

Annual Report 2019

PAST PRESENT FUTURE

Making it better



THE ROYAL COLLEGE
OF SURGEONS OF
EDINBURGH

TOGETHER WE'RE MAKING IT BETTER FOR PATIENTS, PRACTITIONERS & THE ENVIRONMENT

For over 500 years, Fellows and Members of the Royal College of Surgeons of Edinburgh have revolutionised surgical and dental practice and radically improved patient care. As one of the oldest Royal Surgical Colleges in the world, we are proud of our heritage and reputation for innovation. Today, the past continues to drive our commitment to making it better for our patients, practitioners and the environment, and inspires us to lay the foundation for continued success and achievement in the decades ahead.



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Related entities

In 2019, the College had four related entities as follows:

Hill Square Educational Trust (HSET)

Company Number SC366348
Charity Number SC028302

A private company limited by guarantee, established to run the educational and examination activities of the College. HSET is also a registered charity.

Surgeons Lodge Limited (SLL)

Company Number SC256751

A private company limited by shares, established to run the commercial activities of the College, primarily the hotel and the commercial events business.

Surgeons Hall Trust (SHT)

Company Number SC233409
Charity Number SC033387

A private company limited by guarantee to run the heritage aspects of the College. SHT is a registered charity and currently dormant.

RCSEd Malaysia Sdn. Bhd.

(1255044-A)

A private company limited by shares incorporated in Malaysia, established to run the activities of the College's International Office.

27,445 **5%**

With Members in over 100 countries worldwide

membership increase across all categories

96%

Membership retention

135

outreach events delivered to over 10,000 participants



Reference and Administrative information

Charity Number: SC005317
Royal Charter Number: RC000466
Principal Office: 18 Nicolson Street, Edinburgh, EH8 9DW
Patron: HRH The Prince Philip, Duke of Edinburgh, KG KT

Court of Regents

Professor George Borthwick CBE
 Mr Robert Carr
 Professor Sir Ian Kennedy QC
 Dr C H Leong
 Professor Arthur Li
 Professor Walter Nimmo CBE
 Mr Bruce Minto OBE
 Lady Susan Rice DBE
 The Rt Hon The Lord Smith of Kelvin KT CH
 Dr Julia Walsh PhD

President

Professor S M Griffin OBE

Vice-Presidents

Professor R Parks
 Mr P Rajesh

Honorary Secretary

Dr J Evans

Honorary Treasurer

Mr JNA Gibson

Council Members

Mr C Caddy (from 15 November 2019)
 Mr S Clark
 Mr R Currie
 Mrs V Dobie
 Professor S Frostick (up to 15 November 2019)
 Mr T Graham
 Mr S Gupta
 Mr I Hawthorn (from 15 November 2019)
 Dr S Kumar
 Professor F McDonald
 Ms C McNaught (from 15 November 2019)
 Mr A Nassef
 Miss A Paisley
 Professor R Paton
 Mr Z Raza (from 15 November 2019)
 Mr D Riding
 Professor P Turner (from 15 November 2019)
 Mr S K Vittal (up to 15 November 2019)
 Professor A Watson
 Professor J Wilson

Other College Officials Convener of Examinations

Mr I Hawthorn

Wade Professor and Convener of Education

Mr C Selvasekar

Dean of the Faculty of Dental Surgery

Professor F McDonald

Surgical Director of the Regional Advisory Network

Mr S Backhouse (until 15 November 2019)
 Mr M Silva (from 15 November 2019)

Chairman of the Faculty of Pre-Hospital Care

Professor D Lockey

President of the Faculty of Sport and Exercise Medicine

Dr J Etherington OBE

Surgical Director of the Faculty of Surgical Trainers

Mr C McIlhenny (up to 22 March 2019)
 Mr D O'Regan (from 22 March 2019)

Lead of the Faculty of Perioperative Care

Mr C Auld

Dental Director of the Faculty of Dental Trainers

Dr S Manton

Chair of the Faculty of Remote and Rural Healthcare

Dr A Fraser (up to 18 October 2019)
 Dr C R Moen (from 18 October 2019)

Senior Management Team

Chief Executive

Ms A Rooney (until 01 November 2019)
 Mr A J Oxford (Interim) (from 01 November 2019)

Deputy Chief Executive

Mr A J Oxford (until 31 October 2019)
 Mr D McArthur (Interim) (from 14 February 2020)

Deputy Director of Finance

Ms E Boulton (from 18 November 2019)

Director of Finance

Mr A J Oxford

Director of Professional Activities

Mr D McArthur

Human Resources Manager

Miss H MacDonald

Head of Birmingham Operations

Mr C Sanderson

Commercial Director

Mr S Mitchell

Director of Marketing and Communications

Mrs J Cutting (from 01 April 2019)

Director of Membership, Marketing and Communications

Mrs J Cutting (from 13 September 2019)

Director of Heritage

Mr C Henry

Director of Development and Partnerships

Mr M Stitt

Director of Faculties and Governance

Mr D Thompson

Director of Membership Services

Ms A Finkel-Gates (until 13 September 2019)

Professional Advisers

Lawyers

Turcan Connell
 Princes Exchange
 1 Earl Grey Street
 Edinburgh
 EH3 9EE

Bankers

Royal Bank of Scotland
 30 Nicolson Street
 Edinburgh
 EH1 2ET

Auditors

Chiene + Tait LLP
 Chartered Accountants and
 Statutory Auditor
 61 Dublin Street
 Edinburgh
 EH3 6NL

A YEAR OF CONTINUED GROWTH & SUCCESS

2019 was my first full year as President and I am proud of all that we achieved together. We made great progress across a variety of areas and activities, which has resulted in the College changing for the better. We have become more forward thinking and agile and are continuing to introduce new ways of delivering tangible benefits to our Members and Fellows.



I have always believed that you are only as good as the people you work with. I would like to take this opportunity to thank all our hard working College staff, Council Members, Committee members and Examiners around the world for their support and dedication throughout 2019 and into 2020.

Professor S Michael Griffin OBE
President of the Royal College of Surgeons of Edinburgh

The year of this Annual Report, 2019, was my first full year in Office and I have to say that I enjoyed it greatly. We have made a great deal of progress on many fronts and the College has changed for the better. We have become more forward thinking and agile and are introducing new ways of delivering tangible benefits to you, our Members and Fellows.

Many of the new practices, systems and processes we developed in 2019 positioned us very well to cope with the crisis that emerged in the start of 2020. For example, we were able to move our colleagues to working from home very quickly and before the lockdown which meant that we found it easier than most to continue to serve our Members and Fellows at this most difficult time.

To support our Members and Fellows during the outbreak of COVID-19, many of whom are working on the front line, we quickly increased the number and frequency of our webinars and brought together the great minds of our profession from all our

Faculties to discuss the key issues on how to deal with the effects of this pandemic. We have also lobbied government and raised awareness for the key issues facing the surgical and dental community during this crisis. Amongst the most important of these issues was around the guidance on using PPE and we took a leading position in pushing for guidance issued by Public Health England to be revised to create more security for our colleagues on the front line. We have also worked closely with the Presidents of the other Royal Colleges and General Surgery Associations to develop our own guidance for Surgeons, Dental Surgeons and theatre staff who are working in theatre during the outbreak.

This guidance was widely praised by all those working in and around theatre at the time. I would like to take this opportunity to thank all our hard-working staff, our Council Members, committee members and examiners around the world for their support and dedication throughout 2019 and into 2020.

As we move into a 'new world' we can look back on the successes of 2019 and be reassured that the steps we took last year will undoubtedly help us as we navigate this new future.

We continued to develop our patient safety work creating an online hub for useful resources for bringing together the work of various organisations in one place. On World Patient Safety day 2019 we were trending #1 on Twitter. Patient safety is at the heart of everything we do, and we have developed a new campaign 'Making it better for everyone' to develop many strands of our important work to do just that. Our 'Let's remove it' campaign continues to raise awareness and encourage changes in behaviour across our sector.

We have continued to encourage more medical and dental students into surgery with our Surgical and Dental Skills Competitions. It is always a highlight of my year to present the winners of these hard-fought competitions and these young men and women are the life blood of our

profession and we look forward to seeing their career develop. We are very grateful to our sponsors Medtronic (for surgical skills) and Dentsply (for dental skills competition) who support us financially and with equipment and enthusiastic people who encourage and cajole our candidates in the 20 heats across the country.

2019 also saw a great deal of activity in each of our very important committees and groups. Our Trainees Committee, ably led by David Riding, has worked hard to lobby on behalf of Trainees at this their most important stage of their career. Our Younger Fellows group has built ties with its Australian and Hong Kong counterparts to share best practice and experiences. Our Senior Fellows group continued to meet and support each other and the College and to give of their time to many aspects of the College. I was particularly proud to work with the Chair of our Senior Fellows group to ensure that they were well supported during the Coronavirus.

244

exam diets delivered globally

183

courses delivered in the 2019 educational portfolio

35

exam types

5,409

surgical & dental examination candidates

SIGNIFICANT ACHIEVEMENT & GROWTH

2019 was a highly successful year for the College with positive results in all areas encompassing the College, our Museum and our commercial arm, Surgeons Quarter. In every activity we developed the richness of our offer and improved our processes to provide better services for our Members and Fellows, visitors and hotel and event guests.



I took the helm as Interim Chief Executive in November 2019 and continued to drive the momentum established in furthering our strategic mission, vision and aspirations. I would like to thank all our colleagues and the Council for the support they gave me as I made the transition from Deputy Chief Executive.

Anthony J Oxford
Interim Chief Executive,
the Royal College of Surgeons of Edinburgh

2019 was a very successful year for the College with success in all areas of the College, our Museum and our commercial arm Surgeons Quarter. In every activity we have been developing the richness of our offer and improving our processes so that we can bring a better service to our Members and Fellows, our visitors and our hotel and event guests.

This year saw major advances in our Business Transformation Project (BTP), a project designed to bring all our systems together in one place to simplify the management of information, transactions and to provide a more personalised approach to engagement and communications with our Members and Fellows.

Our Examinations team continue to increase the number and location of exams across the globe while maintaining the exceptional high quality for which we are renowned. The Edinburgh name is an important mark of standards which is recognised worldwide. Likewise, our Education team continues to support

Surgeons, Dental Surgeons, Surgical Care Practitioners and Dental Care Practitioners through their career path with courses held in specialist subjects which can help them progress to Examination. Our webinars have been extremely successful this year with an increase in subjects covered and participants.

Our commitment to support the career paths of all our Faculties has come through in an increase in membership of 5% across all categories. Membership retention continues to be high at 96%.

This year also saw our best visitor numbers for the Museum with over 87,000 visitors from across the globe. This was very reassuring as we began to crystallise our plans to build another exhibit, Body Voyager, which would see a significant expansion of the Museum. Body Voyager is to be an interactive exhibition designed to take people through the history of surgery and project the possible new futures.

In September 2019 we held the launch of our International Strategy in our offices in Kuala Lumpur, Malaysia. Yang di-Pertuan Besar of Negeri Sembilan, HRH Tuanku Muhriz Ibni Almarhum Tuanku Munawir, Royal Chancellor of Universiti Kebangsaan Malaysia (UKM) and Honorary Fellow of RCSEd, presided over the event and presented the final strategy to a very enthusiastic audience of journalists and clinicians. Our Vice President, Pala Rajesh has led on the development of an international strategy with the mission of developing professional standards, education and examination in as many countries as we can throughout the world. On the same day back in London we held the launch of the new Faculty of Remote and Rural Healthcare. This is an exciting time for the Faculty as it looks to develop a set of inclusive professional capabilities which are applicable to remote and rural healthcare practitioners, regardless of location. We already have an enthusiastic membership and a very supportive group of sponsors and key stakeholders. I look forward to seeing this important Faculty develop in the years to come.

Our Faculty of Perioperative Care held a very helpful and well attended conference in Birmingham at the end of the year. We are keen to support as many of the Surgical Care Practitioners as we can. They provide a much-needed support in theatre and are a vital part of the Surgical team for many specialities.

I am also extremely proud of the progress of Surgeons Quarter, our commercial arm. Our hotel, Ten Hill Place, has been listed the top eco-friendly hotel in Edinburgh. Following the recent refurbishment, and supported by excellent service and reputation, they have achieved the highest occupancy level ever this year at 87.8%.

So, 2019 was an extremely successful year for us. I took the helm as Interim Chief Executive in November 2019 and continued to drive the momentum. I would like to thank all our colleagues and the Council for the support they gave me as I made the transition from Deputy Chief Executive. As I write, the world is facing one of the worst pandemics in history with COVID-19. It has changed the vast majority of people's

lives right across the globe. Over 60m people, at the time of writing, are in some form of lockdown, changing their everyday lifestyles, the consequences of which could change the fortunes of businesses in all sectors everywhere. The fall out of the economic downturn will have lasting effects which will take years to turn around.

As a College, we are continuing to support our Members and Fellows as they themselves face the crisis. Our recent successes have made us strong and agile and so we are able to adapt to the new world that COVID-19 has created.

87,000

museum visitors from across the globe

87.8%

occupancy of Ten Hill Place, Surgeons Quarter





7

College Faculties engaged in events & activities

2,331

global affiliations

One of the world's oldest Royal Surgical Colleges, the Royal College of Surgeons of Edinburgh is founded on enduring principles of providing the best possible patient care wherever our expertise is needed. Over 500 years later those principles continue to guide our approach, activities and advocacy.

VISIONARY PIONEERS, WE HAVE BEEN MAKING IT BETTER SINCE 1505.

Making it better by

ADVOCATING PATIENT SAFETY

Renowned as a global healthcare leader, the Royal College of Surgeons of Edinburgh is proudly rooted in the past yet progressive in our vision and scope. As we face the fast changing healthcare challenges of the 21st century, we continue to champion the highest standards of surgical and dental practice for the benefit of all patients.

ESTABLISHING BEST PRACTICE

From patients to practitioners, the environment to sustainability, we are committed to making it better for everyone who relies on our expertise and work to deliver healthcare across all needs in every setting. Today, our thriving global network attracts a worldwide membership of over 27,000 professionals at every stage of their career.

RECOGNISING EXCELLENCE

2020 is the 150th anniversary of James Young Simpson who discovered the anaesthetic effects of chloroform. He is just one of many men and women who as Members and Fellows of the College have transformed medicine and patient care over the centuries. Today, we continue to invite and attract the best young students and practitioners to follow in their footsteps and forge their own path.



15,000

Over 15,000 UK
Members & Fellows

11,000

Over 11,000
international Members

OUR HOLISTIC APPROACH IS MAKING IT BETTER FOR PATIENTS AND OUR WORLD.

The College's celebrated past and world-class experience offer a unique platform and springboard for driving future achievements. Today we continue to spearhead a range of groundbreaking initiatives that harness new technologies and pioneering thinking.

Making it better by

SUPPORTING CAREER DEVELOPMENT

The Royal College of Surgeons of Edinburgh is committed to upholding the highest levels of professional standards through the high quality and exacting standards of education, examination, training and CPD. Our priority is achieving patient safety across the world by ensuring the workforce has been prepared and tested to deliver the highest level of care and expertise.

ENGAGING GLOBALLY

We work closely with our fellow Surgical Colleges worldwide to champion the highest level of professional standards in surgical and dental practice. We use our position to be the voice of the sector and influence healthcare policy in the UK. Our spread of Members and Fellows gives us an excellent perspective in developing services that offer maximum benefit.

PROMOTING PARTNERSHIP

In addition to our Edinburgh campus, we have a regional centre in Birmingham and an international office in Kuala Lumpur, Malaysia and have established productive partnerships globally to help us deliver better healthcare outcomes. Working as a team with a shared vision and determination strengthens our collective voice, significantly improves the safety of patients and encourages best practice on a worldwide basis.



Our Vision

To achieve the best possible outcomes for patients worldwide

Our Mission

The pursuit of excellence and advancement in surgical and dental practice through leadership, innovation and standard setting in education, training and continuing professional development

Our Aspirations We strive to be:

- Surgically excellent
- Patient-centred
- Membership-focused
- Globally active
- Visible, influential and relevant
- Sustainable
- The Friendly College

Today in our sixth century, we are a modern, thriving network of medical professionals, connecting a membership of over 27,000 professionals living and working in more than 100 countries together, to advance surgical and dental practices worldwide.

CONNECTING TO THE DIGITAL AGE IS MAKING IT BETTER FOR GENERATIONS TO COME.

Making it better by

BUILDING ON HISTORIC FOUNDATIONS

The College's headquarters are in Edinburgh, a city that has witnessed many healthcare advances and innovations, with many of our Members and Fellows leading the way. Lister who pioneered antiseptic surgery, Bell, who discovered the difference between sensory nerves and motor nerves and Simpson who found the anaesthetic properties of chloroform and changed childbirth for the better for women everywhere.

REACHING OUT & INSPIRING

Justifiably proud of our heritage and roots, today we see Edinburgh as a philosophy rather than a physical location. At the heart of that philosophy is innovation fuelled by an ongoing commitment to making it better for everyone. With more than 27,000 members across over 100 countries, the College continues to strive to deliver an outstanding level of support, service and training to all of our Members, Fellows and Affiliates across each of our seven Faculties.

SHARING EXPERTISE & EXPERIENCE

From our earliest days, the College has been at the forefront of furthering understanding, exchanging ideas and promoting surgical, medical and healthcare advances. We remain committed to providing access to the tools and resources that help meet the goals and objectives of our membership at every stage of their career, connecting minds in the digital age and harnessing the benefits.

We are proud of our diverse, global community of Members and Fellows. During 2019, the Membership team made huge strides in enhancing the membership experience.

MEMBERSHIP ENGAGEMENT GROWTH

MEMBERSHIP FIGURES

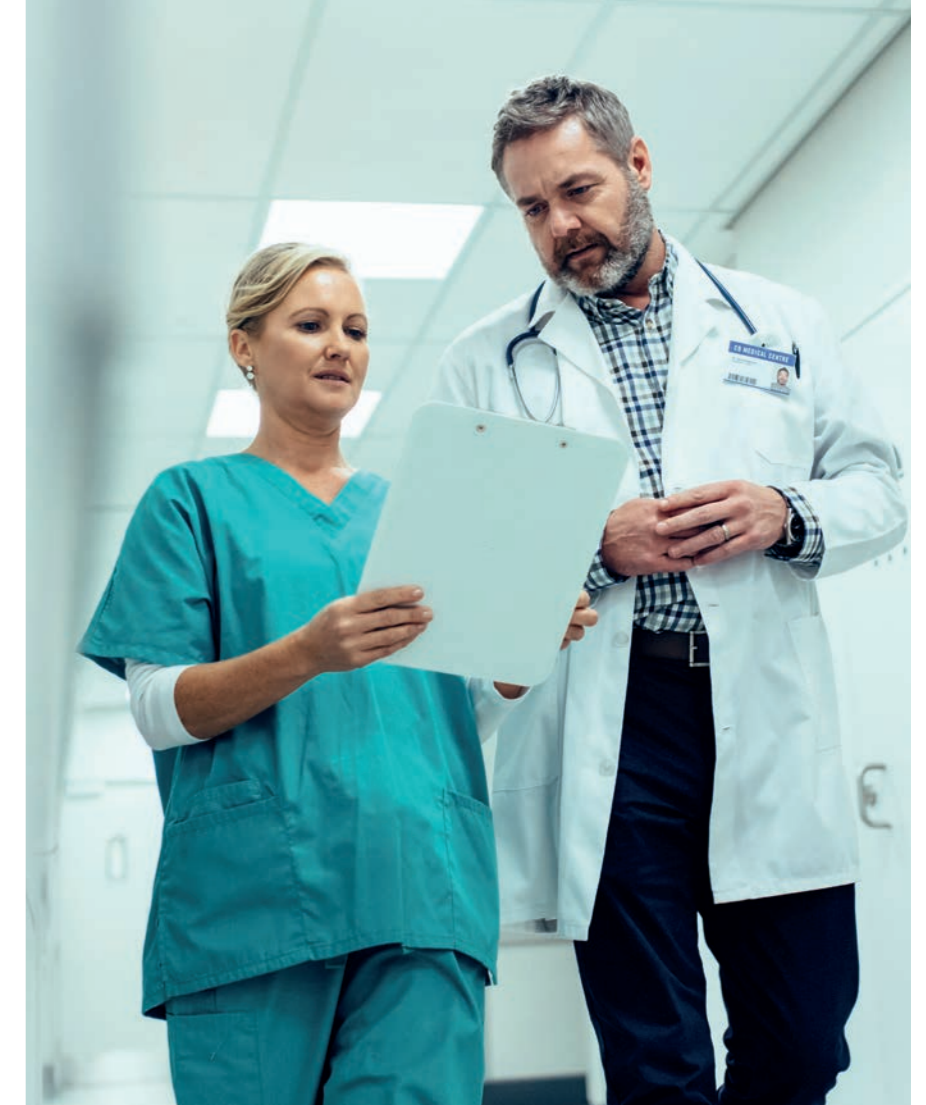
Scotland	2,502
England	11,313
Wales	677
Northern Ireland	613
International	11,339
Unspecified	1,001
Total	27,445

As of 31 December 2019, the total membership of the College reached 27,445, following the trend of previous years in maintaining a steady growth in membership tracking at just under 5%. We will carry this momentum forward and continue to make improvements to our levels of service, with all decisions made with the membership central to our thinking.

This growth has partly been boosted by a new membership relationship that welcomes candidates who have undertaken ophthalmology examinations in conjunction with the International Council of Ophthalmology (ICO).

Dental affiliate numbers dipped in 2019 as a result of skills competition participants coming to the end of their two-year affiliation cycle and start to transition towards becoming full members.

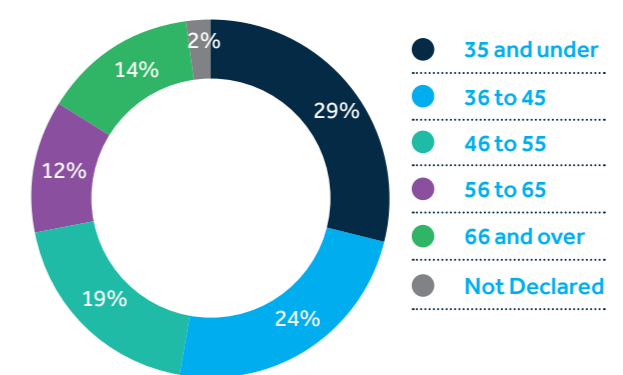
Our aim is to connect our worldwide membership, share ideas and best practice and engage with and encourage more graduates to take up roles in Surgery or Dental Surgery. We work to raise awareness that we provide a home for people practising Surgery, General Dental Surgery, Perioperative Care, Pre-hospital Care, Remote and Rural Health Care, Humanitarian Healthcare and Sport and Exercise Medicine.



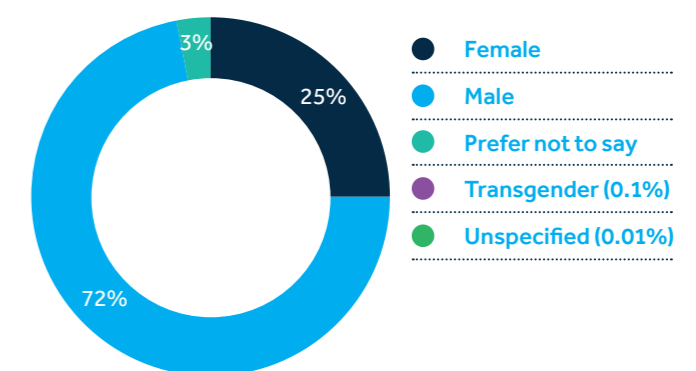
GROWTH OF MEMBERSHIP CATEGORIES

	2018	2019
Surgical Fellows	11,874	11,985
Surgical Members	4,962	5,656
Surgical Affiliates	1,210	1,513
Dental Fellows	1,299	1,371
Dental Members	4,238	4,639
Dental Affiliates	1,096	818

AGE PROFILE OF MEMBERSHIP



GENDER SPLIT OF OUR MEMBERSHIP







MEMBERSHIP MARKETING COMMUNICATIONS

Our role in the Membership, Marketing and Communications team is to engage with our Members and prospective Members across the world, delivering the most relevant information and content at the best time, in the right way. We utilise a range of effective communication channels, including the College's popular Weekly Digest, Surgeons News and website, PR and Social Media such as Twitter, Facebook, Instagram and LinkedIn.

We work closely with all other College departments, including Education, Examinations, Heritage, Development and Partnerships, Governance and Faculties, and with our colleagues in Surgeons Quarter, to understand what our Membership needs and wants to hear about to support their professional activities and aspirations. We manage all outreach work where we meet Members and potential Members at exhibitions, conferences and events across the globe.

FIGURES FOR OUTREACH ACTIVITY - 1 JANUARY TO 31 DECEMBER 2019

	 People engaged	 Number of events	 Cities/Towns	 Paid Affiliations
2016	10,660	121	40	273
2017	9,895	110	39	264
2018	10,786	145	57	556
2019	10,776	133	55	644



We also work closely with UK Surgical Societies to help spread the word about surgery and specialist dentistry amongst undergraduates in Medicine and Dentistry. Various groups, including Regional Surgical Ambassadors (RSAs), Regional Dental Ambassadors (RDAs), the Younger Fellows' Network, the Trainees' Committee and various College Faculties and Council Members, support our work.

To attract new, younger audiences, we hold National Skills Competitions every year, supported by our sponsors Medtronic for our Surgical Skills Competition and Dentsply for the Dental Skills Competition. Each competition runs 20 heats featuring 10 successful candidates, with the Grand Final held in March of the following year. Not only is the annual event tremendous fun for students, it also forms bonds with future Members and helps to encourage the next generation of surgeons and dental surgeons as they progress in their chosen profession.

This year we also worked with one of our Regional Surgical Ambassadors, Barney Green, to deliver a weekend of activity in Middlesbrough on the impact of knife crime

with the ambition of persuading young people to turn away from knife violence and consider surgery as a positive future. The two-day event gained an extremely high profile and attracted many representatives from the local council, social services, police and medical practitioners. We hope that this will be the first of many such events to show the benefits of our outreach programme.

Membership Growth

Our Membership has grown significantly again over the year from 26,171 in 2018 to 27,445 in 2019. This is in part due to the good work we have been doing to engage with new Affiliate Members and in part from our growth overseas, which included launching a new International Strategy in September 2019.

During 2019, the team actively developed our Membership offer and looked at how we can engage with our Members and potential Members in a more personal way. Towards the end of the year, there was also a sharp focus on our digital membership communications, highlighting the need to get the right message to the right people at the right time. As a result, we

have progressed new innovative ways of communicating with our Members, delivering content and information relevant to their field of expertise and subject interests. We believe this will increase engagement across the College and bring us closer together, working in unison to drive our shared goals and values throughout 2020 and beyond.

In addition, we experienced exciting digital growth in 2019, achieving a 15% year-on-year increase in website traffic. An encouraging sign of the efforts made by the team, this growth offers increased opportunities to highlight the College's unique offering and, in turn, helps encourage an increasing number of interested individuals to become a part of our Membership.

LOOKING AHEAD

The team have a busy year ahead with plans to build on the successes of 2019 and reach even higher. The emergence of COVID-19 has, of course, brought significant challenges for everyone at the College, disrupting normal activities to an extent. But while some plans have changed and been adapted to meet the current situation, our efforts remain on track and as strong in other areas.

E-learning webinars have provided a key opportunity to reach our Membership and deliver education in recent months. Working closely with the webinar team, we have been able to build strong promotion

and attendance. We will continue to work closely together to build on this success and strengthen this Membership benefit, which we believe will in turn attract and encourage more potential members to join us.

In the months ahead, the Membership, Marketing and Communications team will continue to work with all areas of the College to help promote awareness of and engagement with all key activities, building the College's public and professional profile and encouraging Membership growth worldwide.

The College's extensive portfolio of evidence-based educational programmes, courses, resources and conferences is developed, managed and delivered in consultation with subject matter experts across all surgical specialties.

EDUCATION ASSESSMENT ADVANCEMENT

	2019	
	DENTAL	SURGICAL
Candidates applied	1,467	3,942
UK	760	1,356
Overseas	707	2,586
Different exam types	18	17
Diets delivered	105	139
UK	50	46
Overseas	55	93
Locations	39	38
UK	16	11
Overseas	23	27
Examiner 'events'	240	6,148

Education

With a long-established reputation for quality, our educational portfolio undergoes continual evaluation to ensure that every event and resource is relevant and supports the needs and interests of surgeons at all stages of their career. The education department, via the Head of Education, is also responsible for unicolligate examination design and overarching quality assurance. The Education team supports a wide range of activities across the College, utilising their expertise in course and event design and delivery, curriculum design, educational quality assurance, e-learning and assessment.

Courses Delivered

All 183 courses in the 2019 College educational portfolio were reviewed against criteria for relevance, strategic priority and cost/income in order to make best use of available resources.

Courses continued to be run in a number of locations in the UK and internationally from our Edinburgh and Birmingham campuses. Overall, the number of courses delivered increased by circa 15% and delegate attendance increased by circa 19%.

Higher course occupancy (91%) for courses compared with the previous two years (76%), Seven new webinar series, including dental and surgical topics, were introduced with a higher webinar uptake (40%) compared with 35% the previous year.

A number of new courses were developed during 2019:

- Good Clinical Research
- IST Training Days
- Membership in Orthodontics Process Course
- Consultant Interview Skills
- Advanced Laparoscopic Skills Course

NUMBER OF COURSES/ SEMINARS

	2018	2019
UK	114	134
International	41	49
e-Learning Webinars	53	57
Overall Total	208	240

- Anastomotic Immersion Course (Pilot)

Course and Centre Accreditation

The Accreditation Team worked closely with the Accreditation Short Life Working Group in 2019 to review the accreditation service delivered by the Education Team. Ten courses were accredited during this transition period and new systems for accrediting UK Clinical Fellowships, Commercial Education programmes/ Centres and International Surgical Training Programmes were developed. These new systems will be piloted in 2020.

Skills Centre

The Skills Centre continues to deliver internal College courses and also supports the delivery of examinations, outreach and external events. 46 courses of the 183 courses in the College educational portfolio for 2019 were delivered using the expertise of the skills centre team. 6 external courses booked through Surgeons Quarter were supported and 10 exams/outreach events.

Examinations

The Examinations Team continued to provide quality examinations across the world. In 2019, 5,409 candidates were assessed across 35 different types of examinations in 244 diets globally. The Team ran intercollegiate, tri- and bi-collegiate examinations, specialty membership and exams for the College and its Faculties. These examinations serve the careers of the whole surgical and dental family, ranging from Joint Specialty Fellowships to Diplomas in Orthodontic Therapy and from ophthalmology to oral-maxillofacial surgery examinations, ranging from major surgical and dental Faculties to the smaller Faculty of Dental Trainers and Faculty of Pre-Hospital Care.

NUMBER OF DELEGATES

	2018	2019
UK	2,242	2,784
International	961	1,129
e-Learning Webinars	1,978	2,235
Overall Total	5,181	6,148

The co-ordinators in the College's surgical and dental exams teams organise and administer every aspect of our exams in the UK and internationally, dealing with candidates from their first exam application to results promulgation and arranging facilities for diets, including organising local, regional and international examiners. Our Question Bank Team co-ordinate the fulfilment of the respective banks of questions and compile, assure and produce question papers, scenarios and circuits for our examinations. They also deal with the results and outcome assurance process. In 2019, we established the Secretariat for the Tri-Collegiate Specialty Membership Examinations in Edinburgh, after winning the bid to host in 2018.

We also brought to fruition the collaboration with the International Council of Ophthalmology (ICO), which allows candidates to sit the ICO's new, enhanced examinations and apply for Membership with RCSEd. As a consequence of this collaboration, we have already attracted many hundreds of new members. We had expected to conduct the first diets of the new Fellowship examination in 2020 in India, Egypt, Hong Kong and the UK, but this aspiration was defeated by the coronavirus. Nonetheless, we hope to expand our venues exponentially over the coming years in order to serve our growing global ophthalmology membership. We remain hopeful that we will be able to run the first diet of the FRCSEd Ophthalmology in Edinburgh in December 2020.

In 2020, we had expected to become the first Surgical Royal College in the UK and Ireland to take the MRCS Part B OSCE to Pakistan for the first time. Again, this was prevented by the coronavirus pandemic. More positively, we expanded our list of

MRCS Part B OSCE UK venues to meet candidate demand. We were scheduled to take the Membership in Orthodontics to new and bigger venues in India, Egypt and the UAE in 2020, though it now looks unlikely to happen before 2021. We had also expected to launch new venues for the MFDS Part 2 OSCE in India and Myanmar and were expecting to begin offering endpoint assessments for Modern Apprenticeships in 2020, beginning with orthodontic therapists.

Psychometrics

Examination results undergo psychometric analysis by the College's team to monitor and uphold the quality and fairness of examinations. In 2019, the team continued its critical exam analysis work and undertook associated reporting for the College, the Joint Committee on Intercollegiate Examinations (JCIE), the Royal College of Physicians and Surgeons of Glasgow (RCPSG) and the Royal College of General Practitioners (RCGP). The College's psychometricians also contribute to the training of examiners and to providing guidance on examination design, question writing and standard setting.

In 2019, the team generated a total of 188 reports, with approximately half preliminary reports used to flag questions and stations prior to result ratification, and approximately half full psychometric reports, which include all essential statistics and recommendations for small improvements and/or review of the questions. As part of the exam analysis, they also offered high-level feedback to candidates to support them in their professional growth and development.

DENTAL SURGICAL

39 38

Locations
UK: 16 INT: 23
UK: 11 INT: 27



DENTAL



18 Different types of exams

DENTAL



388 Examiner events

DENTAL SURGICAL

1,467
3,948



Candidate applications across dental and surgical
UK: 760 INT: 707
UK: 1,356 INT: 2,592

SURGICAL



17 Different types of exams

SURGICAL



892 Examiner events

DENTAL SURGICAL



105 148

Diets delivered across dental and surgical
UK: 50 INT: 55
UK: 55 INT: 93

JCIE KEY FIGURES

22
(MCQ) examinations delivered by computer based testing to

1,226
candidates

Examination income
£670K

22
(Clinical/Oral) examinations delivered across the UK/Ireland to;
973
candidates

Examination income
£1,292K

JSCFE KEY FIGURES

10
(MCQ) examinations delivered by computer based testing to

746
candidates

Examination income
£387K

5
(Clinical/Oral) examinations delivered in Kuala Lumpur, Malaysia to;

270
candidates

Examination income
£481K



Joint Committee on Intercollegiate Examinations (JCIE)

The JCIE is the committee responsible to the Joint Surgical Colleges' Meeting (JSCM) for the standards, policies, regulations and professional conduct of the Intercollegiate Speciality Board Examinations. It is housed and run operationally by the College. JCIE had a very productive year, with its many achievements including the migration of the ten Section 1 and Section 2 question banks from the CERTS database to the Exam Developer platform.

JCIE successfully submitted the proposal to move to Single Best Answer only Section 1 examination to the GMC, receiving official approval on the 12 December 2019. Its Equality and Diversity reporting also confirmed that the diversity of the panels of question writers and examiners is

slowly improving to reflect the candidate population. Regular reporting also indicates an increase in female examiners, a rise of 6% across the 10 specialities from October 2015 to October 2019.

Joint Surgical Colleges Fellowship Examinations (JSCFE)

The JSCFE is housed and run operationally by the College and is responsible to the JSCM. Through HSET, the College partners with the three other UK surgical Colleges to deliver intercollegiate fellowship examinations designed for international candidates to be taken outside the UK.

The JSCFE has built on its effective working relationship previously established with the consultant body at both the National University of Malaysia (UKM) and the University of Malaya Medical Centre (UMMC) in Kuala Lumpur, with

four specialties holding their Section 2 examinations in the city in 2019.

Following approval gained by the JSCM for the development of the JSCFE in Otolaryngology, this was successfully launched in 2019, while development has been underway of the Examiner Briefing session into an International Examination Training Day.

A key strength of the Royal College of Surgeons of Edinburgh is the integration of seven sister Faculties and the encouragement and support it offers in engaging in all events and activities as part of what is proving to be a transformative and positive process.

LOOKING AHEAD

In 2019, following input from the Joint Committee on Surgical Training (JCST) and the Confederation of Postgraduate Schools of Surgery (CoPSS), approval was given by the four Colleges in UK and Ireland for a Harmonisation of Eligibility Criteria to align the examination entry requirements for national trainees and those not in training. The JCIE plan to roll this out by summer 2020.

There will also be a continuation of cross-specialty work on improving the candidate feedback available following Section 1 and Section 2 examinations. For Section 2, this is linked to the development of current Marking

JSCFE has observed that examiners who have full clinical and/or family commitments may find it difficult to use annual leave for attendance at overseas examinations. In response, the pool of experienced examiners has been increased for 2020 to ensure that capacity is not affected by limited examiner availability.

The JSCFE will also pursue the development of videos for the JSCFE website to inform applicants about the

Descriptors and the domains against which candidates are marked in the clinical and oral components.

The Section 1 Writing Groups will continue to focus on further development of the question banks to achieve at least 80% higher order questions for all specialties.

The JCIE and Individual Boards will continue to identify eligible Consultant colleagues for recruitment to the Panels of Question Writers and Panels of Examiners. Finally, in conjunction with RCSI, the JCIE will work on the development of an online Equality & Diversity module specific to examinations.

standard and formats of the examination. Boards will be encouraged to engage in the regular promotion of the JSCFE to ensure sustainability, with existing contacts and new international examiners supporting this activity. The first JSCFE in Otolaryngology Section 1 examinations were due to take place in March and November 2020 but will be rescheduled due to COVID-19.

A key strength of the Royal College of Surgeons of Edinburgh is the integration of seven sister Faculties and the encouragement and support it offers in engaging in all events and activities as part of what is proving to be a transformative and positive process.

FACULTIES INTEGRATION RESOURCES



FACULTY OF DENTAL SURGERY (FDS)

The Dental Faculty is well advanced in its integration into the College. The joint emphasis on membership numbers and benefits is steadily being adopted. There is no doubt that this is due to the introduction and implementation of the Dental Faculty Strategy, which is bringing contemporary needs into sharp focus. The next generation of dental practitioners will have unique demands and we will need to recognise and engage with these needs. The most notable of all is their change from work-life balance to life-work balance.

This internal change is also helped by clarifying our relationships with outside bodies, with crystallisation of this process focused on the external review of our assessments by the General Dental Council. This is well underway with the support of the professional staff of the College. Fortunately, the internal audit of assessments currently in progress,

and managed with existing practice and methodologies in mind, is systematically adapting assessment practices. Areas of concern have been identified, with measures and developments put in place to ensure we offer the most advanced clinical assessments worldwide.

Our membership is clearly growing, reflecting the value to society of our assessments. Significant in this area is the number of Members and Fellows who reside and work in England. The College is regularly contacted regarding consultations and guidelines by bodies south of the border, recognising the influence our Members and Fellows have in delivering care in England.

The focus of the Dental Team in all its facets is also being targeted with internal restructuring and focus on subject experts. This does not detract from the success of the supporting professionals who continue to develop their educational needs.

The UK's profile of dental registrants is changing, and we are continuing to develop Advisory Boards and diplomas to support this change in work demographics. Our major commitments are to international markets and a key development here is in structured development. This requires identification of need, financial planning and review of sustainability based on factual evidence. Clearly the resources will need to be developed to increase this review and provision of assessment and education.

Whilst there is external turmoil with world events and politics challenging our ethos, our unique traditions remain, helped especially by being the friendliest and probably most approachable College. As ever we have to remain alert to changes in world priorities.

Professor Fraser McDonald
Dean of the Faculty of Dental Surgery



FACULTY OF PRE-HOSPITAL CARE

During 2019, the Faculty revamped its membership structure to make it simpler for all, improve clarity of roles and keep costs steady. We introduced some further benefits during the year including free access to PHEMNET, the online portfolio that enables our members to record their clinical activity.

We also reconfirmed an electronic copy of our Foundation Material for each member. Perhaps these initiatives have in part led to the 20% increase in membership this year. Of the current membership 10% are Fellows, 50% practitioners and advanced practitioners and 40% are providers or advanced providers.

The Faculty's committees and working groups have been extremely busy in 2019 and have been involved in many areas of work including International collaborations and Expedition Medicine. There was an increase to 27 of the total number of courses applying for faculty endorsement through our Training & Standards Committee.

Pre-hospital exams continue to go from strength to strength due to the hard work and commitment of the teams supporting them. The number of examination candidates in 2019 was higher than in 2018, with 146 applications for the DIMC and 28 for the FIMC. The examiner cohort, who all work above and beyond each of their disciplines, underpins the sustainability of the pre-hospital exams. We are extremely grateful for their contribution.

Planning was well in hand for our Scientific Conference, which was to be held on the 17 and 18 March 2020 in Edinburgh, however was cancelled due to the COVID-19 pandemic.

Professor David Lockey
Chair of the Faculty of
Pre-Hospital Care



FACULTY OF SPORT & EXERCISE MEDICINE

An exciting year for the Faculty culminated in the decision to open up our ranks to the exercise professional community by offering membership to Exercise Rehabilitation Instructors. This marks the first step in our ongoing efforts to better reflect the multidisciplinary nature of the Sport and Exercise Medicine (SEM)/Musculoskeletal Medicine (MSK) community.

The Faculty also continued to develop its Moving Medicine project, launched in partnership with Public Health England and Sport England, by creating an extensive list of resources on the benefits of physical activity for the prevention and management of a wide range of conditions.

The project team also launched their first online course 'Active Conversations', which aims to help healthcare professionals have efficient and effective conversations about physical activity with patients.

The inaugural Moving Medicine conference, organised in collaboration with the National Centre for Sport and Exercise Medicine, took place on 23 May 2019, with a second event planned for April 2020 to be rescheduled due to COVID-19 lockdown.

Dr John Etherington OBE
President of the Faculty of Sport and
Exercise Medicine



FACULTY OF SURGICAL TRAINERS

The Faculty's membership continued to grow throughout 2019, increasing by around 10%. In addition to the UK, we now have members in 24 other countries. Following a significant planning exercise over the preceding 12 months, the FST was proud to host the International Conference on Surgical Education and Training (ICOSET) in Edinburgh in March 2019.

This was a key event attended by over 200 surgical educators and trainers from across the world, representing the largest attendance for ICOSET in recent memory. We explored and debated crucial issues related to the future of surgical training through engaging plenaries, breakouts and workshops.

Also in March 2019, we said farewell to the outgoing Surgical Director, Mr Craig McIlhenny, and recognised his very significant contribution to the successful development of the Faculty since its launch in 2016. At the same time, the Faculty welcomed me as his successor, and I have brought tremendous energy and enthusiasm to bear in leading the next stage of the Faculty's journey.

The Faculty's second major event of 2019 was its Annual Conference in October 2019. We welcomed a diverse group of education enthusiasts for a rigorous debate on run-through training and to consider ways of professionalising the surgical trainer. We were also delighted to award the inaugural FST Medal to Rachel Hargest for her contribution to surgical training in the UK.

The Faculty has wholeheartedly accepted a mission to encourage and lead the professionalisation of the role of the surgical trainer. Much of our work during 2019 has been focused on this goal. We will continue to plan to implement our strategies in this area during 2020, including through collaboration and partnership with like-minded organisations.

David O'Regan
[Director of the Faculty of Surgical Trainers](#)



FACULTY OF PERIOPERATIVE CARE

The Faculty of Perioperative Care (FPC) continues to expand and is gaining recognition throughout the UK for providing a membership structure, educational activities and leadership in setting standards for advanced non-medical practitioners in surgery.

RCSEd is represented through the Faculty on a range of national committees such as the Medical Associates Oversight Board (MAOB), established by HEE to provide an education and training pathway to statutory regulation for these practitioner groups. The decision by the government to grant statutory regulation to Physician Associates (PA), which was agreed subsequently by the GMC, but not to Surgical Care Practitioners (SCP), was challenged by the College and the Federation of Surgical Speciality Associations (FSSA). Although unsuccessful on this occasion there are plans to move towards an Intercollegiate Managed Voluntary Register (MVR) for SCPs, which has the approval of the College, FSSA and HEE with subsequent resubmission.

The guidance document Establishing Common Standards for CPD, Assessment and Appraisal for Medical Associates, co-authored by the FPC Lead and produced by MAOB, was approved by the HEE in 2019 for dissemination to all Trust and Health Boards in the UK.

In relation to education, courses such as PINTS were run throughout 2019 with excellent feedback, while newer courses including a key skills course for advanced practitioners have been developed.

Workshops on Surgical Assistance and Improving Patient Safety for the Surgical Team were run prior to the 5th Annual Conference Reshaping the Surgical Team: Integration of the Non Medical Practitioner into Surgery in Nov 2019. The Conference was well attended with over 100 delegates and the feedback has been very positive. In keeping with the College's commitment to providing a regular programme of surgical webinars, the Faculty planned to run a series of webinars for practitioners in Spring 2020.

Partnerships with universities running the MSc course for SCPs and with AFPP have been established. Following MSc, the College and the Society of Cardiothoracic Surgeons (SCTS) has developed the clinical exit exam for senior cardiothoracic SCPs, with the award of Faculty post-nominals being awarded to successful candidates. As the career pathway for medical associates progresses, this is likely to be a requirement across all surgical specialities.

Mr Charles Auld
[Lead for Faculty of Perioperative Care](#)



FACULTY OF DENTAL TRAINERS

The Faculty continued to grow in 2019, increasing its total number of Associates, Members and Fellows to nearly 250. Our membership is represented across 21 countries worldwide.

A number of significant milestones were achieved during the course of the year, including the formal launch and publication of the Faculty's Standards for Dental Trainers. These represent an important contribution to supporting the enhancement of patient care and safety by promoting the highest standards of training in dentistry and by supporting dental trainers in developing their roles.

The Faculty was pleased to attend the Scottish Dental Show in April 2019 and particularly proud to sponsor and support the award for Dental Trainer of the Year, recognising trainers who promote the highest standards of dental training, patient care and safety, and go the extra mile for their trainees.

Also during 2019, the Faculty developed a taxonomy for dental non-technical skills (DeNTS) with the aim of providing a means to effectively assess decision-making, leadership, communication and team working skills for dentists. Pilot schemes to test this tool are underway and ways of expanding the tool to other dental

disciplines are being investigated. It is anticipated that a relevant course for dental non-technical skills will be developed during 2020.

The Faculty's third Annual Meeting was held in Birmingham in November 2019. The topics, which were warmly received by delegates, included discussing and considering issues related specifically to mentoring, coaching and reflection.

Dr Sarah Manton
Director of the Faculty of Dental Trainers



FACULTY OF REMOTE & RURAL HEALTHCARE

The College formally launched the Faculty of Remote and Rural Healthcare (FRRH) in November 2018. The Faculty was established in response to the need identified within both industry and the public health arena to define, review and set standards of competence for organisations and medical and non-medical personnel delivering healthcare in remote and rural environments.

Our primary objective is to:

Improve the health outcomes of individuals living and working in remote and rural areas of the world.

Our vision is to:

Establish, promote and develop a diverse global community of healthcare professionals operating across public, private and third sectors within a number of diverse industries.

Our overarching goals are to:

Define, set and review standards; Examine and recognise competence in the remote and rural healthcare workforce;

Provide and accredit education that meets the needs of multiple stakeholders and environments;

Promote research, improvement and an understanding of supporting technology; and develop an inclusive, professional community of remote and rural healthcare providers.

The Faculty's focus for the initial three-year period of 2019 to 2021 will centre on establishment and development activities to ensure achievement of our vision and key objectives. Executive committee members, Faculty Development support staff and a number of volunteers have made considerable progress in establishing the foundations of the Faculty. 2019 saw the creation of our initial membership structure and considerable effort in the development of the remote and rural capabilities framework that will support and inform the creation of modular courses, examinations, accreditation of external courses and criteria for access to membership and fellowship of FRRH.

Since the Faculty's launch we have gained 79 individual members and 5 organisational members.

Key successes of 2019 have been the delivery of two hugely successful events to engage remote and rural stakeholders. The first was a business breakfast meeting held in London, while the second was a workshop seminar held at the College in Edinburgh. Each event was well attended by a diverse range of global leaders on remote and rural healthcare, with passionate participation and strong commitment to the objectives and vision of FRRH.

A key focus of the Faculty for 2020 will be the development of the capabilities framework that will form the basis of FRRH's professional, education and assessment offering to our membership.

The College actively engages with policy makers and opinion formers throughout the UK, lobbying on issues we believe affect both patient care and the professional wellbeing of our Members and Fellows.

Dr Carl Rikard Moen
Interim Chair of the Faculty of Remote and Rural Healthcare



PATIENT ADVOCACY PROFILE POSITIONING

During 2019, we again enacted structured and systematic engagement with key stakeholders throughout the UK around our key themes of workplace and workforce, thereby helping to reinforce the College's reputation as a forward thinking and innovative organisation.

In the run up to the 2019 General Election, the College produced a manifesto that set out our key asks for the incoming government.

Priorities included:

- Guaranteeing time for training and CPD.
- Ensuring key groups such as trainees, Specialty and Associate Specialists, and locum doctors have their specific needs recognised and dealt with.
- Ensuring Surgical Care Practitioners become regulated by the GMC.

We also continued to lead impactful campaigns such as our highly regarded anti-bullying campaign. As part of this ongoing initiative, a third national conference was held as well as a plethora of talks and

meetings with clinicians and policy makers throughout the UK. We also created an informal and growing alliance of different medical and healthcare organisations to share resources, ideas and work together to tackle the myriad causes of workplace bullying. A document outlining the help available, endorsed and introduced by the Secretary of State for Health and Social Care, was produced and sent to every Trust and Health Board throughout the UK. Further collaborations and activities will be announced in 2020.

The College's work to improve and promulgate professional standards remains a key part of our external relations. During 2019, the Professional Standards Committee (PSC), chaired by Tim Graham, focused on a number of activities including Invited Reviews and Advisory Appointment Committees, increasing the College's involvement in audits and assessments and encouraging more Fellows to become involved in standards activity. By increasing the number and scope of services the College can offer, we were able to build further links with medical regulators, NHS inspectors, Trust and Health Boards, NHS

policy makers and medical educators. The PSC also advised the independent inquiry set up following the conviction of Ian Patterson and during 2020 will be doing more to reduce the risk of such cases from recurring.

Our Birmingham regional centre has seen a noticeable increase in the number of key partners using its facilities. These include Surgical Speciality Associations, medical regulators and NHS bodies such as the Association of Surgeons of Great Britain and Ireland, General Medical Council, COPSS, British Society for Surgery of the Hand and British Association of Oral and Maxillofacial Surgeons. This has given the College a tremendous opportunity to develop better relations with these key stakeholders, with whom we closely collaborate to organise exams and develop guidance and policy documents for the benefit of medical professions.

LOOKING AHEAD

In 2020, we will continue our efforts to ensure the safety of surgical patients. In close collaboration with the Education team, representatives from our Faculties and related areas, the Professional Standards Office and the Patient Safety Group, the College plans to develop and implement a range of initiatives and activities, including projects around workplace behaviours, mediation, team working fatigue and promoting patient safety. We will continue to respond to consultations, maintain our anti-bullying activities and develop new campaigns and collaborations that promote patient care, quality training and the professional interests of our Membership.

The College offers and delivers a wide range of international activities, events, courses and examination opportunities to its Members, Fellows and affiliates. The College also regularly welcomes visitors from across the globe on a continual basis.

INTERNATIONAL ACTIVITIES & STRATEGY

The College's International Surgical Adviser and Dental Ambassador networks provide locally focused support in countries and regions throughout the world. This work is supported by our dedicated staff in Edinburgh and in our international office in Kuala Lumpur. We offer opportunities for surgical trainees to come to the UK for part of their training, delivered by the International Deanery based in our Birmingham regional centre.

New International Strategy

In September 2019, the College launched our new International Strategy at the RCSEd international office in the Universiti Kebangsaan Malaysia (UKM) Surgical Skills Centre in Kuala Lumpur. The launch ceremony was officiated by Yang di-Pertuan Besar of Negeri Sembilan, HRH Tuanku Muhriz Ibni Almarhum Tuanku Munawir, Honorary Fellow of RCSEd, in his role as Royal Chancellor of UKM.

The launch showcased our commitment to deliver, promote and influence excellence and advancement in surgical practice and healthcare internationally. This will be done through leadership, innovation and the promotion of standards in education, training, examinations and continuing professional development. The event was attended by 50 invited guests including Malaysian Deputy Director General of Health, Ministry of Health Malaysia, Datuk Dr Rohaizat Yon.

Among our next priorities, we will focus on implementing the principals of the strategy across our international activity and driving our engagement with International Fellows, Members and Affiliates.

International Dental Ambassadors & Surgical Advisers Network Renewal

In 2019, the Dental Faculty rebranded its network of International Dental Advisers as Ambassadors. A new team of 14 Ambassadors based in 13 different countries worldwide was recruited to revitalise the network. Several of the Ambassadors attended a conference at the College in October 2019, which brought together the UK and International Ambassador teams to provide essential training and networking opportunities. Following this successful event, our Ambassadors are engaged in promoting College activity throughout their countries and regions.

In addition we have begun a drive to recruit a new team of International Surgical Advisers in line with the aims of our International Strategy. The recruitment process began in February 2020 with a closing date for applications of April 2020. The existing Adviser team will demit following the induction of the new appointees. The RCSEd Office Bearers thank them for their dedicated service to the College over recent years.

RCSEd International Office

The College's International office in Kuala Lumpur, Malaysia continues to go from strength to strength. The office assists with the hosting of the MRCS and MFDS examinations, and in 2019 we were delighted to hold the first international diet of the Membership in Sports and Exercise Medicine Part 1 Examination in Kuala Lumpur.

In addition to examination activity, the centre supports a range of educational courses for both surgical and dental

trainees. We hold regular networking events for the surgical and dental membership in the ASEAN region, and a highlight this year was our career day for surgical trainees attended by 77 delegates.

A key role for the office is to promote College activity in the region, attending networking events and conferences to spread the word about College activities and campaigns. Our international office was the ideal place to host the launch of our new International Strategy. The event included a well-received talk from Professor Angus Watson, the inaugural recipient of the College's Tuanku Muhriz Travelling Fellowship in Rural Surgery, on his experience of surgery in Borneo. We have been following up this successful Fellowship by initiating more anatomy courses and developing new partnerships, extending throughout Malaysia and to the wider ASEAN region.

In early 2020 we held the first interviews for applicants, to the College's international Deanery, for trainee surgeons wishing to train in the UK. The College planned to hold its first Diploma Ceremony in Kuala Lumpur in August 2020, for our Fellows and Members throughout Malaysia and beyond, but this has been postponed due to COVID-19.

BSS Cambodia

A special project for our international staff during 2019 was to support the College's inaugural Basic Surgical Skills Course in Cambodia. This project was funded by donations and grants from charitable sources and was delivered in collaboration with colleagues at the University of Health Sciences in Phomh Penh. Credentialed by the College, the not-for-profit course

offered surgical trainees from Cambodia the opportunity to enhance their clinical skills through an internationally recognised course. The course will be repeated in 2020 with the full support of the University of Health Sciences and local surgical trainers.

International Postgraduate Deanery

The International Postgraduate Deanery launched on 29 April 2019. This replaced the College's previous sponsorship schemes - the International Medical Graduate Sponsorship Scheme and the RCSEd International Surgical Fellowship Scheme - which closed on 31 May 2019.

The Deanery includes greater pastoral and training support for international medical graduates (IMGs) using the scheme, a 3-day induction at the College's Birmingham regional centre, and upon successful completion of training, an invitation to the RCSEd Diploma Day and use of the MIPDEd post-nominal.

The launch of the Deanery has attracted significant interest, including a 97% increase in the number of enquiries compared to the previous schemes. To date, 83 IMGs have started in post and we expect to welcome the first MIPDEds by the end of 2020.

DEVELOPMENT & PARTNERSHIPS COLLABORATION

The Development & Partnerships Office had a productive year with over £850,000 raised. International donations rose substantially and we are developing a strong network of global supporters.

We continue to focus on growth in surgical research and grants and have secured a range of professional development grants that will enhance the ability of our Members and Fellows to attend, learn and practise surgery in the UK and abroad.

Our collaboration with Royal Blind has been taken to a new level with an exciting new research collaboration that will have lasting implications for those suffering from sight loss. This will be the largest collaboration of its kind in the College's history.

We have launched a new Legacy campaign, which will allow us to develop longer-term income streams that are crucial to fulfilling the College's ongoing ambitions. Our Body Voyager Campaign has reached the halfway point of our target, with major support from funders such as the Wolfson Foundation. 2020 will see a focus on our international ambitions as we look to build relationships and partnerships in education and research. We would like to extend our sincere thanks to our supporters for their generosity and vision throughout 2019 and beyond.



HERITAGE CURATION ENGAGEMENT



The College's Heritage Department continues to exceed expectations. The events programme at Surgeons' Hall Museums (SHM) reflects the desire of the organisation to appeal to a wide range of audiences. In 2019, SHM's visitors exceeded last year's target reaching 87,000, exceeding for the first time £500,000 in income.

As ever, the work of our Heritage Department includes education, research, public engagement and curation. Much of the focus of the latter part of 2019 was on the new Body Voyager galleries due to open in 2021. In addition, our team worked on a new temporary exhibition 'A Model Education', which highlights the beautiful wax anatomy demonstration models from our own collection and others including Edinburgh and Aberdeen Universities, the Whipple Museum in Cambridge, Guy's Hospital and the Gordon Museum in London.

During the course of the year, 50 objects have been added to the catalogue. Objects of note include a Zeiss microscope once owned by Robert Koch; a selection of paediatric surgical equipment; a model Victorian wheelchair and a medal once belonging to Mr William Drummond MBE, former Treasurer of the Royal College of Surgeons of Edinburgh. Over 200 artwork catalogue records were improved due to the assistance of an intern. A review of the dental collections has seen great improvement in catalogue records and visual records of objects thanks to the work of Iain Macleod.

Over 300 surgical instrument records have been updated and improved in a structured effort to improve documentation of all the College's collections. The gift collection is now fully catalogued and in museum storage. The historical gown collection has been restored using conservation packaging techniques, ensuring the longevity and accessibility of the collection.

Our ongoing conservation programme has conserved over 351 items at the time of writing. Part of the Department's work involved improving records, with 671 object descriptions added to the collections database Adlib.

In addition, the College's Conservator gave six in-house talks, two bone handling workshops and seven external talks, including at the Scotland's History Festival, Mutter Museum, Cymera Festival, York University Death and Culture Conference and the Elsie Inglis Lecture at the Science Festival.

New Developments

We are now in our fifth year of operating following the launch of the Lister Project in 2015, marked by the expansion of new galleries in the museum. The Body Voyager galleries will extend from the existing Techniques and Technology galleries in the History of Surgery gallery. This will mean an additional 250 square metres of space to explore the impact of robotic technology in 2021.

The gallery will attempt to chart the introduction of surgical robotics in the UK and make sense of the enormous increase in the use of technology in surgical innovation. The gallery includes a wide range of interactive exhibits and will encourage visitors to engage in the ethical debate about the future of surgery.

We must acknowledge the kind support we have received from Freehand Surgical Ltd of Guildford who have loaned and donated equipment for this gallery and Intuitive Surgical who have contributed expertise and equipment.

The team has worked hard to secure loans of exhibits, material and resources from many sources to complete our new exhibition, 'A Model Education', which features the use of anatomical models for teaching anatomy. The exhibition, which was due to open in April 2020 for one year, before the impact of COVID-19, includes some of finest anatomical waxes and papier-mâché models held in UK collections.

Surgeons Quarter completed another highly successful year, delivering outstanding results across our commercial company.

FINANCIAL SUSTAINABILITY COMMERCIAL DEVELOPMENT



The Income for Surgeons Quarter, the College's commercial activities within our Edinburgh campus, was £7,261k, considerably higher than any previous year. In comparison, the total income for 2018 was £5,871k, representing 24% growth. Conversion to Profit for 2019 reached £1,027k, which again is testament to the combined efforts of all Surgeons Quarter departments.

During 2019, the College worked towards the introduction of its own brand travel agent, Surgeons Quarter Travel. Based at the SQ offices within 12 Hill Square, the agency will initially focus on providing travel for surgeons carrying out vital work around the world on behalf of the College. There is scope to expand into a public facing office in the future with the opportunity

to contribute towards College revenue. This exciting new service is a joint collaboration with Hays Independence Group, which has welcomed partnering with a business with the life-changing work of surgeons at its heart.

Supporting Sustainability

Implemented by Surgeons Quarter, the removal of single use plastics including toiletries from hotel bedrooms has proved highly successful, with the vast majority of guests supportive of the initiative. Ten Hill Place will no longer provide single-use bottles of water in its 129 bedrooms, removing a staggering 80,000 bottles from use to help reduce plastic waste. Partly as a result of this initiative, Surgeons Quarter and Ten Hill Place have been nominated as a finalist in the Innovation in Circular

Economy Award run by the Edinburgh Chamber of Commerce. Surgeons Quarter and Ten Hill Place have also appeared in a variety of publications, highlighting the action taken to remove plastic bottles and encourage the use of tap water in hotel bedrooms.

Ten Hill Place has continued to deliver consistently high service as benchmarked via Trip Advisor, and the ranking has remained at 4.6 out of 5 as seen at the end of 2018.

Camera, Action

Award-winning production company, Plum Pictures, spent five days at Ten Hill Place in November 2019 filming for a documentary that aired on Channel 4 in Spring 2020.

LOOKING AHEAD

The refurbishment of the older part of Ten Hill Place is due to be complete by September 2020, ensuring it meets the same high standards of the new extension. Additionally, our new in house gym, The Garage, will be launched as an additional benefit for our guests.

In finalising the 2020 budget, the Surgeons Quarter team has taken a cautious approach reflecting the Phase 2 project and the economic and political uncertainties caused by the impact of COVID-19 in 2020.



PEOPLE PLACES HISTORY

Staff

The College continues to benefit from the excellent commitment and service of its dedicated staff based in Edinburgh and Birmingham in the UK and Kuala Lumpur in Malaysia. There are approximately 200 employees and around 30 casual members of staff, who through their endeavours support and champion a range of services including exams administration, finance, property maintenance and museum conservation and exhibitions.

2019 was a particularly busy year for the HR team who helped to facilitate 69 recruitment campaigns and the introduction of 49 new staff. In addition, the College was pleased to introduce a new HR and Payroll system, which has allowed

staff easier means of accessing details and facilities pertaining to their employment, such as accessing payslips and booking holidays.

In an endeavour to support greater staff wellbeing, the College also introduced an Employee Assistance Programme.

Latterly in 2019, a staff survey was rolled out to offer colleagues the opportunity to give feedback about their experiences at the College in an effort to support continuous improvement and recognition across all departments and activities.

The College remains ever thankful to our thriving workforce for their ongoing positive contributions.

Property

2019 was another busy and challenging year in the Property Department. Whilst meeting Health and Safety requirements, ongoing repairs to historic and ageing buildings bring significant challenges and costs. The buildings, particularly on our Edinburgh campus, are heavily used, resulting in significant wear and tear to the fabric. Last summer, the Playfair corridor and staircase were decorated, which required removing, cleaning, restoring and rehangng all the portraits and fitting new carpets throughout the area. A demanding project, which took six weeks to complete, it was completed on time and within budget.

LOOKING AHEAD

In 2020 we plan to extend the decoration of the Playfair building to include the Reception Room and Committee Room. We also expect to continue a plan of refurbishment on the campus properties over the next few years to include both public and office spaces.

The Royal College of Surgeons of Edinburgh is a body incorporated by Royal Charter. It is regulated by the Laws of the College and such Regulations as may be made from time to time.

STRUCTURE & GOVERNANCE

Trustees

The governing body of the College is the Council. It comprises 21 members, as follows:

15 Council Members Of The College

Elected by postal vote by the full Fellowship and Membership of the College. They hold office for a period of five years and are eligible for a further term of office of five years.

5 Office-Bearers Of The College

There are three principal Office-Bearers of the College: the President and two Vice-Presidents. They are elected by Council and must be, or have been, elected Members of Council. They hold office for a period of three years. In addition, there is an Honorary Secretary and an Honorary Treasurer of the College, both of whom must be Fellows of the College. They are appointed by Council for an initial period of three years and are eligible thereafter for annual re-appointment, up to a maximum of two years.

1 Dean of the Faculty of Dental Surgery

Elected for a period of three years.

There are two members of Council who are not considered a Trustee for the purposes of charity law:

- A Trainees' member of Council, elected for two years.
- A Staff Associate Specialist (SAS) and Locum Consultants' Member of Council, elected for five years.

Induction

Incoming Members of Council are invited to attend an induction session which provides them with details of their duties and other relevant information, including the Laws of the College, information about the duties and obligations of Charity Trustees, minutes of previous Council meetings, the latest annual report and financial statements and the strategic risk register.

All Trustees must complete a register of interests form, which is held centrally and reviewed as a minimum annually, or more frequently as necessary. They are also subject to the 'Fit and Proper Persons' test, as required by HMRC for individuals involved in the management of charitable organisations. Members of Council receive an update on matters of governance, at least annually, which includes their duties and responsibilities as Trustees.

Remuneration of College Officials

The Office-Bearers of the College, the Members of Council, the appointed Officials, the trainers, the examiners, the tutors, the Regional Surgical Advisers, International Dental Ambassadors and International

Surgical Advisers, and other representatives of the College receive no remuneration other than expenses incurred for their services.

Chief Executive and Senior Management Team

The College employs a Chief Executive who attends meetings of Council and Dental Council and who is responsible to Council through the President for the day-to-day management of the College. The Chief Executive is supported by a Deputy Chief Executive and a Senior Management Team, each of whom brings relevant experience in their field of expertise as listed below.

- Development and Partnerships
- Finance and Infrastructure
- Faculties and Governance
- Heritage
- Human Resources
- Membership, Marketing and Communications
- Professional Activities
- Birmingham Centre

This structure is reviewed regularly to ensure that core College activities are carried out efficiently.

Surgical Specialty Board

There are 11 Surgical Specialty Boards (SSBs), which ensure that the College is kept apprised of current interest and issues across the surgical profession and that the membership's specialist professional interests have a voice within the College.

They are listed below:

- Cardiothoracic SSB
- General Surgery SSB
- Neurosurgery SSB
- Ophthalmology SSB
- Oral and Maxillofacial Surgery SSB
- Otolaryngology Surgery SSB
- Paediatric Surgery SSB
- Plastic Surgery SSB
- Trauma and Orthopaedic Surgery SSB
- Urology SSB
- Vascular Surgery SSB

These Boards' activities are coordinated by a committee chaired by the Honorary Secretary of the College and comprising the Chairperson from each SSB.

Lay Advisors

The Lay Advisory Group consists of members of the public, drawn from different professions and walks of life. The Group, which meets quarterly, selects its own members independently without requiring approval from Council. Representatives of the Lay Advisory Group have been appointed to the College's key committees, wider networks, and relationships with related parties and co-operating organisations.

Intercollegiate Activity

Where appropriate, the College works collaboratively with the Royal College of Surgeons of England, the Royal College of Physicians and Surgeons of Glasgow and the Royal College of Surgeons in Ireland through intercollegiate committees to fulfil its purposes.

The College undertakes some activities relating to examinations, which are co-ordinated through intercollegiate committees, comprising membership of the four surgical Colleges of the UK and Ireland. Operational decision-making, however, remains with the Council via Hill Square Educational Trust (HSET).

RCSEd collaborates with other medical Royal Colleges through the Academy of Medical Royal Colleges and the Scottish Academy of Medical Royal Colleges in pursuit of patient safety. The College works with a wide range of other partners and stakeholders in the delivery of its charitable and other activities.

Decision Making Processes & Delegation

Strategic Decisions

Council agreed its Strategic Plan for 2015-2020 in August 2015. This strategic framework is under review and will be replaced by a new plan in 2020. All strategic-level decisions are made by majority agreement at Council, with more detailed work and monitoring undertaken by the sub-committees of Council, many of which include external experts acting in an advisory capacity to Council. In addition, professional advice is utilised by Council, as appropriate, to ensure due diligence in decision-making. Matters requiring significant discussion are handled initially via regular Council Development Sessions, after which actions

are agreed at formal Council meetings, or at dedicated Council strategy days. Council decision-making is informed by a strategic risk register, which is reviewed regularly by Office Bearers, the Senior Management Team, the Audit Committee and Council and updated/amended appropriately for sign-off by Council.

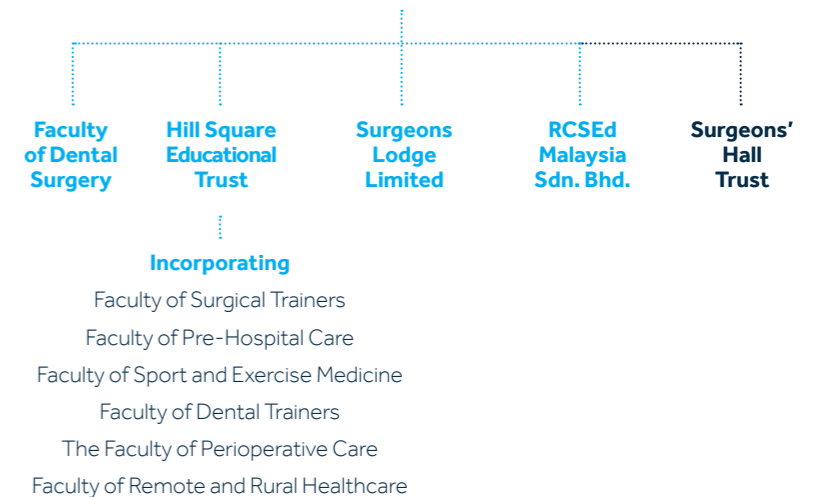
Financial Decisions

The Chief Executive oversees the development of the annual plan and budget. This plan is presented to Council for approval and the Chief Executive is then authorised to proceed and put the plan into effect. Any necessary changes to the plan or deviations from budget are reported to Council by the Chief Executive for ratification. Business cases for any new initiatives are presented to the appropriate internal committee for onward recommendation to Council. Decisions relating to investment, research funds, heritage, fundraising and capital investment are all discussed within separate committees established for those purposes. Five-year financial estimates, consistent with College strategic plans, are prepared and monitored regularly by Council.

Key Management Personnel Remuneration

A Remuneration Committee, chaired by an independent Chairman or a Regent of the College, is responsible for ensuring that a formal process is in place for considering the remuneration of the Chief Executive and members of the Senior Management Team. This Committee seeks external advice to obtain reliable information about comparable roles within similar sectors and organisations to inform its decision-making. This Committee is also responsible for approving any annual salary uplift and any College performance-related bonus.

COLLEGE



FINANCIAL REVIEW

Group

The group closing reserves at 31 December 2019 are £41,142,000 (2018: £39,189,000) and comprises £25,948,000 of unrestricted funds, £11,587,000 of restricted funds and £3,607,000 of endowment funds.

The income and expenditure account aggregate surplus of £1,953,000 (2018: £727,000), as shown on the consolidated statement of financial activities, consists of a surplus of £1,366,000 (2018: £1,018,000) on unrestricted funds (normal activities), a surplus of £184,000 on restricted funds (2018: £58,000) and a surplus of £403,000 (2018 deficit: £349,000) on endowment funds.

Overall group income generated for the year was £21,983,000 (2018: £20,080,000) with £13,724,000 (2018: £12,961,000) of income generated through charitable activities. The principal sources of income for the group continue to be through membership subscriptions, examinations and other trading activities. Income from charitable activities and other trading activities have increased year-on-year and the 2019 figure for unrestricted donations and legacies includes £503,000 of non-recurring items (2018: £925,000).

Total group resources expended for the year were £20,432,000 (2018: £19,086,000). This increase in cost relates primarily to additional resources expended on trading and charitable activities.

Charity

The charity closing reserves at 31 December 2019 are £47,168,000 (2018: £45,605,000) and comprise £32,207,000 of unrestricted funds, £11,354,000 of restricted funds and £3,607,000 of endowment funds.

The annual income of the charity decreased from £9,727,000, in the year ended 31 December 2018, to £9,651,000 in the current year. This decrease arises from a high level of non-recurring donations in 2018 of £1,170,000.

Total income for the charity in the year ended 31 December 2019 also includes an amount of £nil (2018: £403,990) in respect of a gift-aid donation from the wholly-owned trading subsidiary, Surgeons Lodge limited.

The annual expenditure of the charity increased from £8,287,000, in the year ended 31 December 2018, to £8,490,000 in the current year with the increase primarily attributable to additional expenditure on charitable activities.

1. Reserves and Reserves Policy

The Council has agreed a reserves policy which they consider appropriate to ensure the continued ability of the Charity to meet its objectives. The College's expenditure is more predictable, while its income is of a more variable and uncertain nature.

Reserves are required to meet the working capital requirements of the College and to allow for the development of new services and fundraising initiatives and to provide a buffer against a significant drop in funding.

The current level of non-designated unrestricted general reserves, is £18,589,000 (2018: £17,359,000) and it is the intention of the Trustees to increase unrestricted reserves in the medium and long term in order to ensure the charity is able to manage its affairs effectively.

The total unrestricted reserves of £25,948,000 (2018: £24,582,000) noted above are analysed in note 22 to the accounts. The College considers that its reserves are at an appropriate level and will continue to review this to ensure that the charity can meet a significant proportion of its annual unrestricted operational costs from unrestricted reserves held.

The COVID-19 pandemic in 2020 has meant that charity reserves are expected to reduce as a direct result of lowered income streams. The Trustees considered different future scenarios with financial projections and associated cash flows. As a result of this, the Trustees agreed to introduce substantial cost-saving exercises, reviewed other aspects of the business to ensure they were as efficient as possible and also utilised the funding available from the government furlough scheme to support ongoing salary costs. The Trustees will continue to consider other available funding and income streams, together with reviewing further cost savings going forward to ensure they remain satisfied that the College remains a going concern.

Designated funds are unrestricted funds that have been set aside by the Trustees for particular purposes. The aim of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are required to be used in accordance with specific aims imposed by donors or which have been raised by the College for a specific purpose. The aim of each restricted fund is set out in the notes to the financial statements.

2. Investment Policy and Heritage

Under the laws of the College, funds not required immediately for the ordinary purposes of the College may be invested by the Council. Investments are held by the College to fund any future shortfall in income to ensure that it can continue to meet its charitable objectives.

It is deemed competent under the laws of the College for the Council to apply such funds:

- for placing on deposit with any Banker, Public Authority, Institution or Company whose normal business includes the acceptance of such deposits;
- for the purchase of land of any tenure or any interest therein;
- for investment in any manner authorised by the Trustee Investments Act 1961 as the same may from time to time be amended or re-enacted;
- for the purchase of any other moveable or personal property; and
- for the making of loans, with or without security.

2.1. Investment in subsidiary company

The College has invested in Surgeons Lodge Limited (SLL), (refer to note 15), a trading subsidiary operating as a hotel and conferencing facility. This investment returns income to the College by way of rental income, sundry management charges and gift aid. The funds generated by this have been utilised by the College for charitable purposes.

2.2. Investment in property

The College owns Ten Hill Place Hotel, which is leased to Surgeons Lodge Limited (SLL), together with other commercial and residential property which it rents to external customers. The investment returns to the College are by way of rental income and have been utilised by the College for charitable purposes.

2.3. Investment in listed securities and unit trusts

The College has invested in listed securities and unit trusts (note 15), which are managed on the College's behalf by Cornelian Asset Managers. The overall portfolio objectives are to maintain a low to medium risk profile and to generate an annual income. The funds generated by this have been utilised by the College for charitable purposes. The College policy is that it will not hold any investment in stocks related to aerospace, defence and tobacco.

The increase in investments in the year relates primarily to revaluation gains on the listed investments as the market value has recovered from its Brexit-driven low position at the end of 2018.

3. Risks and Uncertainties

The Trustees have assessed the major risks to which the group is exposed, in particular those related to the operations and finances of the charity, and are satisfied that actions are on-going and systems are in place to mitigate the exposure to the major risks.

The major risks identified for the group are detailed below.

3.1. A reduction in the College membership

As a membership organisation, a key risk for the College is the potential for a significant reduction in membership numbers and the associated impact on subscription fees. A number of actions have been taken to mitigate against this risk including, inter alia: a regular programme of Outreach and recruitment activities; ongoing development of and continued investment in the package of membership benefits offered by the College; the introduction of the Birmingham Centre as a base from which the College can engage with a large proportion of its UK membership and maintaining subscription rates at competitive levels. The College has also taken forward activity through the Marketing Project Board and Short Life Working Group on the College Voice to raise the College's visibility, relevance and influence with current and prospective membership.

3.2. Loss of income and market share as a result of the charity failing to meet the changing needs of candidates or delegates

The College is heavily dependent on examination income. This risk has been mitigated, to an extent, through the improvement of access to examination centres, increasing accessibility for candidates and through the delivery of additional exam preparation courses. Efforts have also been made to sustain the level of marketing of these examinations to potential candidates. Examination candidate numbers are continually monitored in order that any changes can be responded to in a timely manner.

In addition to this, the charity continues to expand the number of courses it delivers and to develop and deliver new courses of interest to its membership. Additionally, courses are regularly reviewed in order to ensure that they remain viable.

The introduction of the Birmingham Centre has also assisted in managing this risk through providing additional human resource and a venue from which courses can be run and through providing a base from which additional course activity can be supported across England and Wales.

3.3. A downturn in the performance of the commercial subsidiary

This risk has been mitigated through the ongoing development of Surgeons Lodge Limited (SLL) under the supervision of the SLL Board. This development has included a number of strategic business partnerships to attract new business and to reduce costs, ongoing marketing and branding activities, continued efforts to improve efficiency and action to develop new markets.

In 2018, the College completed its extension to the existing hotel, taking the number of bedrooms up from 77 to 129. There has also been a significant investment by the College in the assets used by SLL, under its licence to occupy, to generate income. These include the re-development of the Prince Philip Building as a multi-purpose events space and the use of a previously rented commercial unit as Café 1505.

3.4. IT systems and infrastructure development

Information and Communications Technology continues to play a central role in the delivery of all of the charity's activities. In recognition of this, Council established a Business Transformation Project Board to steer the College's development of fit-for-purpose IT systems. The College relies heavily on its IT infrastructure to deliver its activities, and it is recognised that this project will take a number of years to be completed.

3.5. Increase in legal complaints re the examination process

In order to mitigate this risk, the College continues to develop and maintain robust examination processes and has strong appeals procedures in place.

3.6. Data Protection legislative changes

The introduction of the General Data Protection Regulation (2018) has had an impact on the way the charity controls and holds data. The College's Information Governance Group is tasked with the delivery of a comprehensive set of procedures to ensure compliance going forward.

3.7. Loss of income as a result of the charity being unable to operate its Educational, Heritage or Commercial activities due to worldwide COVID-19 pandemic

The charity is heavily dependent on examination and course income and the current delivery of exams and courses is a combination of written papers and face to face assessment, with candidates and examiners required to travel to examination or course centres. In order to mitigate this risk, preparations are underway to deliver certain written papers as online assessments, plus any face-to-face examinations or courses will be delivered with social distancing requirements. It is not expected that the charity will deliver any overseas face-to-face examinations until 2021. The current programme of webinars is being extended and plans are in place to take other courses and exams online where possible.

The COVID-19 pandemic in 2020 meant that for a period of approximately four months the College Museums and Hotel and Events activities were either fully or partially closed. It is also expected that in the short to medium term these activities will take time to recover to previously seen levels. To mitigate against this loss of revenue, the College and its group entities have considered different future scenarios with financial projections and associated cash flows. All entities introduced substantial cost-saving exercises and reviewed all aspects of the business to ensure they were as efficient as possible. Group companies also utilised the funding available from the government furlough scheme and will continue to consider other available funding and income streams, together with reviewing further cost savings going forward.

With 2021 anticipated to see a return to pre-COVID-19 levels of activity, Council has confidence in the ability of the College to continue as a going concern for the foreseeable future.

4. College Awards, Grants and Fellowship

The College's Research Committee sets the high-level parameters for allocation of funds and evaluates the scientific merit and possible surgical relevance of research proposed by the membership of the College. The Committee meets twice yearly while the Ophthalmology Sub-Committee meets annually.

Awards, Grants and Fellowships of the College include:

- Research Fellowships
- Travelling Fellowships
- Grants (including Small Research Support Grants, Ophthalmology Grants and Grants from the Ethicon Foundation)
- Medals and Professorships
- Student Bursaries

Statement of Council Responsibilities

The Council is responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS102) (second edition – October 2019);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Council is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and group and which enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Trust Deed and Royal Charter of Incorporation.

Council is also responsible for safeguarding the assets of the Charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement of Disclosure to Auditors

So far as the Council is aware, there is no relevant information of which the Charity's auditors are unaware. Additionally, the Council has taken all the necessary steps that they ought to have taken in order to make itself aware of all relevant audit information and to establish that the Charity's auditors are aware of that information. Signed on behalf of the Council



Professor S M Griffin OBE, President



JNA Gibson, Honorary Treasurer
4th September 2020

INDEPENDENT AUDITOR'S REPORT

TO THE FELLOWS AND MEMBERS OF THE ROYAL COLLEGE OF SURGEONS OF EDINBURGH

Opinion on financial statements

We have audited the financial statements of the Royal College of Surgeons of Edinburgh and its subsidiaries (the "group") for the year ended 31 December 2019 which comprise the consolidated statement of financial activities, the statement of financial activities, the consolidated balance sheet, the Charity balance sheet, the consolidated statement of cash flows, the statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Ireland").

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 31 December 2019 and of the group's and the parent Charity'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 and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

Council is responsible for the other information. The other information comprises the information included in the Report of the Council other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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

Responsibilities of Council

As explained more fully in the Statement of Council's Responsibilities set out on page 31, Council is responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Council is responsible for assessing the group's and 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 Council either intends to liquidate the group and 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 auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with regulations made under that Act.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Fellows and Members of the Royal College of Surgeons of Edinburgh, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the Fellows and Members those matters we are required to state to them in an auditors' 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 Fellows and Members as a body, for our audit work, for this report, or for the opinions we have formed.

For and on behalf of
CHIENE + TAIT LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh, EH3 6NL

Chiene + Tait is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

18th September 2020

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 12 months to 31 December 2019 £'000	Total 12 months to 31 December 2018 £'000
Income from:						
Donations and legacies		544	652	-	1,196	1,541
Charitable activities		13,513	211	-	13,724	12,961
Other trading activities		6,682	-	-	6,682	5,190
Investments		255	126	-	381	388
Total Income	3	20,994	989	-	21,983	20,080
Expenditure on:						
<i>Raising funds</i>						
Cost of generating donations and legacies		143	-	-	143	121
Cost of trading activities		5,385	-	-	5,385	4,598
Investment management costs		-	16	-	16	16
<i>Charitable activities</i>		14,099	789	-	14,888	14,351
Total expenditure	4	19,627	805	-	20,432	19,086
Net income before gains or losses on investments		1,367	184	-	1,551	994
Unrealised (loss)/gain on investments	15	(1)	-	402	401	(215)
Realised gain/(loss) on investments		-	-	1	1	(52)
Net income and net movement in funds		1,366	184	403	1,953	727
Reconciliation of funds:						
Fund balances brought forward as at 1 January 2019	22	24,582	11,403	3,204	39,189	38,462
Fund balances carried forward as at 31st December 2019	22	25,948	11,587	3,607	41,142	39,189

All activities are continuing.
The notes on pages 58 to 84 form part of these financial statements.

STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted Funds December	Restricted Funds December	Endowment Funds December	Total 12 months to 31 December 2019	Total 12 months to 31 December 2018
		£'000	£'000	£'000	£'000	£'000
Income from:						
Donations and legacies		544	607	-	1,151	1,448
Charitable activities		6,949	-	-	6,949	6,627
Other trading activities		-	-	-	-	-
Investments		1,425	126	-	1,551	1,652
Total Income	3	8,918	733	-	9,651	9,727
Expenditure on:						
Raising funds						
Cost of generating donations and legacies		143	-	-	143	121
Cost of trading activities		133	-	-	133	134
Investment management costs		-	16	-	16	16
Charitable activities		7,633	565	-	8,198	8,016
Total expenditure	4	7,909	581	-	8,490	8,287
Net income before gains or losses on investments		1,009	152	-	1,161	1,440
Unrealised (loss)/gain on investments	15	(1)	-	402	401	(215)
Realised gain/(loss) on investments		-	-	1	1	(52)
Net income and net movement in funds		1,008	152	403	1,563	1,173
Reconciliation of funds:						
Fund balances brought forward as at 1 January 2019	22	31,199	11,202	3,204	45,605	44,432
Fund balances carried forward as at 31st December 2019	22	32,207	11,354	3,607	47,168	45,605

All activities are continuing. The notes on pages 58 to 84 form part of these financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEET

AS AT 31 DECEMBER 2019

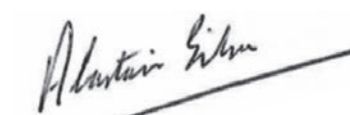
	Note	Group 31 December 2019	Group 31 December 2018	Charity 31 December 2019	Charity 31 December 2018
		£'000	£'000	£'000	£'000
Fixed assets					
Intangible fixed assets	12	75	83	75	83
Tangible fixed assets	13	32,516	32,592	15,695	15,993
Heritage assets	14	3,885	3,885	3,885	3,885
Investments	15	8,027	7,611	33,263	32,522
		44,503	44,171	52,918	52,483
Current assets					
Stocks	16	126	126	9	10
Debtors	17	3,293	4,445	3,042	3,478
Cash at bank and in hand	18	9,533	5,590	5,767	4,296
		12,952	10,161	8,818	7,784
Creditors: amounts falling due within one year	19	6,784	11,699	5,039	11,218
Net current assets/(liabilities)		6,168	(1,538)	3,779	(3,434)
Total assets less current liabilities		50,671	42,633	56,697	49,049
Creditors: amounts falling due after more than one year	21	9,529	3,444	9,529	3,444
Total net assets		41,142	39,189	47,168	45,605
The funds of the charity:					
Unrestricted funds - revaluation reserve	22	5,446	5,446	11,696	11,696
Unrestricted funds - other	22	20,502	19,136	20,511	19,503
Restricted funds	22	11,587	11,403	11,354	11,202
Endowment funds	22	3,607	3,204	3,607	3,204
		41,142	39,189	47,168	45,605

The notes on pages 58 to 84 form part of these financial statements.

Approved by the Council and authorised for issue on 4th September 2020 and signed on its behalf by:



Professor S M Griffin OBE
President



JNA Gibson
Honorary Treasurer

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED
31 DECEMBER 2019

		12 months ended 31 December 2019	12 months ended 31 December 2018
Note	£'000	£'000	£'000
Cash flows from operating activities			
Net cash provided by operating activities (see below)			
		3,673	997
Cash flows from investment activities:			
Investment property rents	3	229	220
Interest and dividends received	3	153	168
Purchase of property, plant and equipment	12/13	(768)	(6,844)
Proceeds from sale of investments	15	507	623
Purchase of investments	15	(560)	(680)
Net cash used in investing activities			
		(438)	(6,513)
Cash flows from financing activities:			
New borrowings		1,245	5,560
Interest payments made on term loan		(205)	(108)
Interest payments made on finance lease		(1)	-
Repayments of borrowing		(368)	(191)
Net cash used in financing activities			
		671	5,261
Change in cash and equivalents in the reporting period			
		3,905	(255)
Cash and cash equivalents at the beginning of the reporting period			
		5,671	5,926
Cash and cash equivalents at the end of the reporting period			
		9,576	5,671

		12 months ended 31 December 2019	12 months ended 31 December 2018
Note	£'000	£'000	£'000
Reconciliation of net income to net cash flow from operating activities			
Net income for the reporting period (as per the statement of financial activities)			
		1,953	727
Investment income	3	(381)	(388)
Interest payments made on term loan		205	108
Interest payments made on finance lease		1	-
Net gains/(losses) on investments	15	(401)	267
Depreciation	13	801	830
Amortisation	12	50	42
Increase in stocks	16	-	(12)
Decrease/(Increase) in debtors	17	1,152	(940)
Increase in creditors		293	363
Net cash provided by operating activities (see above)			
		3,673	997
Analysis of cash and cash equivalents			
Cash at bank and in hand	18	6,139	4,133
Notice deposits	18	3,394	1,457
Cash held in investment portfolio	15	43	81
Total cash and cash equivalents			
		9,576	5,671

Analysis of changes in Net Debt

		At 1 January 2019	Cash Flows	New Finance Leases	Other Non-cash Changes	At 31 December 2019
Note	£'000	£'000	£'000	£'000	£'000	£'000
Cash	18	5,590	3,943	-	-	9,533
Cash equivalents	15	81	(38)	-	-	43
Overdraft facility repayable on demand		5,671	3,905	-	-	9,576
Loans falling due within 1 year	19	5,752	829	-	(6,052)	529
Loans falling due after more than 1 year	21	3,444	-	-	6,052	9,496
Finance lease obligations	19/20/21	-	(8)	56	-	48
The notes on pages 58 to 84 form part of these financial statements.		14,867	4,726	56	-	19,649

CHARITY STATEMENT OF CASH FLOW

FOR THE YEAR ENDED
31 DECEMBER 2019

		12 months ended 31 December 2019	12 months ended 31 December 2018
	Note	£'000	£'000
Cash flows from operating activities			
Net cash provided by operating activities (see below)		(61)	358
Cash flows from investment activities			
Investment property rents	3	1,406	1,083
Interest and dividends received	3	145	165
Purchase of property, plant and equipment	12/13	(350)	(6,564)
Proceeds from sale of investments	15	507	623
Purchase of investments	15	(885)	(680)
Net cash used in investing activities		823	(5,373)
Cash flows from financing activities			
New borrowings		1,245	5,561
Interest payments made on term loan		(205)	(108)
Interest payments made on Finance leases		(1)	-
Repayments of borrowing		(368)	(192)
Net cash used in financing activities		671	5,261
Change in cash and equivalents in the reporting period		1,433	246
Cash and cash equivalents at the beginning of the reporting period		4,377	4,131
Cash and cash equivalents at the end of the reporting period		5,810	4,377

		12 months ended 31 December 2019	12 months ended 31 December 2018
	Note	£'000	£'000
Reconciliation of net income to net cash flow from operating activities			
Net income for the reporting period (as per the statement of financial activities)		1,563	1,173
Investment income	3	(1,551)	(1,248)
Interest payments made on term loan		205	108
Interest payments made on finance lease		1	-
Net gains/(losses) on investments	15	(401)	267
Depreciation	13	606	640
Amortisation	12	50	42
Decrease in stocks	16	1	14
Decrease/(Increase) in debtors (Decrease)/Increase in creditors	17	436	(894)
		(971)	256
Net cash provided by operating activities (see above)		(61)	358
Analysis of cash and cash equivalents			
Cash at bank and in hand		2,373	3,319
Notice deposits		3,394	977
Cash held in investment portfolio		43	81
Total cash and cash equivalents		5,810	4,377

Analysis of changes in Net Debt

		At 1 January 2019	Cash Flows	New Finance Leases	Other Non-cash Changes	At 31 December 2019
	Note	£'000	£'000	£'000	£'000	£'000
Cash	18	4,296	1,471	-	-	5,767
Cash equivalents	15	81	(38)	-	-	43
Overdraft facility repayable on demand		4,377	1,433	-	-	5,810
Loans falling due within 1 year	19	5,752	829	-	(6,052)	529
Loans falling due after more than 1 year	21	3,444	-	-	6,052	9,496
Finance lease obligations	19/20/21	-	(8)	56	-	48
		13,573	2,254	56	-	15,883

The notes on pages 58 to 84 form part of these financial statements.

NOTES TO THE ACCOUNTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. Accounting Policies

Basis of preparation

The College's financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, investment properties and heritage assets and are in accordance with applicable accounting standards, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the 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) – Accounting and Reporting by Charities effective from January 2019. (SORP FRS 102).

The College is a public benefit entity as defined by FRS 102.

Going concern

The financial statements have been prepared on a going concern basis. Council has assessed the ability of the College to continue as a going concern, taking into account the impact of COVID-19, and has reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the Royal College of Surgeons of Edinburgh, The Hill Square Educational Trust, and the College's wholly-owned trading subsidiaries, Surgeons Lodge Limited and RCSEd Malaysia SHN. SBD. These are consolidated on a line by line basis.

Significant judgements and estimation uncertainty

In the application of the College's accounting policies, Council is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As the estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Amounts due in respect of joint arrangements and projects with other bodies

The College undertakes various projects with other educational organisations, and the share of costs, income and surpluses or deficits cannot always be ascertained from finalised and agreed accounting records at the year end or point the financial statements are signed. Estimates are therefore required in respect of these balances and are made on the basis of transactions to date, historical experience, and projections. These amounts are reviewed and assessed by management on an annual basis.

(ii) Useful economic lives of tangible assets

The annual amortisation and depreciation charge for intangible and tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for carrying amounts of tangible assets.

(iii) Valuation of investment property

The College carries its investment property at fair value with changes in fair value being recognised in the Statement of Financial Activities. The values are reviewed internally on an annual basis using a yield methodology having taken advice from professionally qualified surveyors, where required. This uses market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and can only be reliably tested in the market itself.

(iv) Valuation of heritage assets

Included within heritage assets is an art collection which, where possible, has been accounted for at fair value based on internal valuations. Comparison to similar items of art for sale on open markets is used as the basis for these valuations, which are reviewed on an annual basis for evidence of material impairment.

Income

All income is included in the Statement of Financial Activities when the College is entitled to the income, the amount can be quantified with reasonable accuracy, and receipt is probable. The following specific policies are applied to particular categories of income.

Admission fees and subscription income

Income from admission fees is recognised on admission and subscriptions are recognised over the period to which they relate. Amounts relating to subscription periods falling after the year end are deferred into the next accounting period.

Donations and Legacies

Donations, are recognised when the College has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the College and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following when the administrator/executor for the estate has communicated in writing both the amount and settlement date. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the College has been notified of the executor's intention to make a distribution. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the College.

Grants receivable

Grants received are reflected in the Statement of Financial Activities when relevant conditions for entitlement have been met, it is probable they will be received, and the amounts can be quantified with sufficient reliability. Where donors specify that grants are for particular purposes, this income is included in incoming resources within restricted funds when receivable. Grants of a revenue nature are credited to the Statement of Financial Activities in the period to which they relate.

Grant income with specific restrictions on utilisation in terms of timing or service provision are deferred in accordance with the terms provided by the donor as appropriate.

Grants on capital expenditure are recognised in the Statement of Financial Activities and transferred to a restricted reserve and subsequently released annually over the expected life of the relevant asset in equal instalments.

Examination income

Examination income represents exam fees received in respect of exam sittings during the financial year. Any fees received in respect of exams sittings after the year end are treated as examination fees in advance and deferred into the subsequent accounting period.

Course and event income

Income from courses and events represents fees received in respect of educational courses or training events undertaken in the financial year. Any fees received in respect of courses taking place after the year end are deferred into the next accounting period.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Rental income from property investments is recognised in the period to which it relates.

Income from generating funds – Surgeons Lodge Limited

This income represents amounts receivable from room revenue and income from food and beverage net of VAT. Revenue is recognised when rooms are occupied, events take place, and food and beverages are sold.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Costs of generating funds

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for the fundraising purposes including the College's shop.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the College in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Other costs

Other costs include those costs associated with meeting the constitutional and statutory requirements of the College and include the audit fees and costs linked to the strategic management of the College.

Allocation of costs

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource, and costs relating to a particular activity are allocated directly.

Costs shared between the Royal College of Surgeons of Edinburgh and The Hill Square Educational Trust are met by the College and are re-charged to the Trust on an agreed basis which comprises a fixed charge.

These are considered to be support costs which have been allocated to activities on the basis of the proportion of total staff involved in each activity.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the College and include the audit fees and costs linked to the strategic management of the College. These are considered to be support costs which have been allocated to activities on the basis of the proportion of total staff involved in each activity.

Joint Committee of Surgical Training

The College is responsible for a proportion of the cost of this body, which is controlled by a joint committee of the four Royal Surgical Colleges in Great Britain and Ireland. The aim of the scheme is the recognition of higher training programmes in each of the major surgical specialists after the basic surgical training period for those seeking Consultant appointments.

The cost of the scheme is met by the four Royal Surgical Colleges together with a contribution from the trainee fee.

Joint Committee on Intercollegiate Examinations (JCIE) and Joint Surgical Colleges Fellowship Examinations (JSCFE)

Income and costs relating to JCIE and JSCFE activities are accounted for as a joint arrangement and incorporated within the financial statements of Hill Square Educational Trust (HSET) and disclosed within appropriate income and cost categories within notes 3 and 4 of the accounts.

Grants payable

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the College. The grants are accounted for where either the Research Strategy Committee or Research Allocation Committee have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the College.

Details of the College's grant making activities are fully disclosed in the Council's annual report.

Taxation

The College is a registered Charity and in the opinion of the Council is not liable to UK taxation to the extent that realised income or gains are applied to its charitable objects. The Group is subject to tax in respect of Surgeons Lodge Limited. No tax charges have arisen in the year.

Intangible fixed assets

Intangible assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over its useful economic life as follows:

Training and educational software tool - 20% p.a.

Tangible fixed assets and depreciation

Tangible fixed assets are capitalised at cost including any incidental costs of acquisition.

Equipment costing less than £500 (excluding VAT) is charged to expenditure and is not capitalised.

Depreciation is provided on tangible fixed assets at rates calculated to write off the excess of cost over estimated residual value on a straight-line basis over their expected useful economic lives as follows:

College and Office Buildings - 2% p.a.
Symposium Hall - 2% p.a.
Ten Hill Place Hotel - Nil
Computers - 25% p.a.
Postgraduate furnishings - 20% p.a.
Educational and other equipment - 20% p.a.
Leasehold improvements - Over the term of the lease

No depreciation has been charged on Ten Hill Place Hotel. Both the College and Surgeons Lodge Limited follow a programme of regular refurbishment and maintenance of the property, which includes the re-instatement of the fabric of the buildings, where necessary, in order to maintain them to a high standard. The costs of refurbishment and maintenance are charged to revenue expenditure as incurred. Where heritable properties are acquired and developed, no depreciation is charged until development is complete. The Trustees review the value of the property annually and a provision is made for any impairment accordingly.

Assets under the course of construction are not subject to depreciation unless they are considered to be materially impaired.

Heritage assets

Assets that meet the definition of Heritage Assets under section 34 of Financial Reporting Standard 102 ("FRS 102"), where appropriate and relevant valuation information is available, have been included in the balance sheet at valuations based on internal assessments and external professional valuations.

Details of other Heritage Assets where no valuation information is available are disclosed in note 14 to the financial statements.

Investment properties

The College classifies land and buildings as investment property when it is held to earn rentals or for capital appreciation or both. Investment properties are initially measured at cost which comprises purchase price and any directly attributable expenditure. Investments are subsequently re measured to fair value at each reporting date with changes in fair value recognised in the Statement of Financial Activities.

Fair value is assessed by Council on the basis of investment valuations undertaken by qualified external valuers from time to time, yield in the form of income and/or capital appreciation, and market values of similar properties.

No depreciation is provided in respect of investment properties. Ten Hill Place Hotel and Café 1505 are categorised as an investment property in the balance sheet of the entity (the Royal College of Surgeons of Edinburgh), and as freehold land and buildings in the consolidated balance sheet.

Investments

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

The College does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair values at the year end and their carrying value.

Investments in wine are carried at fair value which is based on market values provided by independent wine merchants.

Stock

Stock comprises training manuals, goods for resale at the College shop and wine held for use at College functions. Stock held by Surgeons Lodge Limited comprises goods for use in the hotel.

The College operates a first in first out stock policy and incorporates the value of stocks in its accounts at the lower of cost and net realisable value.

Debtors

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any discounts due.

Cash at bank and in hand

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

Creditors

Creditors are recognised where the College has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The College only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments other than investments are initially recognised at transaction value and subsequently measured at their settlement value.

Pension scheme

The College contributes to a defined contribution pension scheme for those members of staff who are eligible. The assets of the scheme are held separately from those of the College in an independently administered fund. The College also has a defined contribution scheme for the purposes of auto enrolment.

Pension costs charged in the financial statements represent the contributions payable by the College in the year.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the Statement of Financial Activities.

Faculty of Pre-Hospital Care

The Immediate Medical Care Fund comprises amounts received from the Hillsborough Disaster Fund to meet Immediate Medical Care training costs.

In order to co-ordinate the training of the different services involved the Trustees resolved to establish the Faculty of Pre-Hospital Care which was launched in January 1996.

Operating leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Hire purchase contracts and finance leases

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases. Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease.

Where the implicit rate cannot be determined the Group's incremental borrowing rate is used. Incremental direct costs, incurred in negotiating and arranging the lease, are included in the cost of the asset. Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

Fund accounting

Unrestricted funds are available for use at the discretion of the Council in furtherance of general objects of the Charity.

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

Restricted funds are subject to restrictions on their expenditure imposed by the donor or funder.

Endowment funds are invested in investments, the income from which is used for the normal operation of the charity, and must be spent in accordance with the terms of the endowment. This income, and related expenditure, including realised gains or losses on investments is accounted for within restricted funds. Unrealised gains or losses are accumulated within endowment funds which are regarded as permanent.

Further details on the form and nature of the College's funds are disclosed in note 22.

2. Analysis of staff costs and remuneration of key management personnel

The number of persons employed by the Group, on a total and full-time equivalent basis, during the last two years is noted below:

	Group 12 months ended 31 December 2019	Group 12 months ended 31 December 2018	Charity 12 months ended 31 December 2019	Charity 12 months ended 31 December 2018
Full-time	190	168	71	65
Part-time	100	111	30	39
Total on headcount basis	290	279	101	104
Split by function:				
Career services - Hill Square Educ'l Trust	80	68	-	-
College services	36	31	36	31
Support services	29	28	28	28
Professional	13	17	13	17
Property services	24	28	24	28
Surgeons Lodge Limited	108	107	-	-
	290	279	101	104
The staff costs for those persons were as follows:				
	£'000	£'000	£'000	£'000
Wages and salaries	7,161	6,397	3,052	2,728
Social security costs	638	575	295	280
Other pension costs	436	319	241	187
	8,235	7,291	3,588	3,195

Included in the above is £2,321,883 (2018: £1,933,116) charged or recharged to the Hill Square Educational Trust in respect of employees of the Royal College of Surgeons of Edinburgh.

of Edinburgh, £135,022 (2018 - £90,443) in respect of the Hill Square Educational Trust and £60,236 (2018-£41,559) in respect of Surgeons Lodge Limited.

The Royal College of Surgeons of Edinburgh operates defined contribution pension schemes. The number of employees who are members of the schemes was 182 (2018: 184)

In addition to the costs above, amounts of £181,289, (2018: £181,259) have been included within Examinations - JCIE costs (note 4) in respect of Hill Square Educational Trust's share of JCIE staffing costs.

Included within creditors due within one year is £42,655 (2018: £50,958) in respect of outstanding pension contributions.

The number of employees whose emoluments fell within the bands noted below, were as follows:

Total pension costs for the year are £435,889 (2018: £319,458), being £240,631 (2018 - £187,456) in respect of the Royal College of Surgeons

	Group 12 months ended 31 December 2019	Group 12 months ended 31 December 2018	Charity 12 months ended 31 December 2019	Charity 12 months ended 31 December 2018
£60,000 - £69,999	2	2	2	1
£70,000 - £79,999	-	1	-	-
£80,000 - £89,999	2	2	-	1
£90,000 - £99,999	1	-	1	-
£150,000 - £159,999	-	1	-	1
£220,000 - £229,999	1	-	1	-

The pension benefits for the Group employees for the financial year amounted to £90,733 (2018: £64,499) under the defined contribution scheme.

Council members are not remunerated but are reimbursed for directly incurred travel and subsistence expenses. The total of expenses reimbursed for 27 Council members was £24,312 for Council meetings and £149,539 for other meetings (2018: £18,375 for Council meetings and £136,664 for other meetings paid to 24 Council members respectively).

The pension benefits for the Charity employees for the financial year amounted to £70,168 (2018: £44,423) under the defined contribution scheme.

The emoluments and pension benefits above include payments made in lieu of notice of £94,091.

Additional travel and subsistence expenses incurred while carrying out examination and other College activities amounting to £119,889 (2018: £77,218) were also reimbursed to Council members. The Trustees are heavily involved in the operation of the Charity and its educational and professional activities and are of the view that the outlays reimbursed are proportionate to the level of work carried out and to the size of the Charity overall. They are also satisfied that all expenses are legitimately incurred.

The key management personnel of the charity comprise the members of Council, the Chief Executive, the Deputy Chief Executive and other directors. The total remuneration and employee benefits of the key management personnel of the charity during the year (including Employers NIC) were £673,990 (2018: £502,252).

None of the Trustees or any other person related to the Charity had any personal interest in any contract entered into by the Charity during the year (2018: Nil).

The key management personnel of the Group comprise the members of Council, the Chief Executive, the Deputy Chief Executive and all other directors. The total remuneration and employee benefits of the key management personnel of the Group during the year (including Employers NIC) were £883,839 (2018: £709,111).

3. Analysis of income – Group

	Unrestricted £'000	Restricted £'000	12 months ended 31 December 2019 £'000	Unrestricted £'000	Restricted £'000	12 months ended 31 December 2018 £'000
Income from:						
Donations and legacies						
Donations and gifts	41	607	648	-	523	523
Donations and gifts - HSET	-	45	45	-	93	93
Bequest and legacies	503	-	503	900	-	900
Grants	-	-	-	25	-	25
	544	652	1,196	925	616	1,541
Other trading activities						
Surgeons Lodge Limited	6,682	-	6,682	5,190	-	5,190
	6,682	-	6,682	5,190	-	5,190
Charitable activities						
Subscriptions	5,524	-	5,524	5,248	-	5,248
Examinations - HSET	4,273	-	4,273	4,201	-	4,201
Examinations - JCIE	813	-	813	786	-	786
Examinations - JSCFE	238	-	238	188	-	188
Courses - HSET	730	67	797	552	60	612
Faculties - HSET	1,000	77	1,077	908	104	1,012
Property and conferencing	-	-	-	30	-	30
Publications	88	-	88	95	-	95
Outreach - HSET	164	-	164	153	-	153
Library and museum	518	-	518	462	-	462
Other	80	-	80	41	-	41
Other - HSET	85	67	152	73	60	133
	13,513	211	13,724	12,737	224	12,961
Investments						
Dividends receivable	-	126	126	-	153	153
Interest receivable	26	-	26	15	-	15
Investment property rents	229	-	229	220	-	220
	255	126	381	235	153	388
Total Income - Group	20,994	989	21,983	19,087	993	20,080

All income noted above is reflected in the College's own financial statements, other than as noted below:

ii. Surgeons Lodge Limited is a wholly-owned trading subsidiary of the College which operates Ten Hill Place Hotel and Surgeon's Hall.

i. JCIE relates to the share of income recognised in the financial statements of the subsidiary Hill Square Educational Trust (HSET).

iii. JSCFE relates to the share of income recognised in the financial statements of the subsidiary Hill Square Educational Trust (HSET).

3. Analysis of income – Charity

	Unrestricted	Restricted	12 months ended 31 December 2019	Unrestricted	Restricted	12 months ended 31 December 2018
	£'000	£'000	£'000	£'000	£'000	£'000
Income from:						
Donations and legacies						
Donations and gifts	41	607	648	-	523	523
Bequest and legacies	503	-	503	900	-	900
Grants	-	-	-	25	-	25
	544	607	1,151	925	523	1,448
Charitable activities						
Subscriptions	5,524	-	5,524	5,248	-	5,248
Property and conferencing	-	-	-	42	-	42
Publications	88	-	88	95	-	95
Library and museum	518	-	518	462	-	462
Other	819	-	819	780	-	780
	6,949	-	6,949	6,627	-	6,627
Investments						
Dividends receivable	-	126	126	-	153	153
Interest receivable	19	-	19	12	-	12
Gift aid from subsidiary	-	-	-	404	-	404
Investment property rents	1,406	-	1,406	1,083	-	1,083
	1,425	126	1,551	1,499	153	1,652
Total Income - Charity	8,918	733	9,651	9,051	676	9,727

4. Analysis of expenditure – Group

	Direct	Support (note 5)	12 months ended 31 December 2019	12 months ended 31 December 2018
	£'000	£'000	£'000	£'000
Raising funds				
Cost of generating donations and legacies				
Development and Appeals office	143	-	143	121
	143	-	143	121
Cost of trading activities				
Fundraising trading	-	133	133	132
Surgeons Lodge Ltd - trading costs	5,252	-	5,252	4,466
	5,252	133	5,385	4,598
Investment management fees	16	-	16	16
Total expenditure on raising funds	5,411	133	5,544	4,735

4. Analysis of expenditure – Group (Continued)

	Direct	Support (note 5)	12 months ended 31 December 2019	12 months ended 31 December 2018
	£'000	£'000	£'000	£'000
Charitable activities				
Subscriptions	192	757	949	1,009
Examinations - HSET	2,958	-	2,958	3,002
Examinations - JCIE	786	-	786	781
Examinations - JSCFE	215	-	215	175
Courses - HSET	887	-	887	781
Faculties - HSET	828	-	828	763
Professional activities	544	1,967	2,511	2,490
Property and conferencing	288	1,350	1,638	1,476
Publications	788	291	1,079	931
Outreach - HSET	470	-	470	415
Library and museum	570	377	947	926
Grants awarded (see note 7)	369	-	369	459
Other	391	135	526	442
Other - HSET	717	8	725	701
Total expenditure on charitable activities	10,003	4,885	14,888	14,351
Total Expenditure - Group	15,414	5,018	20,432	19,086

All expenditure noted above is reflected in the College's own financial statements, other than as noted below:

- i. JCIE relates to the share of expenditure recognised in the financial statements of the subsidiary Hill Square Educational Trust (HSET).
- ii. Surgeons Lodge Limited is a wholly-owned trading subsidiary of the College which operates Ten Hill Place Hotel and Surgeon's Hall.

iii. JSCFE relates to the share of expenditure recognised in the financial statements of the subsidiary Hill Square Educational Trust (HSET).

Of the total group expenditure of £20,432,000 (2018: £19,086,000) above, £369,000 (2018: £459,000) were grants payable from restricted funds, and £420,000 (2018: £476,000) was other expenditure on charitable activities payable from restricted funds.

4. Analysis of expenditure – Charity

	Direct	Support (note 5)	12 months ended 31 December 2019	12 months ended 31 December 2018
	£'000	£'000	£'000	£'000
Raising funds				
Cost of generating donations and legacies				
Development and Appeals office	143	-	143	121
	143	-	143	121
Cost of trading activities				
Fundraising trading	-	133	133	134
	-	133	133	134
Investment management fees	16	-	16	16
Total expenditure on raising funds	159	133	292	271

4. Analysis of expenditure – Charity (Continued)

	Direct	Support (note 5)	12 months ended 31 December 2019	12 months ended 31 December 2018
	£'000	£'000	£'000	£'000
Charitable activities				
Subscriptions	247	770	1,017	1,084
Professional activities	544	2,003	2,547	2,604
Property and conferencing	288	1,362	1,650	1,503
Publications	788	295	1,083	938
Library and museum	571	382	953	943
Grants awarded (see note 7)	369	-	369	459
Other	444	135	579	485
Total expenditure on charitable activities	3,251	4,947	8,198	8,016
Total Income - Charity	3,410	5,080	8,490	8,287

The total restricted fund expenditure of the charity in 2019 was £369,000 on grants payable (2018: £459,000) and £196,000 on other charitable activities (2018: £222,000).

5. Support costs and allocation - Group

	Fund-raising Trading	Professional Activities	Subs & Membership	Property & Conferencing	Publications	Library & Museum	12 months ended 31 December 2019 Total	12 months ended 31 December 2018 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Operational support costs								
Management	11	486	194	146	49	88	974	921
IT	8	286	253	169	84	42	842	835
Finance	8	427	171	171	43	34	854	728
HR	2	144	35	35	11	5	232	279
Facilities	104	624	104	829	104	208	1,973	1,992
Other	-	-	-	-	-	-	-	-
	133	1,967	757	1,350	291	377	4,875	4,755
Governance costs								
Audit fees	-	11	4	4	2	2	23	23
Staff costs	1	60	24	21	6	8	120	107
	1	71	28	25	8	10	143	130
Total costs	134	2,038	785	1,375	299	387	5,018	4,885

The basis of allocation of support costs to individual departments is based on staff time, with the exception of Facilities which is based on the floor area utilised by the respective College department.

5. Support costs and allocation - Charity

	Fund-raising Trading	Professional Activities	Subs & Membership	Property & Conferencing	Publications	Library & Museum	12 months ended 31 December 2019 Total	12 months ended 31 December 2018 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Operational support costs								
Management	11	516	206	155	52	93	1,033	1,086
IT	8	287	253	169	84	42	843	836
Finance	8	428	171	171	43	34	855	735
HR	2	148	36	36	12	5	239	285
Facilities	104	624	104	831	104	208	1,975	1,993
	133	2,003	770	1,362	295	382	4,945	4,935
Governance costs								
Audit fees	-	7	3	3	1	1	15	15
Staff costs	1	60	24	21	6	8	120	107
	1	67	27	24	7	9	135	122
Total costs	134	2,070	797	1,386	302	391	5,080	5,057

5. Amounts payable to the external auditor comprise the following

	Group 12 months ended 31 December 2019	Group 12 months ended 31 December 2018	Charity 12 months ended 31 December 2019	Charity 12 months ended 31 December 2018
	£'000	£'000	£'000	£'000
Charitable activities				
External audit	23	23	15	15
	23	23	15	15
Cost of trading activities				
External audit	6	6	-	-
Taxation compliance	2	2	-	-
	8	8	-	-

6. Management recharge – Hill Square Educational Trust support costs

	Exams	Courses	Faculties	Outreach	Other	12 months ended 31 December 2019 Total	12 months ended 31 December 2018 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Management recharge from the Royal College of Surgeons of Edinburgh to HSET	268	139	166	101	26	700	700

These management charges are eliminated on consolidation.

7. Analysis of grants payable

	Number	12 months to 31 December 2019 £'000	Number	12 months to 31 December 2018 £'000
Awarded to institutions				
Educational research grants and awards	7	68	7	62
Ophthalmology grants	7	127	4	150
Funding the Future	2	54	-	-
Wohl Charitable				
Foundation Fellowship	-	-	1	50
Lorna Smith Fellowship	-	-	1	58
Cancer Fund	5	48	6	48
Philip Cutner Trust	-	-	1	60
FST/ASME Educational Grant	1	3	-	-
Museum Galleries Scotland	1	11	-	-
	23	311	20	428

	Number	12 months to 31 December 2019 £'000	Number	12 months to 31 December 2018 £'000
Awarded to individuals				
Educational research grants and awards*	11	16	5	5
The Ethicon Foundation Fund	3	2	9	4
Sir James Fraser Travelling Fellowship	-	-	1	2
Binks Trust African Project	8	3	7	3
Funding The Future	2	2	-	-
Cancer Fund	-	-	3	4
Wong Choon Hee Bursary	-	-	3	1
Shanghai Head & Neck Fellowship	1	5	1	3
Dental Teaching Fellowship	3	9	3	8
Phillip Cutner Trust	2	3	-	-
Alban Barros D'Sa Memorial	1	1	1	1
Lindsay Stewart Prize	1	2	-	-
Farquarson Award	1	1	-	-
Shushruta Fellowship	1	1	-	-
Access2surgery	2	12	-	-
RCSed Bursaries	5	1	-	-
	41	58	33	31
Total grants payable	64	369	53	459

	Number	12 months to 31 December 2019 £'000	Number	12 months to 31 December 2018 £'000
Analysis of institutional grants				
Ophthalmology grants				
- University of Edinburgh	5	87	1	30
- University of Oxford	1	30	1	59
- University of Southampton	-	-	1	60
- NHS Forth Valley	-	-	1	1
- NHS Greater Glasgow and Clyde	1	10	-	-
Funding the Future				
- University of Edinburgh	2	54	1	50
Cancer Fund				
- University of Belfast	1	9	-	-
- Beatson Cancer Institute	1	10	-	-
- University of Edinburgh	2	19	-	-
- University of Nottingham	1	10	-	-

7. Analysis of grants payable (Continued)

	Number	12 months to 31 December 2019 £'000	Number	12 months to 31 December 2018 £'000
Analysis of institutional grants				
Research Fellowship				
- University of Edinburgh	-	-	1	58
Philip Cutner Trust				
- University of Newcastle	-	-	1	60
Educational Research grants and awards				
-University of Oxford	3	29	-	-
-University of Aberdeen	1	10	-	-
-University of Edinburgh	1	9	-	-
- University of Newcastle	1	10	-	-
- Clinical Research Fellowship	1	10	-	-
FST/ASME Educational Fund				
-Imperial College London	1	3	-	-
Museum Galleries Scotland				
- Click Netherfield	1	11	-	-
	23	311	7	318
Other institutional grants payable	-	-	13	110
Total institutional grants payable	23	311	20	428

Educational research grants and awards include small research grants, undergraduate bursaries and other awards.

to £60,000) and pump-priming grants for on-going research (up to £10,000).

Small Research Support Grants were established by the College (up to £10,000) and are designed to assist, in particular, surgical trainees working in the UK to establish themselves in their chosen research field; this can be in collaboration with more senior Fellows and/or scientists.

Funding the Future grants were gifted by the individuals named above to fund fellowships of their choice.

Further details of restricted funds are provided in note X to the financial statements.

Ophthalmology grants are funded by the Royal Blind and The Scottish War Blinded, and are awarded in the form of major project grants (up

8. Examinations (excluding JCIE/JSCFE)

	12 months ended 31 December 2019 £'000	12 months ended 31 December 2018 £'000
Fees receivable	4,273	4,201
Examining fees and expenses	(1,878)	(2,074)
Salaries, NIC and pension	(999)	(841)
Other expenses	(80)	(87)
	(2,957)	(3,002)
Net contribution (before apportionment of support costs)	1,316	1,199

9. Education costs

	12 months ended 31 December 2019 £'000	12 months ended 31 December 2018 £'000
Courses	730	527
Other income	-	24
	730	551
Salaries, NIC and pension	(530)	(457)
Direct course costs	(163)	(188)
Travel costs	(138)	(83)
Other expenses	(56)	(53)
	(887)	(781)
Net contribution (before apportionment of support costs)	(157)	(230)

10. Faculties

	Year ended 31 December 2019						
	Pre-Hospital Care £'000	Edinburgh Surgery Online £'000	Sport & Exercise Medicine £'000	Surgical Trainers £'000	Dental Trainers £'000	Peri-operative Care £'000	Total £'000
Admission fees and subscriptions	58	-	150	13	8	3	232
Examination and course fees	362	100	115	51	1	10	639
Other income	95	-	6	24	1	3	129
	515	100	271	88	10	16	1,000
Salaries, NIC and pension	(185)	-	(111)	(10)	(16)	(12)	(334)
Travel and subsistence	(59)	-	(16)	(8)	(17)	(3)	(103)
Catering	(3)	-	(7)	(28)	-	-	(38)
Fees	(100)	-	-	-	-	-	(100)
Consultancy	-	-	-	(4)	-	-	(4)
Other expenses	(72)	(2)	(136)	(24)	(5)	(10)	(249)
	(419)	(2)	(270)	(74)	(38)	(25)	(828)
Net contribution (before apportionment of support costs)	96	98	1	14	(28)	(9)	172

10. Faculties (Continued)

	Year ended 31 December 2019						
	Pre-Hospital Care £'000	Edinburgh Surgery Online £'000	Sport & Exercise Medicine £'000	Surgical Trainers £'000	Dental Trainers £'000	Peri-operative Care £'000	Total £'000
Admission fees and subscriptions	47	-	146	11	5	2	211
Examination and course fees	385	92	107	-	1	7	592
Other income	101	-	3	-	-	1	105
	533	92	256	11	6	10	908
Salaries, NIC and pension	(161)	-	(107)	-	-	-	(268)
Travel and subsistence	(103)	-	(32)	(7)	(4)	(8)	(154)
Catering	(18)	-	-	(1)	(2)	-	(21)
Fees	(107)	-	-	-	-	-	(107)
Consultancy	(59)	(21)	(104)	(8)	(9)	(12)	(213)
Other expenses							
	(448)	(21)	(243)	(16)	(15)	(20)	(763)
Net contribution (before apportionment of support costs)	85	71	13	(5)	(9)	(10)	145

11. Taxation

As registered charities, both the Royal College of Surgeons of Edinburgh and The Hill Square Educational Trust are exempt from tax on income and gains to the extent that these are applied to the charitable objects. Surgeons Lodge Limited made a taxable profit for the year of £976,343

giving rise to a tax charge of £187,949. No gift aid was paid from Surgeons Lodge Limited to the Royal College of Surgeons of Edinburgh in 2019 (2018: £403,990).

12. Intangible fixed assets – Group and Charity

	12 months ended 31 December 2019 £'000	12 months ended 31 December 2018 £'000
Cost		
At 1 January 2019	208	208
Additions	42	-
At 31 December 2019	250	208
Amortisation		
At 1 January 2019	125	83
Charge for the year	50	42
At 31 December 2019	175	125
Net book value		
At 31 December 2019 and 31 December 2018	75	83

13. Tangible fixed assets

	Freehold land and buildings £'000	Tenant Improve-ments £'000	Furniture and Equipment £'000	Total £'000
Group Cost				
At 1 January 2019	36,192	824	3,850	40,866
Additions	336	40	349	725
At 31 December 2019	36,528	864	4,199	41,591
Depreciation				
At 1 January 2019	5,209	452	2,613	8,274
Charged in the year	381	64	356	801
At 31 December 2019	5,590	516	2,969	9,075
Net book value				
At 31 December 2019	30,938	348	1,230	32,516
At 31 December 2018	30,983	372	1,237	32,592

	Freehold land and buildings £'000	Tenant Improve-ments £'000	Furniture and Equipment £'000	Total £'000
Charity Cost				
At 1 January 2019	18,944	256	1,936	21,136
Additions	11	-	297	308
At 31 December 2019	18,955	256	2,233	21,444
Depreciation				
At 1 January 2019	3,482	123	1,538	5,143
Charged in the year	381	25	200	606
At 31 December 2019	3,863	148	1,738	5,749
Net book value				
At 31 December 2019	15,092	108	495	15,695
At 31 December 2018	15,462	133	398	15,993

On 30 September 2010, the Charity acquired the hotel known as Ten Hill Place from its subsidiary Surgeons Lodge Limited. This property is included within Freehold land and buildings within the consolidated balance sheet, but accounted for as investment property within the College's individual balance sheet.

This property is also subject to a standard security in favour of the Royal Bank of Scotland.

The net carrying amount of assets held under finance leases included in Computer equipment is £47,831 (2018: Nil).

14. Heritage assets – Group and Charity

	£'000
Cost or valuation	
At 1 January 2019	3,885
Additions	-
At 31 December 2019	3,885

The College considers the following to fall within the definition of heritage assets under the SORP on the basis that they contribute

to knowledge and culture through their retention and use, and are accessible to the public for viewing and/or research.

14. Heritage assets – Group and Charity (Continued)

Museum Collection

The collections range from pathological specimens, social history artefacts, instruments and of course an exceptionally complete collection of dentistry items. The whole range of items makes up a collection of national significance, a fact recognised by Museums Galleries Scotland in 2009 when the collections were awarded recognition as a part of its national significance scheme. It is not considered possible to obtain reliable values for the collection given its unique nature and absence of comparable information.

Art Collection

The College holds an outstanding collection of art including portraits of many of the Fellows and Presidents of the College. The collection is particularly strong in the late seventeenth/early eighteenth century period, on account of a collection of paintings of the Fellows by Jean Baptiste de Medina. There are forty paintings that date from before 1715. The earliest painting of the Dean, James Borthwick, dates to about 1660. In modern times, each President has been painted at the end of his term of office. Many of the works cannot be valued as there is no comparative material available. The total value of those items that have been assessed is considered to be £160,000 based on a review by the Director of Heritage of comparable works of art. In the year ended 31 December 2016, the College also purchased a part share in a portrait of Alexander Munro primus at a cost of £10,000.

The College also owns a number of items of antique furniture, but the cost of obtaining reliable valuation information is considered disproportionate to the benefit of including this in the financial statements.

The Library

The Library and Archive together contain the College records dating from 1580, including extensive records regarding the inception and design of Playfair's Surgeons' Hall. There are around 40,000 books, bound pamphlets and journals. The subject coverage includes all aspects of surgery and medicine, the history of the College, architecture, portraits, silver, furniture and Fellows' biographies. The books include works on early instruments, biographical material, hand-coloured anatomy books, works by College Fellows past and present, and the latest in surgical techniques and research. In 2006, items exceeding £10,000 individually within the literary collection were valued by Bernard Quaritch Ltd at market value at £3,715,000. Council considers that the library collection has not been impaired in the periods subsequent to 2006 and represents an appropriate value to account for in the financial statements.

Council believes that any further and detailed particulars of the numerous items making up the collection would unduly clutter the financial statements and thus detract from their primary purpose. Further information on the collection can be viewed on the College website or obtained from the College by contacting the Director of Heritage.

Management and Preservation

The College employs a Director of Heritage and other specialist staff who are responsible for ensuring that the heritage assets owned by the College are maintained in good condition, appropriately catalogued and made available for inspection. It is not the general policy of the College to dispose of heritage assets and acquisitions are rarely made and only capitalised if considered to be of significant value.

15. Investments

	Investment properties £'000	Investment in subsidiary £'000	Investment wine £'000	Listed securities and unit trusts £'000	Total £'000
Group					
Market value at 1 January 2019	3,934	-	385	3,292	7,611
Additions	-	-	33	527	560
Disposals	-	-	-	(507)	(507)
Net gains/(losses) on revaluation at 31 December 2019	-	-	(1)	402	401
Market value at 31 December 2019	3,934	-	417	3,714	8,065
Cash in portfolio at 1 January 2019	-	-	-	(81)	(81)
Cash in portfolio at 31 December 2019	-	-	-	43	43
	3,934	-	417	3,676	8,027
Historical cost of investments					
At 31 December 2019	4,063	-	193	3,683	7,939
At 31 December 2018	4,063	-	160	3,156	7,379

15. Investments (Continued)

	Investment properties	Investment in subsidiary	Investment wine	Listed securities and unit trusts	Total
	£'000	£'000	£'000	£'000	£'000
Charity					
Market value at 1 January 2019	26,845	2,000	385	3,292	32,522
Additions	325	-	33	527	885
Disposals	-	-	-	(507)	(507)
Reclassification	-	-	-	-	-
Net gains/(losses) on revaluation at 31 December 2019	-	-	(1)	402	401
Market value at 31 December 2019	27,170	2,000	417	3,714	33,301
Cash in portfolio at 1 January 2019	-	-	-	(81)	(81)
Cash in portfolio at 31 December 2019	-	-	-	43	43
Market value of investments at 31 December 2019	27,170	2,000	417	3,676	33,263
Historical cost of investments					
At 31 December 2019	20,737	2,000	193	3,683	26,613
At 31 December 2018	20,412	2,000	160	3,156	25,728

The group's investment properties were internally valued on the open market value basis as at 1 January 2010 having taken advice from a qualified chartered surveyor. The Trustees are of the view that this is an appropriate valuation on a fair value basis, and that there is no significant difference between this and the carrying values of these properties at 31 December 2019. The hotel at 10 Hill Place is classified as an investment property within the charity's own balance sheet, but as freehold land and buildings within the consolidated balance sheet. Within the charity's own balance sheet the hotel property has been accounted for at fair value which is based on market value estimated by the Trustees, based on advice of independent professional valuers with specific local experience.

Listed securities and investment trust investments are held on the College's behalf to the order of various "Cornelian Asset Managers Ltd Clients Accounts" by the Bank of New York or other custodians, registered in the name of their nominee company. Overseas investments are held to the order of various "Cornelian Asset Managers Ltd Client Accounts" by the Bank of New York's overseas agents.

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The College's investments are mainly traded in markets with good liquidity and high trading volumes. The College has no material investment holdings in markets subject to exchange controls or trading restrictions.

The College manages the investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The College does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

The Endowment Fund and the General Fund increased their holdings across all classes of portfolio investments in the year, with total investment increases of 12.8% and 13.9% respectively. Both Funds had increases in UK equities and international equities with the Endowment Fund also investing in other assets and additional hedge funds in the year.

The College's portfolios are well balanced against a variety of asset classes, with lower risk asset classes being the predominant part of the portfolios.

Investment wine comprises bottles and cases of fine wine which are managed and held by wine merchants Corney and Barrow, on behalf of the College. This wine is carried at fair value, which is based on market values provided by the wine merchants.

Charity

In addition to the above, the College holds an investment in the Surgeons Lodge trading subsidiary at a value of £2,000,000 (2018 - £2,000,000).

15. Investments (Continued)

Investments in subsidiaries

Details of investments in which the College holds 20% or more of the nominal value of any class of share capital are as follows:

	Company number	Charity number	Place of incorporation	% of share capital held	Nature of business
Surgeons Lodge Limited	SC256751	-	Scotland	100	Hotel ownership & management
Surgeons Hall Trust	SC233409	SC033387	Scotland	100	Dormant
RCSEd Malaysia SDN. BHD.	1255044-A	-	Kuala Lumpur	100	Professional membership & educational services

In addition to the above, the College controls Hill Square Educational Trust by virtue of the College's control of appointment of a majority of the Trust's Trustees, and also receiving benefit in the form of concurrent charitable purposes.

	Period ended	Aggregate Capital and Reserves	Turnover /Income	Expenditure	Surplus/ (Deficit) for the year
	£'000	£'000	££'000	£'000	£'000
Surgeons Lodge Limited	31 December 2019	1,909	7,268	6,480	788
Surgeons Hall Trust (Dormant)	31 December 2019	-	-	-	-
Hill Square Educational Trust	31 December 2019	1,083	7,571	7,971	(400)
RCSEd Malaysia SDN. BHD.	31 December 2019	3	46	44	2

16. Stocks

	Group 31 December 2019	Group 31 December 2018	Charity 31 December 2019	Charity 31 December 2018
	£'000	£'000	£'000	£'000
Stock of wine	-	-	-	-
College shop	-	-	-	-
Museum shop	9	10	9	10
Hotel stock	113	115	-	-
Logbooks and training videos	4	1	-	-
	126	126	9	10

Stock held by the Hill Square Educational Trust comprises logbooks bought for resale to examination candidates, training videos and related books. Stock held by Surgeons Lodge Limited comprises goods for use in the hotel.

17. Debtors

	Group 31 December 2019	Group 31 December 2018	Charity 31 December 2019	Charity 31 December 2018
	£'000	£'000	£'000	£'000
Trade debtors	593	629	114	163
Other debtors	2,072	3,014	982	2,025
Prepayments	628	802	304	283
Due from Surgeons Lodge Limited	-	-	1,642	1,007
	3,293	4,445	3,042	3,478

18. Cash at bank and in hand

	Group 31 December 2019 £'000	Group 31 December 2018 £'000	Charity 31 December 2019 £'000	Charity 31 December 2018 £'000
UK bank accounts	9,251	5,286	5,761	4,292
Overseas bank accounts	9	9	-	-
Other balances	273	295	6	4
	9,533	5,590	5,767	4,296

Cash and bank balances above include amounts in respect of deferred income which are included within creditors payable within one year (note 19).

Included within the charity's cash and bank balances above are amounts of £233,000 (2018: £229,000) in respect of restricted funds, as described in note 21.

19. Creditors: amounts falling due within one year

	Group 31 December 2019 £'000	Group 31 December 2018 £'000	Charity 31 December 2019 £'000	Charity 31 December 2018 £'000
Royal Bank of Scotland	529	5,752	529	5,752
Trade creditors	409	343	318	206
Other taxation and social security	651	382	154	137
Due to HSET	-	-	2,580	3,693
Other creditors and accruals	2,291	2,677	949	1,199
HP Creditor	15	-	15	-
	3,895	9,154	4,545	10,987
Examination fees in advance	1,997	2,071	-	-
Deferred income	892	474	494	231
	6,784	11,699	5,039	11,218
Deferred subscription, examination and course fee income				
As at 1 January 2019	2,545	1,826	231	54
Released in the period	(2,545)	(1,826)	(231)	(54)
Deferred in the period	2,889	2,545	494	231
As at 31 December 2019	2,889	2,545	494	231

20. Amounts owing under Finance leases

The future minimum finance lease payments are as follows:

	Group 31 December 2019 £'000	Group 31 December 2018 £'000	Charity 31 December 2019 £'000	Charity 31 December 2018 £'000
Not later than one year	15	-	15	-
Later than one year and not later than five years	36	-	36	-
Total gross payments	51	-	51	-
less: finance charges	(3)	-	(3)	-
Carrying amount of liability	48	-	48	-

The Finance lease relates to IT equipment purchased for use across the College.

21. Creditors: amounts falling due after more than one year

	Group 31 December 2019 £'000	Group 31 December 2018 £'000	Charity 31 December 2019 £'000	Charity 31 December 2018 £'000
Royal Bank of Scotland loan	9,496	3,444	9,496	3,444
HP Creditor	33	-	33	-
	9,529	3,444	9,529	3,444

The bank loan facility of £10,041,000 is secured by way of a standard security over Ten Hill Place Hotel.

Interest is calculated on facility A on a daily basis at a rate equivalent to 1.75% per annum above the Bank's three month LIBOR rate. Interest on Facility C is fixed at 2.979% per annum.

22. Fund note – Group

	As at 1 January 2019 £'000	Incoming Resources £'000	Resources Expanded £'000	Investment Gains £'000	Transfer £'000	As at 31 December 2019 £'000
Unrestricted funds						
General fund	17,359	20,807	(19,553)	-	(24)	18,589
Designated funds						
Revaluation reserve	5,446	-	-	(1)	-	5,445
Dental Faculty fund	56	-	-	-	-	56
Faculty of Pre-Hospital Care fund (Hillsborough)	41	-	(21)	-	-	20
Overseas fund	102	-	-	-	-	102
Global Surgery foundation	49	-	(12)	-	24	61
Building renovations fund	170	-	(2)	-	-	168
Patricia Adamson Estate	311	-	(39)	-	-	272
Malcolm Green Bequest	144	-	-	-	-	144
McCreath Bequest	900	187	-	-	-	1,087
London Law Trust	4	-	-	-	-	4
	24,582	20,994	(19,627)	(1)	-	25,948
Restricted funds						
Appeal fund	4,660	1	(104)	-	-	4,557
Autosuture med educ. fund	147	-	-	-	-	147
Cancer fund	211	4	(42)	-	-	173
Philip Cutner Trust	261	23	(5)	-	-	279
Funding the Future	433	84	(66)	-	-	451
Johnson & Johnson travel f/ship	97	-	-	-	-	97
Binks Trust African Project	97	-	(3)	-	-	94
Acad of Medical Royal Colleges	27	-	-	-	-	27
Pehin Azziz medal	5	-	-	-	-	5
Research fund – Ophthalmology	-	163	(126)	-	-	37
The Ethicon Foundation fund	59	7	(2)	-	-	64
Simpson Memorial Lecture fund	88	1	-	-	-	89
Henry Wade fund	195	2	-	-	-	197
Other trust funds	226	12	(7)	-	-	231
Library fund	4	-	-	-	-	4
Heritage Society	638	77	(50)	-	-	665
Sir Henry Wade's Pilmuir Trust	88	10	(16)	-	-	82
Heritage Lottery Fund	2,291	-	(54)	-	-	2,237
Lindsay Stewart Estate	374	1	(50)	-	-	325
RCSEd/SOMS/Shanghai	-	-	-	-	-	-
Head & Neck Fellowship	-	5	-	-	-	5
Shine award	1	-	(5)	-	-	(4)
Maurice Wohl Foundation	935	-	(20)	-	-	915
Wellcome Trust	1	-	-	-	-	1
Dental Public Health e-Portfolio	3	15	(5)	-	-	13
Dental Education Fund	111	-	(9)	-	-	102
Shell – IRHC	52	30	(15)	-	-	67

22. Fund note – Group (Continued)

	As at 1 January 2019 £'000	Incoming Resources £'000	Resources Expanded £'000	Investment Gains £'000	Transfer £'000	As at 31 December 2019 £'000
IBTPHEM	56	134	(113)	-	-	77
W H Ross Foundation	245	18	-	-	-	263
Patch	6	-	-	-	-	6
Alban Barros D'Sa Memorial	7	-	(1)	-	-	6
Myanmar project	19	-	(14)	-	-	5
Humanitarian Medicine	15	-	(5)	-	-	10
Moving Medicine Project	28	77	(72)	-	-	33
Dental Teaching Fellowship	1	3	-	-	-	4
FST/ASME	1	2	(2)	-	-	1
Tuanku Muhriz	1	2	(1)	-	-	2
Bereznicki Dental Skills	15	20	(2)	-	-	33
Tyson Medal Fund	5	-	-	-	-	5
Lindsay Stewart Prize	-	26	(4)	-	-	22
Body Voyager Gallery	-	170	-	-	-	170
B Braun Fellowship	-	10	-	-	-	10
Museum Galleries Scotland	-	25	(11)	-	-	14
HLF Canongate Youth	-	4	(1)	-	-	3
RS Macdonald SCONE project	-	63	-	-	-	63
	11,403	989	(805)	-	-	11,587
Endowment funds						
Cancer fund	99	-	-	15	-	114
Philip Cutner Trust	476	-	-	72	-	548
Funding the Future	2,346	-	-	262	-	2,608
The Ethicon Foundation fund	146	-	-	21	-	167
Simpson Memorial Lectureship fund	13	-	-	4	-	17
Henry Wade fund	34	-	-	9	-	43
Other trust funds	90	-	-	20	-	110
	3,204	-	-	403	-	3,607
Total funds	39,189	21,983	(20,432)	402	-	41,142

22. Fund note – Charity

	As at 1 January 2019 £'000	Incoming Resources £'000	Resources Expanded £'000	Investment Gains £'000	Transfer £'000	As at 31 December 2019 £'000
Unrestricted funds						
General fund	17,823	8,731	(7,856)	(1)	(24)	18,673
Designated funds						
Revaluation reserve	11,696	-	-	-	-	11,696
Overseas fund	102	-	-	-	-	102
Building renovations fund	170	-	(2)	-	-	168
Patricia Adamson Estate	311	-	(39)	-	-	272
McCreath Bequest	900	187	-	-	-	1,087
Global Surgery Foundation	49	-	(12)	-	24	61
London Law Trust	4	-	-	-	-	4
Malcolm Green Bequest	144	-	-	-	-	144
	31,199	8,918	(7,909)	(1)	-	32,207

22. Fund note – Charity (Continued)

	As at 1 January 2019 £'000	Incoming Resources £'000	Resources Expanded £'000	Investment Gains £'000	Transfer £'000	As at 31 December 2019 £'000
Restricted funds						
Appeal fund	4,660	1	(104)	-	-	4,557
Autosuture continuing medical education fund	147	-	-	-	-	147
Cancer fund	211	4	(42)	-	-	173
Philip Cutner Trust	261	23	(5)	-	-	279
Funding the Future	433	84	(66)	-	-	451
Johnson & Johnson trav. F'ship	97	-	-	-	-	97
Binks Trust African Project	97	-	(3)	-	-	94
Pehin Azziz medal	5	-	-	-	-	5
Research fund – Ophthalmology	-	163	(126)	-	-	37
The Ethicon Foundation fund	59	7	(2)	-	-	64
Library fund	4	-	-	-	-	4
Simpson Memorial Lecture fund	88	1	-	-	-	89
Henry Wade fund	195	2	-	-	-	197
Other trust funds	226	12	(7)	-	-	231
Wong Choon Hee Bursary	-	-	-	-	-	-
Heritage Society	638	77	(50)	-	-	665
Sir Henry Wade's Pilmuir Trust	88	10	(16)	-	-	82
Heritage Lottery Fund	2,291	-	(54)	-	-	2,237
Lindsay Stewart Estate	374	1	(50)	-	-	325
RCSEd/SOMS/Shanghai	-	-	-	-	-	-
Head & Neck Fellowship	-	5	(5)	-	-	-
Shine award	1	-	-	-	-	1
Maurice Wohl Foundation	935	-	(20)	-	-	915
Wellcome Trust	1	-	-	-	-	1
Dental Education Fund	111	3	(9)	-	-	105
Alban Barros D'Sa Memorial	-	-	-	-	-	-
Travelling Fellowship	7	-	(1)	-	-	6
Patch	6	-	-	-	-	6
FST/ASME	1	2	(2)	-	-	1
Tuanku Muhriz	1	2	(1)	-	-	2
Bereznicki Dental Skills	15	20	(2)	-	-	33
W H Ross Foundation	245	18	-	-	-	263
Tyson Medal Fund	5	-	-	-	-	5
Lindsay Stewart Prize	-	26	(4)	-	-	22
Body Voyager Gallery	-	170	-	-	-	170
B Braun Fellowship	-	10	-	-	-	10
Museum Galleries Scotland	-	25	(11)	-	-	14
HLF Canongate Youth	-	4	(1)	-	-	3
RS Macdonald SCONE project	-	63	-	-	-	63
	11,202	733	(581)	-	-	11,354
Endowment funds						
Cancer fund	99	-	-	15	-	114
Philip Cutner Trust	476	-	-	72	-	548
Funding the Future	2,346	-	-	262	-	2,608
The Ethicon Foundation fund	146	-	-	21	-	167
Simpson Memorial Lectureship fund	13	-	-	4	-	17
Henry Wade fund	34	-	-	9	-	43
Other trust funds	90	-	-	20	-	110
	3,204	-	-	403	-	3,607
Total funds	45,605	9,651	(8,490)	402	-	47,168

22. Fund note – Group and Charity (Continued)

In line with accounting requirements, comparative figures for Group and College funds at 31 December 2018 are included below.

	As at 1 January 2018 £'000	Incoming Resources £'000	Resources Expanded £'000	Investment Gains £'000	Transfer 31 December £'000	As at 31 December 2018 £'000
Group						
Unrestricted funds						
General fund	17,314	18,187	(18,085)	-	(57)	17,359
Designated funds						
Revaluation reserve	5,364	-	-	82	-	5,446
Dental Faculty fund	56	-	-	-	-	56
Faculty of Pre-Hospital						
Care fund (Hillsborough)	45	-	(4)	-	-	41
Overseas fund	102	-	-	-	-	102
Global Surgery foundation	-	-	(8)	-	57	49
Building renovations fund	174	-	(4)	-	-	170
Patricia Adamson Estate	350	-	(39)	-	-	311
Malcolm Green Bequest	144	-	-	-	-	144
McCreath Bequest	-	900	-	-	-	900
London Law Trust	15	-	(11)	-	-	4
	23,564	19,087	(18,151)	82	-	24,582
Restricted funds						
Appeal fund	4,771	1	(112)	-	-	4,660
Autosuture med educ. fund	147	-	-	-	-	147
Cancer fund	240	4	(33)	-	-	211
Philip Cutner Trust	302	22	(63)	-	-	261
Funding the Future	417	79	(63)	-	-	433
Johnson & Johnson travel f/ship	97	-	-	-	-	97
Binks Trust African Project	100	-	(3)	-	-	97
Acad of Medical Royal Colleges	27	-	-	-	-	27
Pehin Azziz medal	5	-	-	-	-	5
Research fund – Ophthalmology	-	150	(150)	-	-	-
The Ethicon Foundation fund	57	6	(4)	-	-	59
Lorna Smith Charitable trust	-	58	(58)	-	-	-
Simpson Memorial Lecture fund	87	1	-	-	-	88
Henry Wade fund	193	3	(1)	-	-	195
Other trust funds	221	8	(3)	-	-	226
Library fund	4	-	-	-	-	4
Heritage Society	613	31	(6)	-	-	638
Sir Henry Wade's Pilmuir Trust	56	35	(3)	-	-	88
Heritage Lottery Fund	2,345	-	(54)	-	-	2,291
Tropical Health & Educ. Trust	1	-	(1)	-	-	-
Lindsay Stewart Estate	416	-	(42)	-	-	374
RCSEd/SOMS/Shanghai						
Head & Neck Fellowship	(1)	4	(3)	-	-	-
Shine award	1	-	-	-	-	1
Maurice Wohl Foundation	955	-	(20)	-	-	935
Wellcome Trust	1	-	-	-	-	1
Dental Public Health e-Portfolio	7	-	(4)	-	-	3
Dental Education Fund	165	1	(55)	-	-	111
Shell – IRHC	48	9	(5)	-	-	52
IBTPHEM	41	120	(105)	-	-	56
W H Ross Foundation	-	245	-	-	-	245
Patch	7	-	(1)	-	-	6
Alban Barros D'Sa Memorial	8	-	(1)	-	-	7
Myanmar project	-	69	(50)	-	-	19
Humanitarian Medicine	-	15	-	-	-	15
Wong Choon Hee	-	1	(1)	-	-	-
Moving Medicine Project	13	104	(89)	-	-	28
Dental Teaching Fellowship	1	-	-	-	-	1
FST/ASME	-	6	(5)	-	-	1
Tuanku Muhriz	-	1	-	-	-	1
Bereznicki Dental Skills	-	15	-	-	-	15
Tyson Medal Fund	-	5	-	-	-	5
	11,345	993	(935)	-	-	11,403

22. Fund note – Group and Charity (Continued)

	As at 1 January 2018 £'000	Incoming Resources £'000	Resources Expanded 31 December £'000	Investment Gains £'000	Transfer £'000	As at 31 December 2018 £'000
Group						
Endowment funds						
Cancer fund	112	-	-	(13)	-	99
Philip Cutner Trust	540	-	-	(64)	-	476
Funding the Future	2,572	-	-	(226)	-	2,346
The Ethicon Foundation fund	164	-	-	(18)	-	146
Simpson Memorial Lectureship fund	17	-	-	(4)	-	13
Henry Wade fund	42	-	-	(8)	-	34
Other trust funds	106	-	-	(16)	-	90
	3,553	-	-	(349)	-	3,204
Total funds	38,462	20,080	(19,086)	(267)	-	39,189
Charity						
Unrestricted funds						
General fund	17,273	8,151	(7,544)	-	(57)	17,823
Designated funds						
Revaluation reserve	11,614	-	-	82	-	11,696
Overseas fund	102	-	-	-	-	102
Building renovations fund	174	-	(4)	-	-	170
Patricia Adamson Estate	350	-	(39)	-	-	311
McCreath Bequest	-	900	-	-	-	900
Global Surgery Foundation	-	-	(8)	-	57	49
London Law Trust	15	-	(11)	-	-	4
Malcolm Green Bequest	144	-	-	-	-	144
	29,672	9,051	(7,606)	82	-	31,199
Restricted funds						
Appeal fund	4,771	1	(112)	-	-	4,660
Autosuture continuing medical education fund	147	-	-	-	-	147
Cancer fund	240	4	(33)	-	-	211
Philip Cutner Trust	302	22	(63)	-	-	261
Funding the Future	417	79	(63)	-	-	433
Johnson & Johnson trav. F'ship	97	-	-	-	-	97
Binks Trust African Project	100	-	(3)	-	-	97
Pehin Azziz medal	5	-	-	-	-	5
Research fund – Ophthalmology	-	150	(150)	-	-	-
The Ethicon Foundation fund	57	6	(4)	-	-	59
Library fund	4	-	-	-	-	4
Simpson Memorial Lecture fund	87	1	-	-	-	88
Henry Wade fund	193	3	(1)	-	-	195
Other trust funds	221	8	(3)	-	-	226
Wong Choon Hee Bursary	-	1	(1)	-	-	-
Heritage Society	613	31	(6)	-	-	638
Sir Henry Wade's Pilmuir Trust	56	35	(3)	-	-	88
Heritage Lottery Fund	2,345	-	(54)	-	-	2,291
Lindsay Stewart Estate	416	-	(42)	-	-	374
RCSEd/SOMS/Shanghai	(1)	4	(3)	-	-	-
Head & Neck Fellowship						
Shine award	1	-	-	-	-	1
Maurice Wohl Foundation	955	-	(20)	-	-	935
Wellcome Trust	1	-	-	-	-	1
Dental Education Fund	165	1	(55)	-	-	111
Alban Barros D'Sa Memorial	8	-	(1)	-	-	7
Travelling Fellowship						
	8	-	(1)	-	-	7

22. Fund note – Group and Charity (Continued)

	As at 1 January 2018 £'000	Incoming Resources £'000	Resources Expanded £'000	Investment Gains £'000	Transfer £'000	As at 31 December 2018 £'000
Charity						
Restricted funds						
Patch	7	-	(1)	-	-	6
FST/ASME	-	6	(5)	-	-	1
Tuanku Muhriz	-	1	-	-	-	1
Bereznicki Dental Skills	-	15	-	-	-	15
W H Ross Foundation	-	245	-	-	-	245
Tyson Medal Fund	-	5	-	-	-	5
Lorna Smith Charitable Trust Research Fellowship	-	58	(58)	-	-	-
	11,207	676	(681)	-	-	11,202
Endowment funds						
Cancer fund	112	-	-	(13)	-	99
Philip Cutner Trust	540	-	-	(64)	-	476
Funding the Future	2,572	-	-	(226)	-	2,346
The Ethicon Foundation fund	164	-	-	(18)	-	146
Simpson Memorial Lectureship fund	17	-	-	(4)	-	13
Henry Wade fund	42	-	-	(8)	-	34
Other trust funds	106	-	-	(16)	-	90
	3,553	-	-	(349)	-	3,204
Total funds	44,432	9,727	(8,287)	(267)	-	45,605

The Malcolm Green fund is for the purpose of general College charitable activities at the discretion of the Trustees.

The Appeal fund is for the purpose of research or travelling fellowships.

The Autosuture continuing medical education foundation donate an annual sum to the College to establish a number of scholarships.

The Cancer fund is for cancer research.

The Philip Cutner trust is for the development of orthopaedic surgery and is used to provide teaching or travelling fellowships.

The Funding the Future fund has been invested by Council so as to provide an income stream for future research awards, fellowships and grants.

The purpose of the J H Steyn fellowship is to award up to £900 annually to assist with the cost of a young urologist travelling for further experience.

The objective of the Johnson & Johnson medical travelling fellowship fund is to support overseas fellows by providing funds to enable travel to Edinburgh for training purposes.

The Binks Trust African Project is for the purpose of providing education to Africa.

The Academy of Medical Royal Colleges awarded funds to Hill Square Educational Trust for various projects. In the opinion of the Trustees these funds are restricted.

The Pehin Azziz medal is awarded annually to the overseas Fellow who has contributed most to the College in the preceding year.

The Research Fund – Ophthalmology are grants sponsored by Royal Blind for major and small project grants for Ophthalmologists working in Scotland and all Fellows/Members of the College in good standing.

The Ethicon Foundation fund is to provide grants to assist overseas travel for surgeons and others, or for such other purpose as Council may determine.

The Simpson Memorial fund is to fund a lectureship delivered by men who have made a significant contribution to surgery, obstetrics or anaesthesia.

The Henry Wade fund is to be used to pay the expenses and suitable honorarium of a visiting Professor to the College who would conduct lectures and demonstrations on the Surgical and Pathological material in the Museum of the College.

The Other Trust funds comprises various other small restricted funds. These funds include amounts which have been designated for the provision of lectures, contributions towards teaching and the provision of prizes, including medals for the best candidate in various examinations.

The Library fund is to assist in the preservation of College archives, portraits and books.

Wong Choon Hee Bursaries are for medical students carrying out their Electives abroad.

The Heritage Society relates to donations received in support of the work of the College in the three areas of Heritage, Research and Education.

22. Fund note – Group and Charity (Continued)

The Sir Henry Wade's Pilmuir Trust fund is to provide and maintain the "Wade Surgeon Anatomist Skills Course".

The Heritage Lottery Fund awarded funds in respect of the first round development costs of the Heritage Lottery Fund project and subsequently awarded funds in respect of the Lister Project to refurbish the College's museums and archives.

The Tropical Health and Education Trust awarded funds to support travel costs to Myanmar to conduct meetings and training activities.

The College received funds from the late Lindsay Stewart to be used for the development of training and educational programmes which support the use of simulation in surgery, within the Royal College of Surgeons of Edinburgh, and to facilitate research into their effectiveness in keeping with the College's research strategy incorporating the name Lindsay Stewart.

The Shine award is funding provided by the Health Foundation in respect of a project which will use an adapted NOTSS (non-technical skills for surgeons) system and a ward round based structured checklist to reduce errors and improve safety on surgical wards.

GE Medical awarded funds to the Faculty of Sport and Exercise Medicine for a research grant.

RCSEd/SOMS/Shanghai Head & Neck Fellowship is to fund the cost of an OMFS trainee from the UK travelling to Shanghai.

The Maurice Wohl Foundation awarded funds in respect of the Lister Project to refurbish the College's museums and archives.

The Wellcome Trust has provided grant funding for archiving and conservation costs.

The Specialty Advisory Committee in Dental Public Health was awarded funds to support their trainees through their training programs. The charity is managing the procurement and development of this Dental Public Health ePortfolio project on their behalf and in the opinion of the Trustees these funds are restricted.

Royal Dutch Shell Plc provided funds to support the costs of assimilating the Institute of Remote Health Care (IRHC) into Hill Square Educational Trust's activities.

The Dental Education Fund was established to provide educational grants to support students and post-graduates in dental education.

The Lorna Smith Charitable Trust provided funds to support the award of a research fellowship.

The Chan bequest is a donation from Mr Andrew Chan and is restricted for the purposes of the Henry Wade Project and the refurbishment of the East Reading room.

Heritage Portfolio Limited provided a donation to support a small Dental Teaching Fellowship. The McCreath bequest is an unrestricted donation from the estate of the late Ann McCreath. The W H Ross Foundation provided funds to fund clinical research fellowships in 2019.

23. Analysis of net group assets between funds

	Unrestricted Funds 2019 £'000	Restricted Funds 2019 £'000	Endowment Funds 2019 £'000	Total Funds 2019 £'000
Intangible Fixed Assets	75	-	-	75
Tangible Fixed Assets	24,708	7,808	-	32,516
Heritage assets	3,885	-	-	3,885
Investments	4,351	69	3,607	8,027
Current Assets	9,132	3,820	-	12,952
Creditors – amounts falling due within one year	(6,674)	(110)	-	(6,784)
Creditors – amounts falling due after more than one year	(9,529)	-	-	(9,529)
	25,948	11,587	3,607	41,142
	Unrestricted Funds 2018 £'000	Restricted Funds 2018 £'000	Endowment Funds 2018 £'000	Total Funds 2018 £'000
Intangible Fixed Assets	83	-	-	83
Tangible Fixed Assets	24,706	7,886	-	32,592
Heritage assets	3,885	-	-	3,885
Investments	4,319	88	3,204	7,611
Current Assets	6,523	3,638	-	10,161
Creditors – amounts falling due within one year	(11,490)	(209)	-	(11,699)
Creditors – amounts falling due after more than one year	(3,444)	-	-	(3,444)
	24,582	11,403	3,204	39,189

NOTES TO THE ACCOUNTS

24. Related party transactions

All of The Hill Square Education Trust's financial activities are operated by the Royal College of Surgeons of Edinburgh and the College raises a management charge to cover the costs relating to The Hill Square Educational Trust. The management charge for the year ended 31 December 2019 was £700,000 (2018: £700,000).

Transactions with Surgeons Lodge Limited are not disclosed as it is a wholly-owned subsidiary and intra-group transactions have been eliminated on consolidation.

There are no other related party transactions (2018: £nil).

25. Total future minimum lease payments under non-cancellable operating leases

	Total 2019 £'000	Total 2018 £'000
Within one year	228	304
Between one and two years	195	226
Between two and five years	222	354
After more than five years	-	-
	<u>645</u>	<u>884</u>

26. Capital commitments

In November 2019, a letter of intent was signed with regard to the second phase of building works on Ten Hill Place. Work is scheduled to commence in February 2020.

These capital commitments will be funded from additional bank borrowing and existing College reserves.

Capital expenditure in respect of building developments contracted for, but not provided for in the financial statements, amounted to £NIL at 31 December 2019 (2018: £NIL).

27. Contingent Liabilities

At the date of signing, the College group was subject to ongoing legal claims, the outcomes of which cannot be determined with any certainty.

No provision has been made for these on the basis that they cannot be reliably quantified at this stage.

28. Post balance sheet events - Effect of COVID-19

Education and professional activities

A joint policy statement was issued by the surgical Royal Colleges on 13 March 2020 postponing all conferences, educational and training courses, assessment panels, accreditation visits and examinations until at least the end of summer 2020. This was further revised as events unfolded and at the date of approval of the accounts the current aim is to resume activities from September 2020. It is recognised that there will be a need for significant modifications to allow for social distancing and plans are in place to take some written papers online.

The COVID-19 pandemic in 2020 meant that for a period of approximately four months the College Museums and Hotel and Events activities were either fully or partially closed. The delivery of examinations and face to face courses also ceased in March 2020 and are not expected to return until September at the earliest. The Trustees do not expect these activities to recover to previously seen levels in the short to medium term. The group continues to plan for various financial scenarios, and cash flows, as a result of the loss of revenue that the pandemic has caused and continues to try to mitigate against this by introducing substantial cost-saving exercises, by utilising the funding available from the government furlough scheme, by considering other available funding and income streams and by considering further cost savings going forward. Having reviewed the various scenarios, the Trustees are satisfied that the College, and its group entities, remain a going concern and can continue to operate for the foreseeable future.

Heritage and Commercial activities

The COVID-19 pandemic had a considerable impact on Heritage and Commercial activities, in that the Museum, Hotel, Café and events facilities were partially or totally closed as a result of the government lockdown. All reopened in mid-July with the appropriate social distancing measures in place.

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