more than £60k.

Performance

During the year, we received £1,503k in donations, an increase from £952k in 2019-20. Of this, £297k came from legacies (2019-20: £10k).

Total fundraising costs were £143k (2019-20: £170k), meaning a return of £10.51 for every pound spent (2019-20: £5.60).

Future plans

The RSM will continue to explore new ways of encouraging philanthropic giving to support the development of education and innovation programmes for healthcare professionals that support existing and emerging health issues.

This work would not be possible without support from our members and supporters.

Relationships with substantive new donors are continually explored and work continues with longstanding friends of the RSM who have made significant contributions to the work of the Society over several years.



In Conversation Live, with Sanjeev Bhaskar, interviewed by Dr Akanksha Mimi Malhotra, Vice President of the RSM Respiratory Medicine Section



COVID-19 and the festive season: expert advice for staying safe with Kate Garraway and Dr Clare Gerada

A message of thanks to our donors

Since the beginning of the pandemic, the Royal Society of Medicine has received over 3,000 charitable donations from individuals and organisations.

All gifts to the RSM, both large and small, are warmly welcomed and will help to support healthcare professionals with medical education that will lead to better patient outcomes.

The Trustees of the RSM would like to thank all donors for their generosity and continued support.

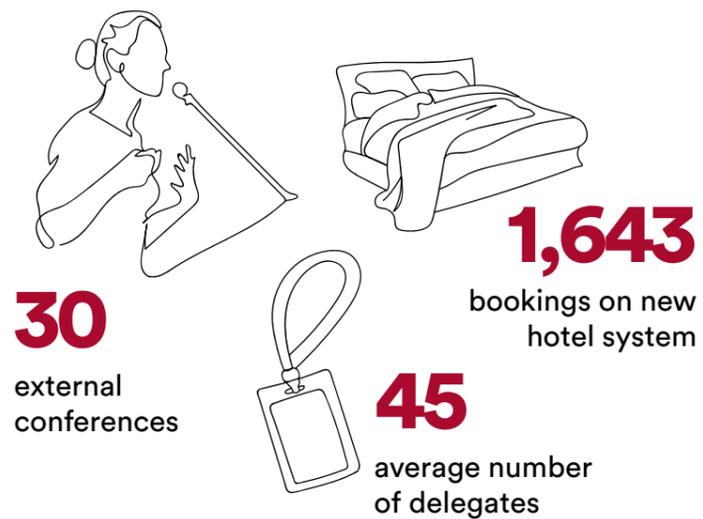
Major donors to the RSM

- Dangoor Education
- Kantor Charitable Foundation
- Lord Stevens of Ludgate
- Rapp Family Trust
- The Exilarch's Foundation
- The Hadley Trust
- The Mike Gooley Trailfinders Charity
- The Thompson Family Charitable Trust

Commercial Services.

Royal Society of Medicine Commercial Services Limited is a wholly owned subsidiary of the RSM. It provides event management, catering and audio visual services for the Society's education programme, as well as to external clients and conference organisers hiring the auditoria and meeting rooms at the RSM's London building. The company also operates the Club facilities for members, including a restaurant, bar and hotel.

Historically, these services have delivered a significant financial contribution to the RSM's charitable activities. However, the financial performance during 2020-21 was severely impacted by restrictions brought about by the pandemic, following a difficult year in 2019-20.



“As always, Domus Medica, and indeed the whole of the RSM, was a welcome oasis in busy central London. We attended the Summer Conference of the Neonatal Society and throughout the building felt that everything possible had been done to maintain comfort while maximising safety.”



The RSM's club facilities include a bar

Highlights

The Audio Visual team continued supporting the technical delivery of the online RSM education programme, running around 600 online events. They also supported almost 100 events for commercial clients.

In May 2021, when the second UK lockdown ended, despite a national shortage of staff in the hospitality sector, staff were recruited to deliver resources events and club services.

Social events hosted in-person resumed from May 2021, including use of the private dining rooms and event spaces.

“It was my first trip out since lockdown last year so was a bit apprehensive coming into London. However, when I arrived and saw some familiar, friendly faces it felt a bit like coming home. We’ve been members for over 10 years and love the service at RSM.”



Members and their guests have access to a range of facilities including a club lounge

Performance

Club sales income for the year was £421k (2019-20: £1,178k, excluding Chandos House) and event sales income was £196k (2019-20: £1,761k, excluding Chandos House). In 2018-19 (pre-pandemic), club sales income was £2,435k and event sales income was £3,314k.

A programme of reduction in staff numbers was completed after the tiered system of pandemic restrictions was introduced in the UK in October 2020. This followed a previous reduction in staff numbers during 2019-20.

The Commercial Services team worked against a backdrop of changing operational restrictions,

including social distancing (which reduced capacities in the lecture theatres by up to 75%), social bubbles and seated catering throughout most of 2020-21.

The total number of external conferences taking place at the RSM during 2020-21 was 30, with more than half (63%) taking place in September 2021. The average number of delegates was 45. This compared with 150 external conferences taking place in the previous year, with an average of 121 delegates.

Club facilities were open for a brief period in Autumn 2020 prior to the second UK lockdown, when the

building was closed. Between May and September 2021, the hotel hosted 3,650 guests, representing a 31% occupancy rate. Across 2020-21 there was an 80% reduction in hotel income compared with the historic norm. Despite encouraging numbers of social events taking place in the RSM's building over the summer months, there was a similar negative impact in hospitality sales income in both the restaurant and bar.

Overall, the impact of COVID-19 saw a 90% reduction in traditional trading levels for RSM Commercial Services Limited.



The RSM offers a seasonal menu in its restaurant and lounge area

Future plans

The business partially recovered in the autumn of 2021 before suffering a set back with Omicron in late 2021 and early 2022. Most recently, the RSM's club and hotel facilities and commercial events were busier in spring 2022 than at any time since COVID-19. The business also needs to manage significant wage and price inflationary pressures.

RSM Council, Officers and Advisers.

Patron

Her Majesty Queen Elizabeth II

RSM Council

(from 1 October 2020 to 29 June 2022)

PRESIDENT

Professor Roger Kirby
MD FRCS

VICE-PRESIDENTS

Dr Suzy Walton

PhD CPsychol CDir

(to 30 September 2021)

Dr Claire Bayntun

MBBS MPH FFPH

Mr Hamish Thomas

(Appointed as a Trustee 1 April 2021

and as Vice-President on 1 October 2021)

HONORARY TREASURER

Professor Linda Luxon

CBE FRCP

(to 14 February 2022)

Mr Richard Murley

(from 14 February 2022, previously a Trustee)

CHAIR OF THE ACADEMIC BOARD

Professor Nik Patel

FRCP

OTHER TRUSTEES

Professor Philip Bloom

MB ChB FRCS (Ed) FRCOphth

(to 30 September 2021)

Professor Henrietta Bowden-Jones

OBE MD FRCPsych

(from 1 October 2021)

Dr Sarah Filson

BSc (Hons) MBBS MRCP DTM&H

(to 30 September 2021)

Dr Elizabeth Haxby

MBBS MA MSc FRCA

Dr Melita Irving

BSc MRCPC

Dr Stephanie Kaye-Barrett

MB ChB MD FRCP

Dr H  l  ne Menag  

BSc MRCP

Dr Hiten Patel

MBBS MRCP

(from 1 October 2021)

Dr Samantha Shinde

MBBS BSc FRCA

(from 1 October 2021)

Senior Management Team

(from 1 October 2020 to 29 June 2022)

CHIEF EXECUTIVE

Ms Michele Acton

DEAN OF EDUCATION

Professor Humphrey Scott

MBBS FRCS Ed MS FRCS Eng MAc/inEd FAcadMed FFSTEd

(from 23 October 2020)

DIRECTOR OF OPERATIONS/MANAGING DIRECTOR OF RSM COMMERCIAL SERVICES

Mr Nigel Collett

DIRECTOR OF ENGAGEMENT AND ACTING DIRECTOR OF LEARNING

Mr Neville Carter

(Acting Director of Learning to 25 April 2022)

DIRECTOR OF LEARNING

Professor Mary Bishop

(from 25 April 2022)

DIRECTOR OF FINANCE AND IT

Mr Richard Whitley

DIRECTOR OF COMMUNICATIONS

Ms Michelle Gordon

(from 31 March 2021)

Professional Advisors

BANKERS

Lloyds Bank plc

39 Threadneedle Street

London EC2R 8AU

SOLICITORS

Stone King LLP

Boundary House

91 Charterhouse Street

London EC1M 6HR

AUDITORS

BDO LLP

55 Baker Street

London W1U 7EU

INVESTMENT MANAGERS

Cazenove Capital Management

12 Moorgate

London EC2R 6OA

Biographies for Council members

Governance.

Charter and Structure

The RSM is registered as a charity in England and Wales (charity number 206219) and is a company established by Royal Charter (RC000525). The affairs of the charity are governed by its Charter, By-Laws and Regulations.

The Royal Society of Medicine was established in 1805, originally as the Medical and Chirurgical Society of London. Its founding principle was to be a society that 'unites physicians and surgeons under one organisation to benefit from shared knowledge.' It was subsequently granted a Royal Charter by King William IV in 1834. A Supplementary Charter was granted by King Edward VII in 1907 which included the power to create Sections for the cultivation and promotion of any branch of medicine or any science connected with, or allied to, medicine. The merger of various organisations resulted in the new charity being renamed the Royal Society of Medicine. Since then, there have been various other revisions to the Charter and By-Laws, including substantial changes in 1997 and 2009.

A new Supplementary Charter came into effect on 1 October 2020. This states that the Society exists for 'the advancement of health, for the public benefit, through the provision of professional education and good practice for those working in the healthcare professions, and the promotion of public awareness and the understanding of matters relating to medicine and healthcare.'

In 2019, RSM Council Trustees completed a full review of the organisation's governance arrangements using the Charity Governance Code, to ensure that it was achieving best practice in a manner which was proportionate and appropriate for a charity of its size, complexity and operations. A series of recommendations were made including the need to review structures, policies and procedures. These recommendations have now largely been implemented and have resulted in changes to the Society's Regulations in October 2020 and in February 2021.

The RSM's conferencing and hospitality business is undertaken by its trading company, Royal Society of Medicine Commercial Services Limited (02820374). All profits from the company are donated to the Society under the Gift Aid scheme. In 2020, the RSM took steps to clarify and formalise arrangements between the charity and the trading company. As a consequence, formal agreements are now in place covering, inter alia:

- How resources and data are shared between the two parties;
- How the trading subsidiary may use the charity's trademarks and other intellectual property;
- How conflicts of interest are managed; and
- How the trading subsidiary reports its performance to the RSM using an agreed suite of key performance indicators.

The RSM also has a dormant trading company, Royal Society of Medicine International Limited (08781651).

Council

Council is responsible for setting the overall strategic direction of the RSM. Members of Council comprise the Trustees detailed on page 34. As a result of the introduction of the Supplementary Charter on 1 October 2020, the number of Trustees reduced from a limit of 18 (12 elected and 6 co-opted) to 13 (10 elected and 3 appointed).

From 1 October 2020, Trustees serve a three-year term of office (previously four years). Trustees may serve a maximum of two consecutive terms, if re-elected or re-appointed. The term of office can only be extended in exceptional circumstances by a Special Resolution of Council.

Council is chaired by the President, who has a three-year term of office. This can only be extended in exceptional circumstances by a Special Resolution of Council. As a result of the Supplementary Charter implemented on 1 October 2020, future Presidents will be elected by the membership of the RSM.

Governance. *(continued)*

There are five Officers of the Society. These are the President, two Vice-Presidents, an Honorary Treasurer and the Chair of the Academic Board. The Vice-Presidents and Honorary Treasurer are appointed by the Trustees from amongst themselves. The Chair of the Academic Board is elected by the members of that Board.

In order to support the work of Council, a skills audit of Trustees was undertaken in September 2020. As a result, it was agreed a Trustee with digital experience would be sought. The role was widely advertised and after an extensive selection process, a new Trustee (Mr Hamish Thomas) was appointed in April 2021.

All new Trustees undertake a formal induction programme, which includes meeting with the Chief Executive and Directors as well as briefings on the role of Trustees, the governing documents, the RSM's Code of Conduct, strategies and budgets.

Council committees

A review of the structure of Council committees and terms of reference was undertaken at the end of 2020. In February 2021, Council approved a new committee structure and committee terms of reference, and appropriate amendments were made to the Society's Regulations.

During the year the following standing committees were in place:

- Education Committee – which supports Council by ensuring the RSM delivers its mission of sharing learning across all areas of healthcare. It met four times during the year.
- Audit and Risk Committee (formerly Audit, Risk and Governance Committee) – which supports Council by providing effective oversight of RSM's financial reporting, audit and risk management processes. It met five times during the year.
- Finance and Investment Committee (formerly Investment Committee) – which gives assurance to Council on the financial position and financial strategies of the RSM, within the context of the Society's overall strategic objectives, and ensures effective financial stewardship of the Society's assets. It met five times during the year.
- Remuneration, People and Culture Committee (formerly Remuneration Committee) – which supports Council in defining what sort of culture is needed to underpin the RSM's mission and delivery of its strategic goals and aligns reward, incentives, policies and staff wellbeing measures to support that culture. It met once during the year.

Council was also supported by the following committees:

- Academic Board – which supports the delivery of high-quality education programmes by the Sections of the RSM within the framework of the Society's overall education strategies. It met five times during the year.
- Business Development Committee – which supports Council in generating new ideas and opportunities that support the strategic goals of the Society and which oversees the development and implementation of plans that support new initiatives. It met once during the year.
- Governance Committee – which supports Council by reviewing the governance structures, policies and practices of the Society and by overseeing recruitment processes for Council members and the Chief Executive. It met twice during the year.
- Membership Committee (formerly Member Services Committee) – which supports Council through ensuring an attractive membership proposition and strategies that support retention and recruitment of members. It met five times during the year.

Governance. *(continued)*

- Safety Committee – which supports Council in ensuring a safe and healthy workplace and that the Society complies with its legal duties and responsibilities. The Committee acts as a consultative committee for nominated health and safety representatives from different areas of RSM operations. It met three times during the year.
- Wellbeing Steering Committee – which supports Council in ensuring the wellbeing of all RSM staff. It met three times during the year.

Senior Management Team

The Chief Executive is responsible for the day-to-day management of the RSM. The Chief Executive leads the SMT, comprising the Directors and the Dean of Education. Each Director has their own specific responsibilities, delegated by the Chief Executive.

Public Benefit

Trustees have considered the Charity Commission's guidance on public benefit when reviewing the RSM's aims and objectives and in planning future activities.

The public benefit of the RSM is delivered through its strategic goal (to be the leading provider of continuing learning to healthcare professionals); mission (to share learning and support innovation) and objectives (providing a broad range of educational activities and opportunities; promoting the exchange of knowledge, information and ideas on the science, practice and organisation of medicine).

This is delivered through the provision of education and learning resources to medical and healthcare professionals, both members and non-members of the RSM, in order that they may deliver improved care for the benefit of patients. The RSM also provides education directly to patients, their doctors and carers.

Members' annual subscriptions form a significant part of the RSM's income and are used to fund the activities for public benefit. Whilst members themselves receive some benefit, without its members the RSM could not continue to pursue its objectives, as they are responsible for the delivery of most of the education programmes. The financial barriers to membership of the RSM are relatively small, with students and trainees benefiting from discounted membership rates.

Principal risks and uncertainties

Trustees are responsible for the management of the risks faced by the RSM. A risk register identifies key risks and mitigations in place to manage them. It is compiled by the SMT, reviewed by the Audit and Risk Committee on a quarterly basis, and presented to and considered by Council. This framework is supplemented by additional risk registers at a departmental level for Health and Safety as well as for key projects.

Governance. (continued)

Trustees have determined that the most significant risks that the RSM faces and the necessary mitigations to manage these issues are as follows:

Key risks	Mitigations
Strategic: our education strategy lacks buy-in or understanding of the broad medical education context leading to our core charitable mission not being effectively delivered.	Our education strategy is based on analysis of trends in post graduate medical education. KPIs are in place to track progress.
Business model: the RSM fails to deliver a viable financial model after COVID-19 and to manage further financial risks, meaning that operations in their current form are no longer viable.	We are developing plans to further improve our education and membership offers, including targeted investment in digital. We closely monitor the financial position (cash and reserves) of both the Charity and RSM Commercial Services Limited, taking action to reduce costs where possible. We are reviewing strategic options around the most effective use of our 1 Wimpole Street property.
Health and safety failure: causes harm to an employee, member or visitor.	A health and safety policy is in place. The Safety Committee meets regularly and comprises staff from across the RSM. A health and safety risk register is maintained.
Cyber risk: the Society is seriously impacted by a cyber event e.g. cyber attack, leading to data loss, GDPR or potential ransomware issue.	The RSM, working with its service partners, has effective IT systems, policies and procedures and staff training in place. The Society has appropriate insurances to protect it from financial losses.
Recruitment and retention: the RSM is not able to recruit or retain the right number and calibre of staff within its budgets, including as a consequence of Brexit and the post pandemic job market changes.	A remuneration strategy was implemented in January 2022, to target recruitment and retention priorities within financial constraints. An annual staff survey is undertaken.
Staff workloads: significant workloads and the need to adapt to agile working and changed service offerings impacts on the wellbeing of employees and leads to unplanned absences, claims against the RSM and the inability to deliver services to the high standards required.	Support is in place to promote the physical and mental wellbeing of staff, including an employee assistance programme with a confidential helpline. A wellbeing strategy is in place.

Governance. (continued)

Fundraising statement

The RSM is registered with the Fundraising Regulator and complies with its code of practice. The RSM does not currently employ commercial participators, professional fundraisers, or third parties. There were no complaints made concerning fundraising activities in the financial year.

Remuneration policy

During the year, a remuneration strategy was developed to cover issues such as staff recruitment and retention and fair pay, within the context of the RSM's medium-term financial strategy and the on-going adverse financial impact of COVID-19. The strategy includes the RSM's commitment to pay the minimum of the London Living Wage to all staff. Implementation of the strategy began in January 2022.

Details of remuneration of the Senior Management Team for the year ended 30 September 2021 are set out in note 8 of the financial statements.

Sustainability and climate change

The RSM is committed to environmental sustainability and tackling climate change by:

- Understanding environmental issues and sharing this information through its education programme;
- Developing innovative and flexible solutions to bring about change. Sourcing products and services which are produced and distributed in a responsible fashion;
- Recognising that managed social responsibility is essential to our future;
- Investing the Society's funds in a responsible manner;
- Encouraging all our suppliers and partners to share in our aims; and
- Monitoring and measuring our progress.

Equal opportunities, diversity and a positive work environment

The RSM is committed to encouraging diversity amongst its workforce, ensuring that it is representative of wider society and that each employee is treated with dignity and feels respected and able to give their best. To this aim, the Society will ensure its employment, working and management practices, including those relating to recruitment, selection, training, reward, attendance, conduct, performance management, development and promotion, result in no job applicant or staff member receiving less favourable treatment because of their age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

The RSM is currently in the process of developing an equality, diversity and inclusion strategy.

Governance. (continued)

Trustees' responsibility statement

Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

In preparing these financial statements, the Trustees are required to:

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

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

Financial Review.

The financial statements for the Society and its subsidiaries for 2020-21 are set out on pages 48 to 66 of this report.

Summary of performance for 2020-21

The RSM's trading performance for the year ended 30 September 2021 reflects the ongoing significant impact of the COVID-19 pandemic on both charitable and commercial operations at Wimpole Street, with the loss of most in-person education events and commercial events, plus reduced business in the hotel and Members' club. In response, the Society continued to act to reduce costs to minimise losses and continued to utilise the UK Government Coronavirus Job Retention Scheme (furlough).

Income

Income from charitable activities (education programme events, information resources and membership subscriptions) at £5,653k was comparable to the previous year (2019-20: £5,646k). Although fewer in-person Section events took place, income from membership subscriptions was £241k (5%) higher in 2020-21 at £4,644k.

Income from trading activities, mainly from conferencing and hospitality, fell sharply in 2020-21 by 82% to £624k (2019-20: £3,558k). This reflected the impact of COVID-19 on business at 1 Wimpole Street across the full twelve-month period.

Income from donations and legacies was £1,786k (2019-20: £1,596k). The RSM is grateful for the generosity of all its supporters. This includes £283k of grant funding under the Government's Coronavirus Job Retention Scheme (2019-20: £644k).

Investment income was £135k (2019-20: £212k).

Total income for the year fell by 26% to £8,198k compared to 2019-20 on a like-for-like basis (2019-20: £11,012k, excluding £6,358k one-off profit from the sale of Chandos House).

Expenditure

Total expenditure in 2020-21 was 25% lower than the previous year at £11,543k (2019-20: £15,422k), reflecting lower charitable and business activity levels and cost savings achieved.

Within total expenditure, the costs of charitable activities reduced to £9,596k (2019-20: £10,263k), of which £6,761k (2019-20: £8,296k) was spent on the education programme and information resources. The Society continued to fund budgeted core charitable activity from the onset of the pandemic in March 2020, including the delivery of education events via webinars.

£143k (2019-20: £170k) was spent on fundraising and fundraising support costs to raise income from donations and legacies of £1,503k (2019-20: £952k).

Termination payments totalled £90k (2019-20: £150k), primarily due to redundancies within RSM Commercial Services Limited as a consequence of reduced activity during the COVID-19 pandemic.

Net expenditure

Overall, the RSM reported a net deficit for the year of £1,917k (2019-20: £1,005k gain, including the one-off surplus of £6,358k on the sale of Chandos House). This comprises a loss on operating activities of £3,345k (2019-20: £1,948k surplus), partially offset by gains on investments of £1,428k (2019-20: £943k loss).

Financial Review. (continued)

Movement on funds

Total funds carried forward at 30 September 2021 for the group were £35,426k (September 2020: £37,343k). The reduction in funds is primarily due to the deficit of income versus expenditure for the year.

Unrestricted funds

General free reserves for the group at 30 September 2021 were £7,109k (30 September 2020: £8,630k).

The financial strategy of the RSM is to aim to hold general free reserves representing six months' unrestricted expenditure, to provide adequate reserves to protect against unexpected downturns, including a significant reduction in income. This amounted to £4,649k as at 30 September 2021 (30 September 2020: £5,789k), meaning actual free reserves of £7,109k represent 9.2 months' provision (September 2020: 9.0 months). However, the ongoing impact of COVID-19 will continue to erode free reserves in 2021-22.

Designated funds set aside for charitable purposes were £1,823k at 30 September 2021 (30 September 2020: £1,802k). These principally comprise the balances designated for Sections of £1,539k (30 September 2020: £1,538k).

Restricted and permanent endowment funds

Restricted funds increased to £3,330k at 30 September 2021 (30 September 2020: £3,042k), as incoming funds exceeded expenditure by £102k and investments grew in value by £185k.

Permanent endowment funds rose to £2,221k (30 September 2020: £1,757k) as a result of gains in investments of £464k (2019-20: £476k loss).

Investments

Strategy

The RSM's investment strategic objective is to achieve good returns consistent with an acceptable level of risk. There are three portfolios:

- Permanent Endowment Fund: holding the capital of all permanent endowment funds. As the capital of these funds cannot be spent but the income earned can, the return objective is to maximise income, targeting 3.5% to 4.0% yield per annum growing in line with inflation;
- Expendable Endowment Fund: holding the capital of restricted funds, with a total annual return (capital and income) objective of inflation plus 3.0%; and
- Unrestricted Endowment Fund: holding unrestricted funds not deemed as required for expenditure in the short or medium term, with a total annual return objective of inflation plus 3.0%.

Funds are managed by Cazenove Capital Management. The Finance and Investment Committee reviews performance of the portfolio on a quarterly basis against appropriate benchmarks.

Ethical investment policy

The Trustees are aware of their responsibility to invest funds in a responsible manner, as well as to provide a good risk-adjusted return. The RSM's policy does not permit the direct holding of investments in any company with tobacco interests screened at more than 10% of revenue. It also does not permit the direct holding of investments whose primary business is in gambling, arms, pornography or fossil fuels (including the production, extraction and refining of oil, gas and coal) screened at more than 10% of revenue. The total value of funds invested indirectly should not be more than 5% in these areas.

Financial Review. (continued)

A significant proportion of the RSM's investments are held in the Cazenove Charity Responsible Multi-Asset Fund. The Fund is intended to have a positive impact on people and the planet by avoiding harm through environmental, social and governance (ESG) integration and exclusions, benefiting stakeholders through responsible business activities and contributing to solutions through influence and investing for impact. Cazenove assesses the environmental and social impact of all RSM's investments, with the twin objectives of reducing carbon emissions attributable to holdings of companies invested in and delivering a higher positive social impact, measuring factors such as fair work, tax, medicine provision, financial inclusion and access to water.

Financial Performance

The RSM sold its holdings in an unlisted company and a listed company in 2020-21 for proceeds of £397k and £364k respectively.

There was an unrealised gain on investments under management of £1,031k (2019-20: £943k loss), primarily due to the recovery of global stock markets over the period. Returns for the 12 months across each fund are shown in the table below:

	Returns Oct 20 - Sept 21
Permanent endowment	31.9%
Expendable endowment	14.3%
Unrestricted endowment	14.2%

The Permanent endowment fund benefitted from its exposure to UK equities, which performed strongly in the year.

Impact

The two measures employed by Cazenove to measure impact are:

- Carbon emissions: in 2020-21, the RSM's investments produced a significantly lower carbon footprint (298 tonnes) versus benchmark (503 tonnes);
- Social dividend: this is measured by the social contribution of the companies invested in, expressed as a percentage of sales. For example, a score of 2% means that the portfolio adds £2 of benefits to society for every £100 of sales. In 2020-21, the RSM's investments outperformed the benchmark, with social dividends of 5.8% for the Permanent endowment fund and 3.5% for both the Expendable endowment fund and the Unrestricted endowment fund. The benchmark for all funds was 1.7%.

Going concern

COVID-19 restrictions have had an ongoing material impact on the RSM's operations and finances since March 2020.

Despite accessing the UK Government's Job Retention Scheme (furlough), with total grant income of £928k to September 2021, the RSM still had to reduce headcount to mitigate the financial impact of COVID-19. Unfortunately, this resulted in significant staff redundancies, in addition to other cost savings. Headcount reduced from 188 in March 2020 to 107 at September 2021.

The RSM also made a successful application under the Coronavirus Business Interruption Loan Scheme (CBILS) to provide further cash (£2,500k) to help manage the impact of COVID-19 on the charity's business.

The group has adequate levels of cash and reserves to manage its affairs over the period to June 2023. As stated in this review, the RSM had free reserves of £7,109k at 30 September 2021, representing 9.2 months' unrestricted expenditure. The group accounts also show total cash holdings of £14,670k, of which the majority was unrestricted.

Financial Review. (continued)

A comprehensive cash forecast exercise has been undertaken for the group to June 2023 (and beyond) with analysis for the Society and RSM Commercial Services Ltd. This is based on budget information, current trading levels and known and likely trends. As part of this exercise the potential impact of downside pressures has been considered. There is uncertainty over the ongoing and lasting impact of COVID-19 on the Society's operations and business model, but Trustees believe that they have downgraded planning assumptions to adequately reflect this.

RSM Commercial Services Ltd has been more severely impacted than the charity. Trading results for the first six months of 2021-22 show that net profit is behind target with the impact of the Omicron variant over the winter months. However, business did partially recover in the autumn of 2021 before suffering a setback with Omicron in late 2021 and early 2022. Most recently, the RSM's club and hotel facilities, and commercial events, were busier in spring 2022 than at any time since COVID-19 struck in March 2020. There are significant wage and price inflationary pressures facing operations, together with competition in the marketplace. Costs will continue to be closely managed to mitigate any adverse effects on financial performance.

A formal agreement with the RSM also provides RSM Commercial Services Ltd with appropriate financial protection should COVID-19 restrictions mean the Wimpole Street building is not open for business. However, to provide further stability for the company, the Society has extended the initial capital and interest repayments holiday on the loan by an additional 12-month period to September 2022 and resolved not to recall overdraft facilities before June 2023. This action is also supported by RSM Commercial Services Ltd's strong record of delivering significant returns in recent years prior to COVID-19 – around £3,000k each year of contribution to overheads or profit over the ten years to 2018-19.

The review concludes that:

- In total, cash held by the group is sufficient to cover requirements to June 2023 and beyond;
- The charity's position reflects that of the group, as it holds the majority of its cash and other assets;
- In respect of RSM Commercial Services Ltd, forecasts for the company indicate that the cash position will operate within the terms set out in loan and overdraft agreements with the RSM.

As a consequence of the above, Trustees remain satisfied the RSM can continue operating for the foreseeable future. No material uncertainties have been identified and the Trustees consider it appropriate for the accounts to be prepared on a going concern basis.



Signed on behalf of the Members of Council on 29 June 2022.

Independent auditor's report to Trustees of The Royal Society of Medicine.

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 30 September 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of The Royal Society of Medicine ("the Parent Charity") and its subsidiary ("the Group") for the year ended 30 September 2021 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the consolidated cash flow statement] and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Charity in accordance with the ethical requirements 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.

Conclusions related 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 the Group and the Parent Charity'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.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: Presidents Report, Chief Executive's Report, Governance and Financial Review. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 us to report to you if, in our opinion:

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity 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 Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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 Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

As part of designing our audit, based on our understanding of the industry in which the Group operates, we assessed the risks of material misstatement in the financial statements, including how fraud may occur. We considered the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error and held discussions to consider whether there was any knowledge of actual, suspected or alleged fraud. As part of our

discussions, we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Where possible, we obtained and reviewed corroborating documentation.

We also gained an understanding of principal laws and regulations that directly affect the financial statements and assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Appropriate audit procedures included the review of the Parent Charity's documentation of risks and associated mitigating actions, review of Trustee Board and Audit & Risk Committee meeting minutes, and enquiries regarding any matters identified as a Serious Incident reportable to the Charity Commission. Note that auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of Those Charged with Governance and other management, and inspection of regulatory and legal correspondence if any.

We also completed the following procedures:

- We agreed the financial statement disclosures to applicable legislation;
- We understood how the Parent Charity is complying with those legal and regulatory frameworks that are significant to their activities by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes;
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- We confirmed from management that there were no serious incidents reported to the Charity Commission in the year under review. We also confirmed that there was no ongoing litigation or claims;
- In addressing the risk of fraud through management override of controls, we tested journal entries and other adjustments for inappropriate or unusual journals outside of our expectations, as well as for any significant transactions outside the normal course of business, taking into consideration the scope for management to manipulate financial results through the timing of the recognition of income or the calculation of the cost recharge to its subsidiary company;
- Challenged assumptions made by management in their significant accounting estimates, in particular, in cash flow forecasts used in going concern assessments; and
- Performed audit procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC'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 Charity's trustees, as a body, in accordance with the Charities Act 2011 Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Gareth M Jones
AF9E71C5233D451...

BDO LLP, statutory auditor
London, UK 05 July 2022

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006. BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated statement of financial activities.

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	notes	UNRESTRICTED FUNDS £000	RESTRICTED FUNDS £000	ENDOWED FUNDS £000	TOTAL 2021 £000	TOTAL 2020 £000
INCOME FROM:						
Donations and legacies	3	1,336	450	-	1,786	1,596
Other trading activities						
Conferencing and hospitality		617	-	-	617	3,523
Rental income		7	-	-	7	35
		624	-	-	624	3,558
Investment income	4	35	100	-	135	212
Charitable activities						
Education:						
Academic programme		803	-	-	803	1,040
Information resources		40	-	-	40	17
Publishing		166	-	-	166	186
Membership subscriptions	5	4,644	-	-	4,644	4,403
		5,653	-	-	5,653	5,646
Other income						
Disposal of Chandos House	6	-	-	-	-	6,358
Total income		7,648	550	-	8,198	17,370
EXPENDITURE ON:						
Raising funds	7					
Fundraising costs		143	-	-	143	170
Conferencing and hospitality		1,797	-	-	1,797	4,835
Rental income costs		-	-	-	-	142
Investment management costs		7	-	-	7	12
		1,947	-	-	1,947	5,159
Charitable activities	7					
Education:						
Academic programme		3,715	262	-	3,977	4,914
Information resources		2,598	186	-	2,784	3,382
Publishing		141	-	-	141	159
Membership subscriptions		2,694	-	-	2,694	1,808
		9,148	448	-	9,596	10,263
Total expenditure		11,095	448	-	11,543	15,422
NET (EXPENDITURE) / INCOME BEFORE GAINS AND LOSSES ON INVESTMENTS		(3,447)	102	-	(3,345)	1,948
Net gains / (losses) on investments	12	779	185	464	1,428	(943)
Transfer between funds		(1)	1	-	-	-
NET (EXPENDITURE) / INCOME		(2,669)	288	464	(1,917)	1,005
RECONCILIATION OF FUNDS						
Total funds brought forward		32,544	3,042	1,757	37,343	36,338
Total funds carried forward	19,20	29,875	3,330	2,221	35,426	37,343

The notes on pages 51 to 66 form part of these financial statements.

Consolidated and charity balance sheets.

AS AT 30 SEPTEMBER 2021

	notes	GROUP		CHARITY	
		2021 £000	2020 £000	2021 £000	2020 £000
FIXED ASSETS					
Tangible assets	10	17,596	18,101	17,596	18,101
Intangible assets	11	2	665	2	665
Investments	12	5,623	4,777	5,623	4,777
Heritage assets	13	3,346	3,346	3,346	3,346
Shares in subsidiary companies		-	-	2	2
TOTAL FIXED ASSETS		26,567	26,889	26,569	26,891
CURRENT ASSETS					
Stocks and work in progress	14	164	51	126	-
Debtors	15	792	1,355	698	1,619
Short term investments	12	-	179	-	179
Bank deposits		13,757	13,205	13,757	13,205
Cash at bank and in hand		913	336	496	320
Total current assets		15,626	15,126	15,077	15,323
CREDITORS: Amounts falling due within one year	16	(3,273)	(3,757)	(2,949)	(3,447)
NET CURRENT ASSETS		12,353	11,369	12,128	11,876
CREDITORS: Amounts falling due after more than one year	17	(3,494)	(862)	(3,494)	(862)
PROVISIONS FOR LIABILITIES AND CHARGES	18	-	(53)	-	(53)
NET ASSETS		35,426	37,343	35,203	37,852
FUNDS					
Unrestricted funds:					
Tangible fixed assets fund		20,943	22,112	20,943	22,112
Designated funds		1,823	1,802	1,823	1,802
General fund		7,109	8,630	6,886	9,139
	19	29,875	32,544	29,652	33,053
Permanent endowment funds					
Restricted funds	20	2,221	1,757	2,221	1,757
	20	3,330	3,042	3,330	3,042
TOTAL FUNDS		35,426	37,343	35,203	37,852

Approved and authorised for issue on 29 June 2022 by Members of Council and signed on their behalf by:


Professor Roger Kirby MD, FRCS
President

Mr Richard Murley
Honorary Treasurer

The notes on pages 51 to 66 form part of these financial statements.

Consolidated statement of cash flows.

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021 £000	2021 £000	2020 £000	2020 £000
Net cash (used in) operating activities		(1,872)		(2,208)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Dividends from investments	100		183	
Proceeds from sale of Chandos House	-		10,025	
Purchase of tangible and intangible fixed assets	(395)		(608)	
Proceeds from sale of long term investments	397		1,250	
Cash inflow from bank interest	35		29	
Proceeds from sale of short term investments	364		38	
Net cash generated by investing activities		501		10,917
CASH FLOWS FROM FINANCING ACTIVITIES:				
CBILS loan	2,500			
Repayments of loan finance: quarterly instalments paid	-		(300)	
Interest paid	-		(12)	
Net cash used in financing activities		2,500		(312)
Change in cash and cash equivalents in the year		1,129		8,397
Cash and cash equivalents at 1 October		13,541		5,144
Cash and cash equivalents at 30 September		14,670		13,541

RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

Net (expenditure)/ income before investment gains/ (losses) for the reporting period (as per the SOFA)		(3,345)		1,948
Adjustments for:				
Depreciation	1,563		1,464	
Profit on disposal of Chandos House	-		(6,358)	
Interest / Dividends / Proceeds from sale of investments	(135)		(200)	
Impairment write off intangible fixed assets	-		360	
Decrease in debtors	563		1,016	
Decrease in stock and work in progress	(113)		13	
Decrease in creditors	(352)		(411)	
Decrease in provision	(53)		(40)	
		1,473		(4,156)
Net cash (used in) operating activities		(1,872)		(2,208)

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Oct 2020 £000	Net cash flows £000	At 30 Sept 2021 £000
Cash and cash equivalent			
Cash	336	577	913
Bank deposits	13,205	552	13,757
	13,541	1,129	14,670
Borrowings			
Debt due within one year	-	(167)	(167)
Debt due after one year	-	(2,333)	(2,333)
	-	(2,500)	(2,500)
Total	13,541	(1,371)	12,170

The notes on pages 51 to 66 form part of these financial statements.

1. Accounting Policies.

Basis of preparation

The accounts are prepared under the historical cost convention, except for the modification to include certain assets at valuation as specified in the accounting policies below.

The parent of the company, the Royal Society of Medicine (RSM) sold its leasehold interest in Chandos House in June 2020. All activities relating to discontinued activities have been presented in a separate column on the face of the comparative SOFA for 2019-20 on page 56.

The financial planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure.

COVID-19 has had an ongoing material impact on the RSM's operations and finances in 2020-21 as was the case in 2019-20, with the temporary closure of the in-person education programme, hotel, restaurant and commercial events business. A further loss is projected for 2021-22. Trustees conclude that levels of reserves and cash, together with continuing action to reduce costs, mean that they are satisfied that the RSM meets going concern requirements for the coming 12 month period from the date of signing of the 2020-21 financial statements. Accordingly, they have adopted the going concern basis in preparing the annual report and accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Society meets the definition of a public benefit entity under FRS 102. As described further within the Governance section of the Trustees report on page 35, it is a Charity registered with the Charity Commission in England and Wales.

In preparing the separate financial statements of the parent charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the parent charity;
- Disclosures in respect of the parent company's financial instruments have not been presented as

equivalent disclosures but have been provided in respect of the group as a whole; and

- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent charity as their remuneration is included in the totals for the group as a whole.

The accounts include the transactions, assets and liabilities of Special Trusts which are administered by the Society. A summary of these transactions is shown in note 20.

The accounts include transactions, assets and liabilities of Royal Society of Medicine Commercial Services Limited, and Royal Society of Medicine International Limited (dormant), which are wholly owned subsidiaries and are run as an integral part of the Society. The subsidiaries' accounts are produced separately as required by the Companies Act 2006 and are summarised in note 9.

The SORP requires that income and costs are allocated where appropriate to charitable activities and to activities for raising funds. No separate SOFA has been presented for the Society alone as permitted by section 408 of the Companies Act 2006.

The accounting policy in respect of payments under Gift Aid by the subsidiary, Royal Society of Medicine Commercial Services Limited to its parent, the Royal Society of Medicine, is set out below.

Significant judgments and key sources of estimation uncertainty

The Society's significant accounting policies are stated below. The following is intended to provide an understanding of the policies that management consider critical because of the level of complexity and judgment involved in their application and their impact on the consolidated financial statements.

Significant accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are as follows:

1. Accounting Policies. *(continued)*

a) Valuation of the CRM system - Following a review of the intangible assets during the year, it was considered that, due to the bespoke nature of the developed software, it no longer held a suitable value for purchase. Consequently it was held to have no residual value, and its amortisation was accelerated.

b) Valuation of Heritage Assets - Heritage assets comprise of a collection of books and manuscripts held in the RSM's Library. They are included in the balance sheet at their external valuation most recently carried out in December 2015 by Bonhams for insurance purposes, at their estimated auction value. The valuation in December 2015 is still deemed by the Trustees to be appropriate following a review by Bonhams in January 2022 that the market for similar material has remained relatively stable since 2015.

c) Parent charity provision – The balance sheet of the parent charity includes amounts due from RSM Commercial Services Ltd, including the loan.

Notwithstanding the measures put in place to support Commercial Services, there is a risk that the impact of COVID-19 and other factors may affect the speed of recovery of the conferencing and hospitality business.

As a result, it has been deemed prudent to provide fully against the amounts due from RSM Commercial Services Ltd in the accounts of the Charity. There is no impact of this provision on the group accounts.

Basis of consolidation

The Group comprises the Royal Society of Medicine and its subsidiaries which are set out in note 9 to these accounts. The principal trading subsidiary is Royal Society of Medicine Commercial Services Limited which operates the catering, accommodation and conference activities on behalf of the Society.

The consolidated financial statements incorporate the financial statements of the Society and its subsidiaries for the year ended 30 September 2021 and the comparative period.

Subsidiaries are entities controlled by the Society. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences

until the date that control ceases. The turnover and expenditure of the subsidiaries are included within the consolidated SOFA. The assets and liabilities are included on a line by line basis in the consolidated balance sheet in accordance with FRS 102, section 9 'Consolidated and Separate Financial Statements.' The financial statements of all Group companies are prepared using consistent accounting policies.

The following are the accounting policies adopted for material items:

Income

Income is included in the SOFA when the Society is legally entitled to the income, there is probability of receipt, and the amounts can be quantified with reasonable accuracy. If these conditions are not met then the income is deferred.

Income is shown within four main categories in the Consolidated Statement of Financial Activities:

- Income from donations and legacies
- Income from other trading activities
- Income from investments
- Income from charitable activities

The following specific policies apply to categories of income:

a) Legacies and donations

- i) Donation income is recognised when received.
- ii) Entitlement to legacy income is considered to be on the earlier of the date of payment or where there is sufficient evidence to provide the necessary probability that the legacy will be received and the value is measurable with sufficient reliability. This is defined as the point when the executor has notified the Society of probate.
- iii) Income from Qualifying Charitable Donations is recognised at the date of the receipt of the associated donation.

1. Accounting Policies. *(continued)*

b) Income from other trading activities

- i) Income from conferencing and hospitality is accounted for at the point of event date.
- ii) Rental income is accounted for on an accruals basis.

c) Investment income

- i) Investment income, excluding interest from bank deposit accounts, is recognised on an accruals basis.

d) Income from charitable activities

- i) Membership subscriptions are accounted for on an accruals basis. The unexpired portion of annual subscriptions is deferred and reported under creditors in the balance sheet. Life membership income is reported over a 10 year period commencing in the month of receipt, with the unexpired balance deferred and reported under creditors.
- ii) All other income from charitable activities is accounted for on an accruals basis.

e) Income from government grants

- i) Government grant income is accounted for on an accruals basis and therefore recognised in income over the periods in which the Society recognises the related costs for which the grant is intended to compensate.

Any income restricted to future accounting periods is deferred and recognised in those accounting periods.

Expenditure

Expenditure is accounted for on an accruals basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

The consolidated SOFA defines expenditure in two specific categories:

- Expenditure on raising funds
- Charitable activities

The expenditure on raising funds is comprised of those costs attributable to the provision of catering and accommodation services, managing the investment portfolio, rental income costs and fundraising costs which are those incurred in seeking voluntary contributions for the Society.

The expenditure on charitable activities relate to the core charitable purposes of the Society – education (academic programme and information resources), publishing and membership subscriptions.

Governance costs are those associated with the governance arrangements rather than the day-to-day management of the Society. These costs are allocated to expenditure on raising funds and charitable activities on the basis of estimated service usage within each area.

Support costs represent expenditure on administration, financial management, human resources, information systems and marketing and communications – they assist the work of the Society but do not directly undertake charitable activities. These are allocated to expenditure on raising funds and charitable activities, on the basis of headcount or on the estimated service delivered by the support service or other bases if these are more appropriate.

Termination payments are payable when employment is terminated by the Society before the normal retirement date or end of employment contract. Termination costs are recognised at the earlier of when the Society can no longer withdraw the offer of benefits or when the Society recognises any related restructuring costs.

Fund accounting

General funds are unrestricted funds that are available for use at the discretion of the Trustees in accordance with the general objectives of the Society.

Designated funds are unrestricted funds that represent amounts set aside at the discretion of the Trustees for specific purposes. They would otherwise form part of the general reserves.

The permanent endowment funds represent capital for the permanent benefit of the Society, and the income arising forms part of either restricted or unrestricted funds.

Restricted funds are subject to specific restrictions imposed by donors. The aim and use of the major restricted funds is set out in the notes in the financial statements.

1. Accounting Policies. *(continued)*

Impairments

The carrying values of the Society's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of fair value and its value in use. If the asset's recoverable amount falls below its book value, an impairment charge is recognised to bring its book value down to the recoverable amount.

Tangible fixed assets

Tangible fixed assets are measured at costs less accumulated depreciation and any accumulated impairment losses.

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life which is reviewed annually.

Assets under construction are not depreciated until they are brought into use.

The estimated useful lives are as follows:

Leasehold Premises Non-Fabric
50 years

Leasehold Premises Fabric
100 years

Plant and Office Equipment
5 to 20 years

Major Computer Systems
4 to 7 years

Furnishings and Fittings
10 years

Intangible Assets
10 years

Heritage assets

Heritage assets, being the contents of the Library, have been included in the Society's accounts as fixed assets since the year ended 30 September 2011. The heritage assets are included at fair value based on an estimated auction value in December 2015 carried out by Bonhams for insurance purposes and reviewed in January 2022. The Trustees consider that the value of the Library collection does not depreciate in value and, as such, no depreciation is charged.

Investment property

The one investment property that was disposed of in June 2020 was measured at fair value at the reporting date in the charity only balance sheet.

Investments

All investments under management are valued at the year-end market value. Quoted investments, all of which are quoted on a stock exchange, are also stated at the year-end market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due, less any provision for bad or doubtful amounts. Such provisions are specific and applied in a consistent manner based on a debt's aging and other factors affecting potential recoverability.

Short term investments

Quoted investments, all of which are quoted on a stock exchange, are stated at the year-end market value.

1. Accounting Policies. *(continued)*

Cash and cash equivalents

Cash, for the purpose of the Statement of Cash Flows, represents balances on hand. Bank deposits are those with a short maturity of three months or less. Such balances are subject to insignificant risk of changes in value and are readily convertible.

Creditors

Trade and other creditors are recognised at transaction price due, after allowing for any trade discounts.

Deferred income represents invoices raised and cash receipts for which income recognition criteria is not yet met and will be satisfied in future accounting periods. Such amounts are not discounted.

Taxation

As a registered charity, the Royal Society of Medicine is exempt from taxation of income and gains falling within Part 11 Corporation Tax Act 2010 or Section 256 Taxation of Chargeable Gains Act 1992 to the extent these are applied to its charitable objects.

Other financial instruments

The Society has considered FRS 102 sections 11 and 12, identifying and classifying financial instruments as 'basic' and 'other.' The Society only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors, creditors and bank loans are initially recognised at transaction value and subsequently measured at their settlement value.

Employee benefits

The Society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Society through a Group Stakeholder Pension Scheme. The pension costs, shown in note 8, represent contributions payable by the Society to the scheme. Short-term employee benefits, including holiday pay and contributions to the defined contribution pension scheme, are recognised as an expense in the period in which they are incurred.

Leasing contracts

The Society has two long-term operating lease agreements in relation to its properties. Lease premiums and other costs of acquiring long-term leases, together with subsequent leasehold improvements, are capitalised as tangible fixed assets in the group balance sheet and depreciated as shown in the depreciation policy above. Ongoing rentals under these leases are charged to the SOFA as they fall due under the terms of each lease.

Translation of foreign currencies

The Society's functional and presentational currency is pound sterling. Income and expenditure items are converted at the date of the transactions. Assets and liabilities are converted at the rate ruling at the year-end. All differences are recognised in the SOFA.

Receipt of payments from subsidiary undertaking under Qualifying Charitable Donation

The Society's subsidiary undertaking, Royal Society of Medicine Commercial Services Limited, has adopted a policy of paying all of its taxable profits to the Society under Qualifying Charitable Donation in the next financial period when it is approved by the Directors of this subsidiary. If an operating profit exists at the balance sheet date, a tax liability arises in both the subsidiary and the group. The current tax liability will be reversed in the next financial period provided that the approved post year-end Qualifying Charitable Donation declaration is settled within nine months of the reporting date. Qualifying Charitable Donation payments are therefore recognised as distributions through equity.

2. Comparative consolidated statement of financial activities.

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	notes	UNRESTRICTED FUNDS			RESTRICTED FUNDS	ENDOWED FUNDS	TOTAL FUNDS 2020		
		Continuing operations £000	Discontinued operations £000	Total £000	Continuing operations £000	Continuing operations £000	Continuing operations £000	Discontinued operations £000	Total £000
INCOME FROM:									
Donations and legacies	3	1,141	-	1,141	455	-	1,596	-	1,596
Other trading activities									
Conferencing and hospitality		2,913	610	3,523	-	-	2,913	610	3,523
Rental income		35	-	35	-	-	35	-	35
		2,948	610	3,558	-	-	2,948	610	3,558
Investment income	4	96	-	96	116	-	212	-	212
Charitable activities									
Education:									
Academic programme		1,040	-	1,040	-	-	1,040	-	1,040
Information resources		17	-	17	-	-	17	-	17
Publishing		186	-	186	-	-	186	-	186
Membership subscriptions	5	4,403	-	4,403	-	-	4,403	-	4,403
		5,646	-	5,646	-	-	5,646	-	5,646
Other income									
Profit on disposal of Chandos House	6	6,358	-	6,358	-	-	6,358	-	6,358
Total income		16,189	610	16,799	571	-	16,760	610	17,370
EXPENDITURE ON:									
Raising funds									
Fundraising costs	7	170	-	170	-	-	170	-	170
Conferencing and hospitality		4,288	547	4,835	-	-	4,288	547	4,835
Rental income costs		142	-	142	-	-	142	-	142
Investment management costs		12	-	12	-	-	12	-	12
		4,612	547	5,159	-	-	4,612	547	5,159
Charitable activities									
Education:									
Academic programme		4,728	-	4,728	186	-	4,914	-	4,914
Information resources		3,263	-	3,263	119	-	3,382	-	3,382
Publishing		159	-	159	-	-	159	-	159
Membership subscriptions		1,808	-	1,808	-	-	1,808	-	1,808
		9,958	-	9,958	305	-	10,263	-	10,263
Total expenditure		14,570	547	15,117	305	-	14,875	547	15,422
NET INCOME BEFORE INVESTMENT LOSSES		1,619	63	1,682	266	-	1,885	63	1,948
Net losses on investments	12	(273)	-	(273)	(194)	(476)	(943)	-	(943)
NET MOVEMENT IN FUNDS		1,346	63	1,409	71	(476)	942	63	1,005
RECONCILIATION OF FUNDS									
Total funds brought forward		31,135	-	31,135	2,970	2,233	36,338	-	36,338
Total funds carried forward	19,20	32,481	63	32,544	3,041	1,757	37,280	63	37,343

Notes to the financial statements.

	2021 £000	2020 £000
Donations	1,206	942
Legacies	297	10
Government grant	283	644
	1,786	1,596

Government grant is for support received from the Coronavirus Job Retention Scheme (Furlough).

	2021 £000	2020 £000
Dividends and bank interest	135	212

	2021 £000	2020 £000
Membership subscriptions represent annual and lifetime memberships and are shown net of VAT. Income is recognised in the accounting period in which the services covered by those subscriptions are provided. Deferred membership income of £1,681k (2020: £1,259k) was released to income during the year.		

	2021 £000	2020 £000
Profit on sale of disposal of Chandos House	-	6,358

	Staff costs £000	Support costs £000	Other £000	Depreciation and amortisation £000	2021 £000
(a) EXPENDITURE 2021					
Expenditure on raising funds:					
Fundraising costs	73	40	14	16	143
Conferencing and hospitality	1,250	362	185	-	1,797
Interest cost	-	-	7	-	7
	1,323	402	206	16	1,947
Expenditure on charitable activities:					
Education: Academic programme	1,265	1,781	348	583	3,977
Education: Information resources	300	934	1,027	523	2,784
Publishing	59	27	55	-	141
Membership subscriptions	775	863	615	441	2,694
	2,399	3,605	2,045	1,547	9,596
Total expenditure	3,722	4,007	2,251	1,563	11,543

	Staff costs £000	Support costs £000	Other £000	Depreciation £000	2020 £000
(a) EXPENDITURE 2020					
Expenditure on raising funds:					
Fundraising costs	44	97	11	18	170
Conferencing and hospitality	3,319	918	598	-	4,835
Rental income costs	-	69	1	72	142
Interest cost	-	-	12	-	12
	3,363	1,084	622	90	5,159
Expenditure on charitable activities:					
Education: Academic programme	1,202	1,804	1,327	581	4,914
Education: Information resources	449	909	1,241	783	3,382
Publishing	58	34	67	-	159
Membership subscriptions	353	616	829	10	1,808
	2,062	3,363	3,464	1,374	10,263
Total expenditure	5,425	4,447	4,086	1,464	15,422

Support costs are analysed further in (b) overleaf.

Notes to the financial statements. (continued)

7 ANALYSIS OF EXPENDITURE (continued)

(b) SUPPORT COSTS 2021	Governance £000	Facilities management £000	IT £000	Management and admin £000	2021 £000
Cost of generating funds					
Fundraising (including Investment Management)	4	13	9	14	40
Conferencing and hospitality	37	141	73	111	362
Rental income	-	-	-	-	-
	41	154	82	125	402
Charitable expenditure					
Education: Academic programme	174	454	456	697	1,781
Education: Information resources	70	403	182	279	934
Publishing	4	-	9	14	27
Membership subscriptions	70	333	182	278	863
	318	1,190	829	1,268	3,605
Total support costs	359	1,344	911	1,393	4,007

(b) SUPPORT COSTS 2020	Governance £000	Facilities management £000	IT £000	Management and admin £000	2020 £000
Cost of generating funds					
Fundraising (including investment management)	3	13	23	58	97
Conferencing and hospitality	15	475	140	288	918
Rental income	-	47	-	22	69
	18	535	163	368	1,084
Charitable expenditure					
Education: Academic programme	115	427	300	962	1,804
Education: Information resources	55	545	101	208	909
Publishing	6	-	-	28	34
Membership subscriptions	109	25	149	333	616
	285	997	550	1,531	3,363
Total support costs	303	1,532	713	1,899	4,447

Support costs are allocated to the costs of raising funds and charitable expenditure on the basis of headcount or on the estimated service delivered by the support service or other bases if these are more appropriate.

Auditor's fees and expenses include the following:	2021 £000	2020 £000
Fees payable to the auditors of The Royal Society of Medicine:		
in respect of the charity audit	43	27
in respect of the subsidiary audits	15	10
in respect of the subsidiary audit prior year	-	2
in respect of the charity audit prior year	35	-
Other non-audit services:		
in respect of taxation compliance	10	15
Total fees payable to auditor	103	54

Notes to the financial statements. (continued)

8 EMPLOYEE COSTS

Members of Council do not receive remuneration. The total sum relating to reimbursement of expenses and benefits for accommodation amounted to £1,347 for 3 members (2020: £2,386 for 4 members).

The average number of persons employed during the period was:

	2021 Number	2020 Number
Fundraising	1	1
Conferencing and hospitality	46	105
Education: Academic programme	18	28
Education: Information resources	12	13
Marketing and communications	19	19
Governance	2	1
Support functions	14	14
Total number of persons	112	181

The above figures are calculated on monthly averages across each 12 month period. Due to the closure of significant parts of its operations due to the COVID-19 pandemic, the Society had to make significant redundancies in August 2020. As a result, total headcount at September 2020 was reduced to 125, of which 57 relate to conferencing and hospitality. There was a further round of redundancies in December 2020.

Total employment costs were:

	2021 £000	2020 £000
Wages and salaries	3,963	5,504
Social security costs	404	556
Defined contribution pension costs	421	515
Redundancy and termination payments	90	150
Other employment costs / life assurance	648	902
Total employment costs	5,526	7,627

Staff costs of £1,804k (2020: £2,203k) are included within support costs within note 7.

All staff are employed by Royal Society of Medicine Commercial Services Limited and their costs are recharged to the Society. The above analysis includes the recharged amounts and represents the group costs. Wages and salaries are shown before any deduction for salary sacrifice arrangements. The Society benefitted from the UK Government's Coronavirus Job Retention Scheme and staff who were not business critical were furloughed for parts of the year. Grant income of £283k (2020: £644k) has been claimed back from the government during the pandemic.

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 during the year were as follows:

	2021 No.	2020 No.
£60,001 to £70,000	3	2
£80,001 to £90,000	-	1
£90,001 to £100,000	-	3
£100,001 to £110,000	1	1
£110,001 to £120,000	3	-
£140,001 to £150,000	1	1

	2021 £000	2020 £000
Pension contributions paid into a defined contribution scheme in respect of the above identified higher paid employees amounted to:	114	112

There were payments for redundancies or loss of office of £nil (2020: £20,983) to staff receiving remuneration of over £60,000.

Key management personnel

The key management personnel are the members of the Senior Management Team (listed on page 34). The total employee benefits (including pension) paid to key management personnel were £599k (2020: £744k).

The remuneration during the year for Michele Acton, Chief Executive, comprised:

	2021 £	2020 £
Salary	140,000	140,000
Benefits in kind	2,654	2,654
Employers National Insurance contributions	18,104	18,271
Defined contribution pension scheme	24,500	24,500
Totals	185,258	185,425

Notes to the financial statements.

 (continued)

9 SUBSIDIARIES

The Society has two wholly-owned subsidiaries. It holds 1,000 ordinary shares of £1 each in Royal Society of Medicine Commercial Services Limited (RSMCS Ltd Company No. 2820374). The Company operates the catering, accommodation and conference activities on behalf of the Society. RSMCS Ltd gift aids its taxable profit to the Society.

The Society also holds 1,000 ordinary shares of £1 each in Royal Society of Medicine International Limited (Company No. 08781651) which was incorporated in 2014. The company remained dormant in 2020-21.

A summary of the results and summary balance sheet for RSMCS Ltd is as follows:

	2021 £000	2020 £000
PROFIT AND LOSS ACCOUNTS		
Turnover	617	3,523
Cost of sales	(1,326)	(3,629)
Gross loss	(709)	(106)
Administrative costs	(471)	(1,207)
Other operating income	255	644
Loss for the year before taxation	(925)	(669)
Tax charge	-	-
Retained loss for the year	(925)	(669)
BALANCE SHEETS		
	2021 £000	2020 £000
Stocks	38	51
Debtors	93	145
Bank balances	416	15
Trade and other creditors	(324)	(311)
Owed to parent Charity	(157)	(409)
Loan from parent Charity	(1,500)	-
Net liabilities	(1,434)	(509)

Other operating income comprises grant income received from the UK Government's Coronavirus Job Retention Scheme (furlough).

10 TANGIBLE FIXED ASSETS

Group and charity	Leasehold premises £000	Furnishings and fittings £000	Plant, vehicles and office equipment £000	Total £000
<i>Cost or Valuation</i>				
At 1 October 2020	22,695	600	9,914	33,209
Additions	161	4	49	214
Transfers	-	6,043	(6,197)	(154)
Disposals	-	(449)	(410)	(859)
At 30 September 2021	22,856	6,198	3,356	32,410
<i>Depreciation</i>				
At 1 October 2020	6,186	592	8,330	15,108
Charge for year	258	202	243	703
Transfers	-	5,305	(5,443)	(138)
Disposals	-	(449)	(410)	(859)
At 30 September 2021	6,444	5,650	2,720	14,814
Net Book Value at 30 September 2021	16,412	548	636	17,596
Net Book Value at 30 September 2020	16,509	8	1,584	18,101

The insured value of the assets (insurance brokers, Arthur J Gallagher Ltd) included in Leasehold Premises as at 30 September 2021 is £67.1m (2020: £70.3m).

Notes to the financial statements.

 (continued)

11 INTANGIBLE FIXED ASSETS

Group and Charity	Software £000
<i>Cost or Valuation</i>	
At 1 October 2020	2,086
Additions	181
Transfers	121
At 30 September 2021	2,388
<i>Depreciation</i>	
At 1 October 2020	1,421
Charge for year	860
Transfers	105
At 30 September 2021	2,386
Net Book Value at 30 September 2021	2
Net Book Value at 30 September 2020	665

Following a review of the intangible assets during the year, it was considered that, due to the bespoke nature of the developed software, it no longer held a suitable value for purchase. Consequently it was held to have no residual value, and its amortisation was accelerated. The remaining £2k of assets relates to a trademark held by the Society, which is being amortised over 5 years.

12 INVESTMENTS

Long term investments:	2021 £000	Charity 2020 £000
<i>Property</i>		
Market value 1 October 2020	-	9,200
Disposal	-	(9,200)
Market value 30 September 2021	-	-

The investment property (Chandos House) was sold in June 2020.

Investment funds and other investments

	Group and Charity	
	2021 £000	2020 £000
Market value 1 October 2020	4,777	6,932
Disposal proceeds	(397)	(1,250)
Change in market value	1,243	(905)
Market value 30 September 2021	5,623	4,777
<i>Short term investments:</i>		
Market value 1 October 2020	179	255
Disposal proceeds	(364)	(38)
Change in market value	185	(38)
Market value 30 September 2021	-	179

In 2021, the RSM sold its holdings in two companies - one listed in the USA (part of investment funds and other investments) and an unlisted UK company (within short term investments).

13 HERITAGE ASSETS

	Group and Charity	
	2021 £000	2020 £000
Books and manuscripts	3,346	3,346
Value 1 October 2020 and 30 September 2021	3,346	3,346

Heritage assets comprise the collection of books and manuscripts held in the RSM's Library. They are included in the balance sheet at their external valuation most recently carried out in December 2015 by Bonhams for insurance purposes, at their estimated auction value. The valuation obtained in December 2015 is still deemed to be appropriate following a review by Bonhams in January 2022 that the market for similar material has remained stable since then. There have been no additions, disposals or impairments in the periods disclosed.

Notes to the financial statements. (continued)

14 STOCKS AND WORK IN PROGRESS

	GROUP		CHARITY	
	2021 £000	2020 £000	2021 £000	2020 £000
Goods for resale	38	51	-	-
Work in progress	126	-	126	-
	164	51	126	-

Work in progress relates to professional fees and other costs relating to property development, the scope of which will be finalised in the next financial year.

15 DEBTORS

	GROUP		CHARITY	
	2021 £000	2020 £000	2021 £000	2020 £000
Trade debtors	173	73	123	34
Other debtors	199	633	155	527
Prepayments and accrued income	355	555	355	555
Amounts due from subsidiary undertakings	-	-	-	408
HMRC Gift Aid & VAT	65	94	65	95
	792	1,355	698	1,619

16 CREDITORS: Amounts due within one year

	GROUP		CHARITY	
	2021 £000	2020 £000	2021 £000	2020 £000
Bank loan	167	-	167	-
Trade creditors	193	663	153	589
Accrued expenses and deferred income	1,089	1,078	1,056	956
Membership subscription income deferred (note 5)	1,367	1,681	1,367	1,681
Tax and social security	131	116	-	2
Other creditors	326	219	206	219
	3,273	3,757	2,949	3,447

In May 2021, the RSM took out a Coronavirus Business Interruption Loan (CBIL) of £2,500k with Bank of Scotland plc. The capital is repayable in 60 equal monthly installments of £41,667 commencing 13 months after drawdown of the loan. The rate of interest payable on the loan is Bank of England Base Rate plus 1.71%. There are no early repayment charges payable. The loan is secured against the RSM's leases at Wimpole Street, London.

17 CREDITORS: Amounts falling due after more than one year

	GROUP		CHARITY	
	2021 £000	2020 £000	2021 £000	2020 £000
Membership subscription income deferred (note 5)	1,161	862	1,161	862
Bank loan	2,333	-	2,333	-
	3,494	862	3,494	862

18 PROVISIONS FOR LIABILITIES AND CHARGES

	GROUP		CHARITY	
	2021 £000	2020 £000	2021 £000	2020 £000
Provision	-	53	-	53
	-	53	-	53

Notes to the Financial statements. (continued)

19 MOVEMENT IN GROUP UNRESTRICTED FUNDS

2021 Group	At 1 October 2020	Transfers	Net income / (expenditure)	Net gain on investments	At 30 September 2021
	£000				£000
General	8,630	1,084	(3,365)	760	7,109
Designated funds:					
Fixed assets	22,112	(1,168)	(1)	-	20,943
Educational funds	214	-	1	19	234
Sections' funds (note 22)	1,538	83	(82)	-	1,539
Academic fund (note 22)	50	-	-	-	50
	32,544	(1)	(3,447)	779	29,875

2020 Group	At 1 October 2019	Transfers	Net income / (expenditure)	Net losses on investments	At 30 September 2020
	£000				£000
General	2,806	(140)	6,217	(253)	8,630
Designated funds:					
Fixed assets	26,607	(12)	(4,483)	-	22,112
Educational funds	229	-	5	(20)	214
Sections' funds	1,443	140	(45)	-	1,538
Academic fund	50	12	(12)	-	50
	31,135	-	1,682	(273)	32,544

2021 Charity	At 1 October 2020	Transfers	Net income / (expenditure)	Net gain on investments	At 30 September 2021
	£000				£000
General	9,139	1,084	(4,097)	760	6,886
Designated funds:					
Fixed assets	22,112	(1,168)	(1)	-	20,943
Educational funds	214	-	1	19	234
Sections' funds (note 22)	1,538	83	(82)	-	1,539
Academic fund (note 22)	50	-	-	-	50
	33,053	(1)	(4,179)	779	29,652

2020 Charity	At 1 October 2019	Transfers	Net income / (expenditure)	Net losses on investments	At 30 September 2020
	£000				£000
General	2,611	(140)	6,921	(253)	9,139
Designated funds:					
Fixed assets	32,218	(12)	(10,094)	-	22,112
Educational funds	229	-	5	(20)	214
Sections' funds	1,443	140	(45)	-	1,538
Academic fund	50	12	(12)	-	50
	36,551	-	(3,225)	(273)	33,053

The Fixed Assets Fund represents the net book value of tangible, intangible and heritage assets at 30 September 2021 after deducting related loan balances.

The Designated Educational Funds represent monies set aside predominantly to support the Sectional programme. Nearly £800k of these funds will be undesignated in the financial years 2021-22 and 2022-23 to finance a proportion of the direct costs incurred by the RSM in supporting delivery of the Sectional programme.

Notes to the financial statements. (continued)

20 PERMANENT ENDOWMENT AND RESTRICTED FUNDS – GROUP AND CHARITY

	Permanent endowment funds			Restricted funds				
	At 1 Oct 2020 £000	Gains/ on invt £000	At 30 Sep 2021 £000	At 1 Oct 2020 £000	Income (inc. transfer) £000	Expenditure £000	Gains/ (losses) on invt £000	At 30 Sep 2021 £000
Coloproctology funds	31	8	39	55	2	-	6	63
Cowley Fund	77	21	98	3	5	-	(1)	7
Dobson Bequest	-	-	-	65	1	-	5	71
Dowling Endowment	47	12	59	(1)	3	-	-	2
Ellison-Cliffe Lecture	126	35	161	18	7	(1)	(1)	23
Finzi Bequest	-	-	-	301	2	(1)	31	333
Louis Forman Fund	-	-	-	192	-	-	17	209
John Glynn Young Fellows Prize	31	8	39	10	2	-	-	12
Jephcott Lecture Fund	796	211	1,007	205	42	(37)	-	210
Richard Kovacs Fund	120	32	152	82	14	-	-	96
G Levene Memorial Fund	-	-	-	75	1	(1)	8	83
London Clinic	-	-	-	70	1	(5)	-	66
Ophthalmology Fund	38	10	48	18	3	-	-	21
Rank Fund	-	-	-	249	1	(79)	16	187
Smith Kline French	107	28	135	49	5	-	-	54
Stevens Fund	-	-	-	376	-	(46)	14	344
Lord Soulsby	-	-	-	63	1	(6)	8	66
RSM Foundation	-	-	-	177	2	-	21	200
Kantor Fund	-	-	-	81	201	(186)	-	96
Thompson Fund	-	-	-	-	100	(21)	-	79
Various Funds with balances of less than £50,000	384	99	483	954	158	(65)	61	1,108
Totals	1,757	464	2,221	3,042	551	(448)	185	3,330
2020 comparatives	2,233	(476)	1,757	2,970	571	(305)	(194)	3,042

RESOURCES EXPENDITURE

Details of the major funds (income or balances over £100,000) are as follows:

- Ellison-Cliffe Lecture – To fund an annual lecture on fundamental sciences in advancement of medicine.
- Finzi Bequest – To fund purposes for the benefit of the Section of Radiology, including an annual lecture.
- Louis Forman Fund – To fund dermatology research with a view to publication and a prize awarded by the Dermatology Section.
- Jephcott Lecture – To fund a series of lectures on a scientific and/or medical subject. Surplus income is available to be applied for other education purposes, with priority to science and medicine.
- Rank Fund – The capital and income to be used to fund audio-visual content, in particular e-learning.
- Smith Kline French Fund – The income to be used for speakers' travel/accommodation expenses and foreign business travel expenses of RSM representatives.
- Stevens Fund – To fund the advancement of medical knowledge by the general public and to promote a closer understanding between the general public and the medical profession.
- RSM Foundation – To fund the Hewitt and Frohlich awards, and cover costs of administration of these funds. Remaining funds can be used for the RSM's general charitable purposes of Medical Education.
- Kantor Fund - To support the RSM's library and heritage assets.
- Richard Kovacs Fund – To fund a triennial lecture/visiting professorship organised by the Section of Rheumatology and Rehabilitation.
- Thompson Fund - To support the RSM's charitable activities.

21 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

GROUP	Unrestricted funds	Designated funds	Endowment funds	Restricted funds	Total funds
2021	£000	£000	£000	£000	£000
Tangible fixed assets and heritage assets	-	20,944	-	-	20,944
Fixed asset investments	1,691	162	2,221	1,549	5,623
Current assets	12,185	1,660	-	1,781	15,626
Current liabilities	(3,273)	-	-	-	(3,273)
Liabilities due after more than one year	(3,494)	-	-	-	(3,494)
Provisions for liabilities and charges	-	-	-	-	-
Group net assets	7,109	22,766	2,221	3,330	35,426

Notes to the financial statements. (continued)

2020	Unrestricted funds £000	Designated funds £000	Endowment funds £000	Restricted funds £000	Total funds £000
Tangible fixed assets and heritage assets	-	22,112	-	-	22,112
Fixed asset investments	1,510	146	1,757	1,364	4,777
Current assets	11,792	1,656	-	1,678	15,126
Current liabilities	(3,757)	-	-	-	(3,757)
Liabilities due after more than one year	(862)	-	-	-	(862)
Provisions for liabilities and charges	(53)	-	-	-	(53)
Group net assets	8,630	23,914	1,757	3,042	37,343

CHARITY

2021	Unrestricted funds £000	Designated funds £000	Endowment funds £000	Restricted funds £000	Total funds £000
Tangible fixed assets and heritage assets	-	20,944	-	-	20,944
Fixed asset investments	1,691	162	2,221	1,549	5,623
Shares in subsidiary companies	2	-	-	-	2
Current assets	11,636	1,660	-	1,781	15,077
Current liabilities	(2,949)	-	-	-	(2,949)
Liabilities due after more than one year	(3,494)	-	-	-	(3,494)
Provisions for liabilities and charges	-	-	-	-	-
Group net assets	6,886	22,766	2,221	3,330	35,203

2020	Unrestricted funds £000	Designated funds £000	Endowment funds £000	Restricted funds £000	Total funds £000
Tangible fixed assets and heritage assets	1,168	20,944	-	-	22,112
Fixed asset investments	1,510	146	1,757	1,364	4,777
Shares in subsidiary companies	2	-	-	-	2
Current assets	10,821	2,824	-	1,678	15,323
Current liabilities	(3,447)	-	-	-	(3,447)
Liabilities due after more than one year	(862)	-	-	-	(862)
Provisions for liabilities and charges	(53)	-	-	-	(53)
Group net assets	9,139	23,914	1,757	3,042	37,852

22 FINANCIAL COMMITMENTS

(i) Operating leases

The total of future minimum rentals payable under non-cancellable operating leases at 30 September 2021 is £nil (2020: £nil).

(ii) Capital commitments

Capital expenditure contracted for, but not provided in the financial statements, was £nil (2020: £215k).

Notes to the financial statements. (continued)

23 SECTION FUND BALANCES AND ACADEMIC FUND

Under the Section Finance Guidelines adopted by the Society's Council in 2009-10, the financial results of Sections' meeting programmes are shared with the Academic Fund (designed to fund academically strong but financially weak sections) with the balance available to the Section to spend in accordance with the Society's educational charitable objectives.

All such balances are held as designated funds, as scheduled below.

Section	Year-end balance £	Section	Year-end balance £
Anaesthesia	26,609	Oncology	24,349
Cardiology	119,473	Occupational Medicine	7,479
Cardiothoracic	2,139	Open section	6,104
Clinical Forensic & Legal Medicine	12,492	Ophthalmology	87,356
Clinical Immunology & Allergy	30,033	Oral & Maxillofacial Surgery	1,411
Clinical Neurosciences	17,029	Orthopaedics	88,953
Coloproctology	19,809	Otology	21,024
Comparative Medicine	584	Paediatrics & Child Health	105,731
Critical Care	19,715	Pain Medicine Section	20,464
Dermatology	118,031	Palliative Care	43,691
Digital Health	46,652	Pathology	25,606
Emergency Medicine	14,433	Patient Safety	20,090
Endocrinology & Diabetes	39,324	Plastic Surgery	20,128
Epidemiology & Public Health	(2,116)	Psychiatry	24,781
Food & Health Forum	15,132	Radiology	121,034
Gastroenterology & Hepatology	18,876	Respiratory Medicine	58,147
General Practice with Primary Healthcare	6,283	Retired Fellows	19,570
Geriatrics & Gerontology	1,552	Rheumatology & Rehabilitation	12,185
History of Medicine	13,733	Sexuality & Sexual Health	11,014
Hypnosis & Psychosomatic Medicine	18,913	Sleep Medicine	22,247
Intellectual Disability	3,702	Sport & Exercise Medicine	12,085
Laryngology & Rhinology	23,031	Student Members	33,894
Maternity and the Newborn	10,077	Surgery	7,174
Medical Genetics	7,896	Trainees	16,216
Military Medicine	13,612	Urology	62,064
Nephrology	33,002	Vascular, Lipid and Metabolic Medicine	29,311
Obstetrics & Gynaecology	2,001	Venous Forum	13,995
Odontology	(9,032)	Total Section Funds	1,539,088
		Total Academic Fund	50,000

24 RELATED PARTY TRANSACTIONS

The Society has considered the disclosure requirements of the SORP for charities and FRS 102 'Related Party Disclosures' and believes that there are such transactions during this financial year.

During the year, sales of £22k (2020: £559k) were made on normal trading terms by RSM Commercial Services Limited to the parent Charity. In addition, RSM Commercial Services Limited made recharges for other services of £218k (2020: £nil) to the Charity and the Charity made recharges of £385k (2020: £582k) to RSM Commercial Services Limited.

At 30 September 2021, £1,659k (2020: £408k) was owed by RSM Commercial Services Ltd to the charity.

As stated in Note 1, Significant judgments and key sources of estimation uncertainty on page 52, notwithstanding the measures put in place to support Commercial Services, there is a risk that the impact of COVID-19 and other factors may affect the speed of recovery of the conferencing and hospitality business and it has been deemed prudent to provide fully against the amounts due from RSM Commercial Services Ltd in the accounts of the Charity. There is no impact of this provision on the accounts of RSM Commercial Services Ltd or the group accounts.

RSM Sections and their Presidents.

Section	President 2021-22	President 2020-21
Anaesthesia	Dr Wim Blancke	Dr Samantha Shinde
Cardiology	Dr Sukhjinder Nijjer	Dr Sukhjinder Nijjer
Cardiothoracic	Mr Aziz Momin	Mr Aziz Momin
Clinical Forensic & Legal Medicine	Dr Bernadette Butler	Dr Helena Thornton
Clinical Immunology & Allergy	Dr Chris Rutkowski	Dr Chris Rutkowski
Clinical Neurosciences	Dr Alistair Purves	Dr Bridget MacDonald
Coloproctology	Professor Steven Brown	Professor Sue Clark
Comparative Medicine	Dr David Danson	Dr Martha Bower
Critical Care Medicine	Dr Peter Shirley	Dr Peter Shirley
Dermatology	Dr Daniel Creamer	Dr Christopher Harland
Digital Health	Dr Tim Ringrose	Mr Loy Lobo
Emergency Medicine	Dr Laurence Fitton	Dr Laurence Fitton
Endocrinology & Diabetes	Dr Stella George	Professor Ketan Dhataria
Epidemiology & Public Health	Professor Maggie Rae	Professor Gabriel Scally
Food & Health Forum	Dr Leigh Gibson	Mr Anthony Mander
Gastroenterology & Hepatology	Dr Robert Logan	Dr Joel Mawdsley
General Practice with Primary Healthcare	Mrs Jeshni Amblum-Almer	Dr Andrew Papanikitas
Geriatrics & Gerontology	Dr Pandora Wright	Dr Pandora Wright
History of Medicine Society	Professor Sean Hughes	Professor Tilli Tansey
Hypnosis & Psychosomatic Medicine	Dr David Kraft	Dr Deborah Mairs-Houghton
Intellectual Disability Forum	Professor Regi Alexander	Professor Regi Alexander
Laryngology & Rhinology	Mr Michael Kuo	Mr Guri Sandhu
Maternity and the Newborn Forum	Dr Panicos Shangaris	Mrs Roxane Chamberlain
Medical Genetics	Dr Shwetha Ramachandrappa	Dr Sarah Rae
Medicine and Society	Mr Jonathan McKee	Dr Robina Shah
Military Medicine	Colonel Julian Woodhouse	Colonel Julian Woodhouse
Nephrology	Dr Stephen McAdoo	Dr Stephen McAdoo
Obstetrics & Gynaecology	Miss Sadaf Ghaem-Maghani	Dr Sangeeta Agnihotri
Occupational Medicine	Dr Michael Goldsmith	Dr Lisa Curran
Odontology	Dr Aditi Desai	Dr Deborah Bomfim
Oncology	Professor Christopher Nutting	Professor Michael Seckl
Ophthalmology	Mr Larry Benjamin	Mr Larry Benjamin
Oral & Maxillofacial Surgery	Mr Andrew Hobkirk	Mr Mehmet Manisali
Orthopaedics	Mr Michael Pearse	Mr Rajarshi Bhattacharya
Otology	Mr Jeremy Lavy	Mr Philip Robinson
Paediatrics & Child Health	Dr Philippa Stilwell	Dr Margarita Burmester
Pain Medicine	Dr Sibtain Anwar	Dr Sibtain Anwar
Palliative Care	Dr Libby Sallnow	Dr Libby Sallnow
Pathology	Professor Mary Sheppard	Professor Amit Patel
Patient Safety	Mr Tarik Amer	Moirá Durbridge
Plastic Surgery	Mr Naveen Cavale	Mr Naveen Cavale
Psychiatry	Professor Henrietta Bowden-Jones	Professor Henrietta Bowden-Jones
Radiology	Dr Graham Robinson	Dr Cynthia Gupte
Respiratory Medicine	Dr Neeraj Shah	Dr Neeraj Shah
Retired Fellows Society	Dr Jeffrey Rosenberg	Dr Richard Lansdown
Rheumatology & Rehabilitation	Dr Helen Cohen	Dr Helen Cohen
Sexuality & Sexual Health	Mr Matt Broadway-Horner	Dr Huda Taha
Sleep Medicine	Dr David O'Regan	Dr Kirstie Anderson
Sport & Exercise Medicine	Dr Daniel Brooke	Dr Daniel Brooke
Students	Mr Papakas Wijeyendram	Mr Aleksander Dawidziuk
Surgery	Mr Joe Ellul	Mr Joe Ellul
Trainees	Dr Bernard Ho	Dr Barry McHugh
Urology	Professor Seshadri Sriprasad	Professor Justin Vale
Vascular, Lipid & Metabolic Medicine	Professor Saroj Das	Professor Saroj Das
Venous Forum	Mr Manjit Gohel	Mr Ian Franklin

Contacting the RSM

Chief Executive's Office	+44 (0)20 7290 2900	paceo@rsm.ac.uk
Membership Queries	+44 (0)20 7290 2991	membership@rsm.ac.uk
Library Enquiries	+44 (0)20 7290 2940	library@rsm.ac.uk
Attending a Meeting	+44 (0)20 7290 2991	events@rsm.ac.uk
Restaurant Reservations	+44 (0)20 7290 2957	restaurant@rsm.ac.uk
Domus Reservations	+44 (0)20 7290 2960	domus@rsm.ac.uk
Finance Department	+44 (0)20 7290 2914	finance@rsm.ac.uk

