

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 December 2015



The Royal College of Psychiatrists
Annual Report and Financial Statements
31 December 2015

Charity Commission for England and Wales
Registration Number 228636

Office of the Scottish Charity Regulator
Registration Number SC038369

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TRUSTEES' REPORT

Introduction

This is the report of the Board of Trustees of the Royal College of Psychiatrists, including the accounts of the College, for the year ended 31 December 2015.

The accounts have been prepared in accordance with the accounting policies set out on pages 36 to 39 of the attached accounts and comply with the College's Charter, applicable laws and the requirements of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, effective from 1 January 2015. Published in July 2014.

College objectives and activities

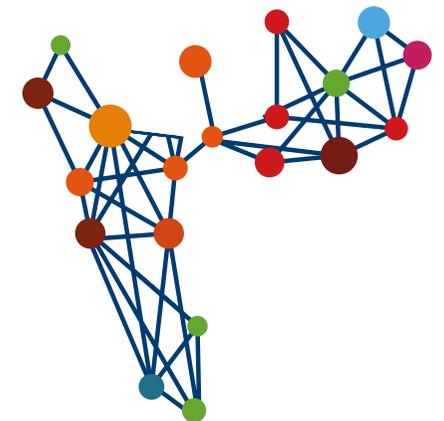
In 1971 the College was established to:

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

As a registered charity (number 228636 with the Charity Commission for England and Wales and number SC038369 with the Office of the Scottish Charity Regulator), we have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities we undertake. This annual report sets out the details of our work in 2015 that demonstrates public benefit.

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

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



President's message



The Royal College of Psychiatrists is committed to improving the lives of people with mental illness. In 2015 Council and the Board of Trustees agreed a strategic plan based on the top three priorities for the next three years:

- Set standards leading to excellence for individual practice and services
- Workforce: recruitment, development, and retention
- Communication: internal and external

We must build on our past work to improve understanding of how mental and physical health are affected by the social and cultural context in which people live. An important part of our strategic plan is to take psychiatry forward by setting and achieving the highest standards, through education, training and research. We lead the way in developing excellence in the profession and promoting best practice in mental health services, and we will continue to do so.

The College actively promotes psychiatry as a medical career. College structures provide dedicated support to our members and associates. Nationally and internationally, the College has a vital role in representing

the expertise of the psychiatric profession to governments and other agencies. This is a key part of promoting best practice in mental health and increasing funding for research.

To act on our priorities we will focus on removing the stigma that is still associated with mental illness, and work towards a 'parity of esteem' – where society values mental health equally with physical health. To do this we will keep influencing the public to remove any stigma associated with psychiatry and mental illness, and will work with key players in the mental health field. We will continue to call for essential improvements in the quality of mental healthcare throughout all sectors of society and an increase in funding.

There were major changes to the governance structure of the College in 2014. The College has introduced a new Board of Trustees, which is our governance body. This is the first collaborative strategic plan of council and the new board. The objectives and strategies in this plan will be supported by regular reports from the Chief Executive and management to the board.

Professor Sir Simon Wessely
President

How the College meets the legal requirements of the Charities' Act

Trustees are satisfied that:

- the College's activities come under the College's main goal of improving the lives of people with mental illness through patient-centred care
- we meet our duty under Section 4 of the Charities Act 2011 to make sure that what we do is 'for the public benefit'



Message from our Chief Executive



During 2015 our Trustees, in partnership with Council, have further developed and approved the key aims and objectives of our Strategic Plan 2015–2018.

The associated Operational Plan 2015–2018 has been fine-tuned with input from members of staff, members of the College and Council, patient and carer representatives, and Trustees. It sets measurable objectives that are designed to achieve the College's vision, which is 'to improve the lives of people with mental illness through patient-centred care'. This vision underpins all we do.

The refocused Operational Plan 2015–2018 necessitated restructuring within the College to enable us to deliver our objectives. This process started in 2014, was followed by an external review of our communications activities in 2015, and culminated in the establishment of a new Department of Strategic Communications, which will be up and running in 2016.

Trustees have also agreed to an external review of the College's publications to enable a strategic overview of the scope and extent of College publications; we must be sure that as a membership society we are serving our members, providing value for money, are serving the wider community in a cost-effective manner.

The first reporting year of the Operational Plan 2015–2018's outcomes will be 2016 and so next year's report will more closely reflect this. This year, we have focused upon highlighting a few of the wide ranging activities we undertake to achieve our key objectives.

Vanessa Cameron
Chief Executive

Our key objectives

Set standards of excellence for individual practice and services

To set and achieve, for the benefit of patients, the highest standards of psychiatric care through education, training and research

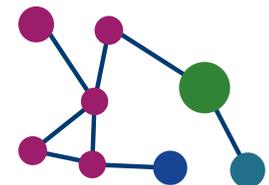
Workforce: recruitment, retention and development

To grow the profession through leadership and support, providing high-quality training to allow psychiatrists to deliver safe care of the highest standard at all stages of their career

Communication: internal and external

To develop standards, improve services and remove stigma by involving and working with people affected by mental illness, our members, the wider health team, partners and key audiences

RCPsych Strategic Plan 2015–2018



ACHIEVEMENTS AND ACTIVITIES: HIGHLIGHTS

The highlights we have focused upon are set out on the following pages in the order of our three key strategic objectives.

Set standards of excellence for individual practice and services

To set and achieve, for the benefit of patients, the highest standards of psychiatric care through education, training and research

The College aims to ensure that the standards it sets, across all of its activities, are coordinated, kept up to date and accessible. Our objectives include defining models of care, identifying excellent services, promoting parity of esteem and influencing NICE guidance.

A key role of the College is to set standards for psychiatrists, through Good Psychiatric Practice and its associated guidance documents, and College Reports. But our standard setting and implementation activities are very much broader and more complex than that. For example, they include:

- The National Collaborating Centre for Mental Health (NCCMH): a partnership between the Royal College of Psychiatrists and the British Psychological Society specialises in producing evidence-based guidance for practice
- The College Centre for Quality Improvement (CCQI) sets standards for services
- Commissioning guidance developed by the Joint Commissioning Panel for Mental Health sets standards for commissioners
- The College's Invited Review mechanism assesses individuals and services.

The National Collaborating Centre for Mental Health (NCCMH)

The NCCMH has been successful in attracting a significant programme of work to be funded by NICE and NHS England over the next five years: Achieving Better Access to Mental Health Services, also known as the Access and Waiting Time (AWT) Project. The immediate work programme for 2015/2016 covers:

- Eating Disorders in Child and Adolescent Mental Health Services
- Early Intervention in Psychosis services
- Perinatal mental health
- Crisis care (with six subgroups)
- Dementia

Work for 2016-2017 is likely to concern school refusal, self-harm and, later, ADHD.

The contract from NICE will amount to approximately £1m to £1.4m per year for four years. Professor Pilling and Professor Kendall will remain as Directors of NCCMH.

The NCCMH continues to deliver robust and up-to-date evidence-based guidelines and quality standards, which underpin the value of research and make current research more accessible to clinicians. In addition to its current publications, in 2015 it published guidelines on Management and Prevention of Violence and Aggression, Challenging Behaviour and Learning Disability, and Children's Attachment Problems.

While we were disappointed that our tender to the National Institute for Health and Care Excellence (NICE) for Guideline Development Centre 2 was unsuccessful and the Royal College of Obstetricians and Gynaecologists (RCOG) awarded the contract, there are unlikely to be major negative financial implications associated with the unsuccessful tender bid. We will continue to work with the RCOG in the development of NICE guidelines. It is anticipated that, during 2016, the NCCMH will start work on a further programme of work funded by NHS England to produce guidelines for 'Safe, Compassionate Care'.

College Centre for Quality Improvement (CCQI)

In collaboration with the British Standards Institute, core standards for inpatient and community services for people with mental health conditions were revised in early 2015. These core standards will be made publicly available and will be integrated into the peer-networks and accreditation programmes provided by the College.

Standards for Community Mental Health Teams and Prison Mental Health Services have been published. Further, funding of approximately £1.25 million has been secured for a further three years, beginning in January 2015, for the National Audit of Dementia.

The Joint Commissioning Panel for Mental Health (JCPMH)

The Joint Commissioning Panel for Mental Health (JCPMH) is co-chaired by the Royal College of Psychiatrists and the Royal College of General Practitioners. It is a collaboration between seventeen leading organisations, inspiring commissioners to improve mental health and wellbeing, using a values based commissioning model.

Over the past 18 months, the JCPMH has developed practical guidance on what good services for mental illness, dementia and learning disabilities should look like, plus guidance on public mental health and values-based commissioning. The JCPMH marks its

fourth anniversary in March 2015 and, to date, it has published 18 guides.

The JCPMH has now joined forces with the Strategic Health Authority Mental Health Leads Group to design tools to help commissioners.

The JCPMH:

- publishes briefings on the key values and principles for effective mental health commissioning
- provides practical guidance and a framework for mental health commissioning
- supports commissioners in commissioning mental health care that delivers the best possible outcomes for health and wellbeing
- develops guidance for best practice commissioning in areas where disparities in outcomes exist
- brings together patients, service users, clinicians, commissioners, managers and others to deliver the best possible commissioning for mental health and wellbeing

All of the Joint Commissioning Panel's publications can be downloaded from www.jcpmh.info

Invited Review Service (IRS)

Over the past two years the IRS has become far busier: there have been 14 reviews completed in two years compared with 11 reviews in the preceding 11 years. It has introduced a number of measures to ensure consistent and rigorous reviews that generate useful recommendations:

- The IRS holds an annual two-day meeting for the service reviewers, to use the peer group to set shared standards and to take a position on dilemmas and difficult problems. The meetings so far have been very successful and another is planned in March 2016. This has been an important step forward in identifying standards and their practical application.
- The IRS has focused on building links with the CCQI and external bodies, including the General Medical Council. Feedback has been sought from commissioning bodies
- The IRS has contributed to the guidelines for external reviews which are being developed by the Academy of Medical Royal Colleges (AoMRC) (England).

Involving patients and carers in setting standards

All standards are developed in collaboration with patients and carers. For example:

- Patients and carers were fully represented on the groups that oversaw the development of standards for Community Mental Health Teams and Prison Mental Health Services.
- All JCPMH guide expert advisory groups have a patient and a carer representative.
- All working groups developing policy and standards for good practice as part of the College Report programme include patient and carer representatives, and work with external patient and carer groups and other organisations as required by the work. In 2016, the Policy Unit will review how this is working in practice, and will review the guidance to Chairs of College Report working groups to assess whether it requires updating.

Greener mental health: Sustainability

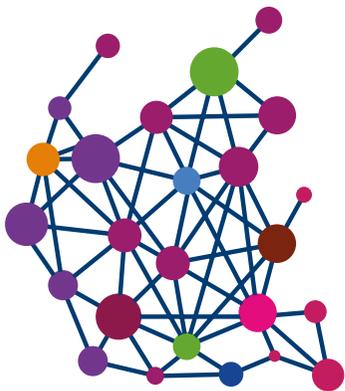
Sustainability for healthcare focuses on economic, environmental and social factors that could affect health in the future.

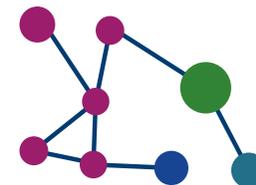
As part of its commitment to greener mental health care, the College funded a two-year fellowship to improve the sustainability of mental health services. Dr Daniel Maughan was appointed Sustainability Fellow in 2013 and his key achievements were reported in 2015. Dr Maughan has:

- Defined sustainability in mental health settings
- Developed a highly visible profile for our College, the only Royal College to have a sustainability fellow
- Demonstrated and then harnessed interest in sustainability amongst our members (formed a network, organised a summit and writes a regular blog)
- Pioneered sustainability analysis of clinical interventions in mental health; this will underpin future transformation in clinical practice (making it more sustainable and offering better patient care)

Commenting on Dr Maughan's achievements Dr David Pencheon, Director, Sustainable Development Unit, NHS England and Public Health England said: *"It is worth noting that this particular College, which places a high value on the mental and spiritual welfare of the public, has taken a lead on what we need to do now to ensure the future mental and physical health of people and communities."*

In 2016 it is anticipated that the College will appoint an Associate Registrar for Sustainability who will lead on this work.





Workforce: recruitment, retention and development

To grow the profession through leadership and support, providing high-quality training to allow psychiatrists to deliver safe care of the highest standard at all stages of their career

Recruitment

Recruitment remains a challenge and is a priority for the College and Higher Education England (HEE).

The College is working on a variety of initiatives through the expansion of the Foundation Programme, Promoting Recruitment into Psychiatry (PRIP) Committee, the Psychiatric Trainees' Committee (PTC) and Workforce Committee as well as working closely with HEE to improve recruitment, retention and improved medical workforce planning.

Promoting recruitment into psychiatry

The College's Promoting Recruitment into Psychiatry (PRIP) campaign is four years into its five year plan; during this time recruitment into psychiatry has remained constant. In a challenging environment where the recruitment levels of many other medical specialties have diminished this is, of itself, relatively good news. In a bid to do better, the College plans to extend the campaign from 2016; amongst other things an Associate Dean for recruitment will be appointed to lead the next phase of activity and Divisional Chairs will be invited to review recruitment promotion activities in their Divisions.

The Foundation Year

Proposals aimed at developing a strategy for foundation training separate to PRIP are being developed. During 2016 feedback will be sought on an associated action plan identifying objectives and progress.

Workforce

The Workforce Committee seeks to influence and inform workforce planning; its activities during 2015 were aimed at gathering evidence and information. In particular, psychiatrists working locally with HR departments have been asked to complete the College's workforce survey.

Medical Training Initiative

The Medical Training Initiative (MTI) is designed to enable a small number of International Medical and Dental Graduates to enter the UK to experience training in the NHS for up to two years before returning to their home country. Under the scheme, training capacity not required for planned UK/EEA training numbers is made available for overseas doctors and dentists who meet the required eligibility criteria.

The paid posts are approved by Deaneries and Local Education Training Boards; the Academy of Medical Royal Colleges (AoMRC)

acts as the UK sponsor to enable participants to apply for the appropriate visa with the UK Borders Agency.

The current arrangements ensure that the UK continues clinical links around the world, promoting UK healthcare and education. The Tier 5 visa and the MTI Scheme contribute to the UK's global health agenda, and to the World Health Organization (WHO) code of practice on international recruitment of health personnel with its aim to *"...protect and strengthen the health systems of developing countries."*

Pathfinder fellowships

This is a popular initiative and the College has just appointed its fourth cohort of Fellows for a three-year programme worth £5,000 per person. This amount enables them to fund their electives and to access continuing professional development materials through the College and our website. We had nearly 100 applicants for our 10 places for 2016–2019 and as on previous occasions the standard was exceptionally high. A number of Fellows also presented at the 2015 International Congress and there will be an opportunity for them to do so again in 2016.

The members of our first cohort of Pathfinders have just "graduated" from the scheme and are now in year two of their foundation year. We

conducted an exit survey at the end of 2015, which we are currently analysing; themes and learning points will be published on the website. Nearly all Pathfinders remain committed to a career in psychiatry (mostly academic) though not necessarily immediately following their Foundation Programme.

The Pathfinder Fellowship project was launched in 2012 to encourage the brightest medical students to consider mental health and psychiatry and, ultimately, to choose to make their careers within the profession.

The Pathfinder Fellows undertake to spread the influence of the College by being ambassadors at their medical schools, writing blogs and papers and participating as fully as possible in many psychiatry activities.

Trainees Online (TrOn)

TrOn is an online learning resource designed to support Core Trainees as they prepare to take the College Membership Exams. TrOn offers Core Trainees in psychiatry a free and quality-controlled website, verified by the College. It provides interactive learning modules, to support trainee psychiatrists in preparing for the MRCPsych exams.

All modules are peer-reviewed by experts, checked by the College's Examinations Panel for relevance to the MRCPsych syllabus and are supported by the College's Psychiatric Trainees' Committee (PTC).

Module topics are drawn from the basic sciences of the MRCPsych curriculum. Each

one will take around 1–1½ hours to complete and it is intended that, in conjunction with the specific 'Key Reading' list, an examination-level understanding of a given topic can be expected. In time, around 70 learning modules will be built.

Startwell

Startwell, the College's initiative for new consultants and locum consultants, continues to grow. Events have been held at Division level, particularly in South West and South Eastern and an informal networking lunch is again planned for Congress 2016. Another day event with workshops is being planned for autumn 2016/spring 2017.

Spreading information about best practice

Faculties and divisions hold regular residential and academic meetings where College members can hear lectures from national and international experts, and debate current developments. Our special interest groups allow members to debate and learn about an even wider range of areas within the field of psychiatry. Meetings on subjects such as mentoring and coaching skills offer a mix of teaching-based and experience-based learning so members can pass on the information they have gained. All these meetings help to make sure that information about best practice is widely shared.

Mentoring and coaching

Mentoring and coaching is central to developing and supporting doctors, and underpins many aspects of medical leadership. It seeks to help achieve one's full potential and applies to all

doctors, irrespective of where they are on their career pathway.

The College has published generic guidance on mentoring, and plans to have mentoring leads within each division to act as 'champions' to oversee progress in mentoring and coaching. Further plans include to:

- build up a list of mentoring and coaching resources in each division
- conduct a national survey of mentoring provision for psychiatrists
- roll out training nationally
- update the College Occasional Paper on Coaching and Mentoring (OP66)
- review and publish the evidence for the benefits of mentoring in the medical profession

Leadership and Management

The Leadership and Management Committee (LMC) has established a network for Medical Directors and further work has been undertaken during 2015 to develop more networks based on the CCQI Quality Network model. The LMC plans to expand the network to include all doctors in formal management roles.

A further network for psychiatry trainees who have an interest in leadership and management will be developed, together with a module on leadership and management for trainees online.

A Clinical Fellow in Leadership and Management (under the National Medical Director's Scheme) has been appointed to assist in the implementation of this work.

Communication: internal and external

To develop standards, improve services and remove stigma by involving and working with people affected by mental illness, our members, the wider health team, partners and key audiences

Mental Health Taskforce

The Mental Health Taskforce, launched in March 2015, has been responsible for creating and publishing a new five-year, all-age national strategy for mental health to 2020, aligned to NHS England's Five Year Forward View.

Prof Sir Simon Wessely, President of RCPsych and Dr Adrian James, Registrar, with the support of our policy unit, have played a key role in its development, working alongside the Chair, Paul Farmer, Co-chair, Jacqui Dyer and other members of the Taskforce.

The Taskforce's approach has been one of co-production, involving people with lived experience of mental health problems, carers, professionals, providers, voluntary organisations and the component parts of the NHS throughout the process. The policy unit has made sure that the views of people working across all psychiatric specialties were incorporated.

The Taskforce is expected to publish the next strategy for mental health in February 2016. We look forward to this report; it marks the first shared national ambition for mental health in

the NHS for the arms-length bodies, across the life course, with each recommendation being designed to help deliver the Five Year Forward View.

The findings will have implications for service users, carers and families as well as the NHS workforce, NHS providers and commissioners. The Taskforce recommendations will also be relevant to the policy unit's existing and forthcoming projects, including, but not limited to, our work on the New Care Models programme and the Commission on Acute Adult Psychiatric Care, chaired by Lord Crisp.

The Commission to Review the Provision of Acute Inpatient Psychiatric Care for Adults

The Commission on Acute Adult Psychiatric Care was set up in 2015 by the College in response to widespread concerns about the provision of acute inpatient psychiatric beds and alternatives to admission available for patients.

There is evidence – some quantified, some anecdotal – of difficulties in admissions, variable services for patients in the community, long distance transfers of patients, high

occupancy rates and high stress levels amongst patients, their families, carers and staff.

The Commission is independent of RCPsych and is being chaired by Lord Nigel Crisp, former Chief Executive of the NHS in England and Permanent Secretary of the UK Department of Health between 2000 and 2006. It has been asked to review the situation, examine the causes of these pressures and make recommendations for improvement.

The Commission's remit covers England and Northern Ireland and it will seek to identify and respond to similarities and differences between, and within, these administrations.

Scotland is excluded from the Commission scope as it is undertaking its own programme of work to review psychiatric beds and the decision was taken in May 2015 that organisations from Wales would no longer participate in the Commission.

The Commission published a report of its interim findings for England in July 2015.

Key findings from the report were that:

- The so-called bed or admission crisis in adult mental health is very significantly a problem of discharges and alternatives to admission that can only be addressed through changes in services and management of the whole system.
- A Commission survey of acute adult psychiatric wards found that 92% of wards surveyed are treating patients who could have been treated by other services if they had been available. In practice, this applies to approximately three patients per ward (16%).
- The survey also found that approximately three patients per ward (16%) are clinically well enough to be discharged from inpatient care, but cannot be because of other factors.

A consultation on the interim findings has been conducted and it is expected that the Commission will published its findings, and recommendations, in February 2016.

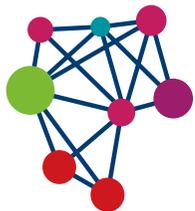


Media activities

The President provided the voice of the psychiatric community in March, as the College conveyed much needed sensible and knowledgeable comment to the world's media in the aftermath of the *Germanwings* air crash.

Working with our expert media spokespersons, we have provided comment on numerous other mental health topics to the national media – in print, online, on radio, via the internet and on television, and have played an important role in the development and delivery of reports and guidelines which will shape the future of mental health care.

Providing a round-the-clock service, the Communications Department has worked closely with its peers at the Department of Health, NHS England and the other Medical Royal Colleges. We have worked collaboratively to disseminate information and College responses to the press, our members and the public on important issues affecting mental health provision, such as the proposed junior doctors' contract, the Government's spending review and the Southern Health Trust report.



Bringing about change: parliamentary activities

We aim to make sure that when politicians make laws they have the expertise of our members to make evidence-based policy. We have briefed MPs and Peers on a wide variety of subjects including the use of police cells to detain people in mental health crisis, the impact of welfare reforms on people with mental health problems and out of area mental health services.

We have also successfully lobbied to ensure that parity of esteem for mental health did not drop out of the new NHS Mandate. We also supported MPs to use a private members Bill to raise the issue of perinatal mental health in Parliament and made sure that it is pushed up the political agenda.

Parity of esteem

Achieving parity of esteem has been a key objective for the College for some years and is likely to remain a priority for years to come; it is integral to the College's Strategy.

“ It is estimated that one in four people in the UK are affected by mental health problems. Despite this, the quality of mental health services and the resources available to them, continues to lag behind physical health. Mental health problems account for 23% of the total impact of ill health in the UK. However, only 13% of the NHS budget is allocated to mental health.”

Parity in Progress, APPG on Mental Health, March 2015

In April 2012, the Royal College of Psychiatrists was asked by the then Minister of State for Care Services, Paul Burstow – in partnership with the Department of Health and the NHS Commissioning Board Authority – to develop a definition and vision for 'parity of esteem'. In April 2013 the College published a report *Whole person care: From Rhetoric to Reality* which defined parity of esteem as meaning that, when compared with physical healthcare, mental healthcare has

- equal access to the most effective and safest care and treatment
- equal efforts to improve the quality of care
- the allocation of time, effort and resources on a basis commensurate with need
- equal status within healthcare education and practice
- equally high aspirations for service users; and
- equal status in the measurement of health outcomes*

All Party Parliamentary Group on Mental Health (APPG)

One example of our work to bring parity of esteem to the attention of government policy-makers is our contribution to the APPG on Mental Health. The APPG is chaired by James Morris MP and is a group of MPs and Peers from all political parties who are interested in mental health.

* Royal College of Psychiatrists Whole Person Care: From Rhetoric to Reality. Occasional paper 88, (Royal College of Psychiatrists, 2013)

The APPG regularly calls on Government Ministers, NHS organisations, health professionals, research bodies and people with experience of mental illness to give evidence at their meetings.

Inquiry into Parity of Esteem 2014/15

The APPG on Mental Health launched an inquiry into parity of esteem, to assess how effectively the Government is meeting its objective to give mental health equal priority to physical health.

The APPG inquiry assessed the Government's efforts to deliver parity of esteem and identified recommendations that would help deliver tangible improvements in mental health outcomes. The inquiry conducted three oral evidence sessions and the final report, *Parity in Progress? Was published in March 2015 and can be found [here](#).*

The APPG on Mental Health's key recommendations are for government to:

- Reduce premature mortality for people with mental health problems
- Improve the quality of mental health emergency care
- Ensure mental health is a public health priority
- Address the institutional bias against mental health

Rethink Mental Illness, Mind and the Royal College of Psychiatrists provide the secretariat for the APPG, and help shape the group's agenda and organise meetings.

Working with young people

Christmas debate

The Public Engagement Committee (PEC) includes children and young people as one of its key audiences. We have organised events throughout the country to engage with young people, improving understanding and reducing stigma about mental health issues. Our Christmas Debate for Young People 2015 attracted an audience of 600 young people aged 14–18, who debated the motion 'This house believes that we are too concerned with how we look'. The debate provoked lively discussion from the audience, both here at the College in London, and via social media via Twitter and Instagram, and there was impressive take-up of the careers materials by the audience. RCPsych in Wales hosted a Christmas Debate for Young People in Cardiff and debated the motion 'This house believes that social media makes us antisocial.' The feedback from schools following both debates was universally positive.

Working with patients, service users, carers and their organisations

The College continues its long history of patient and carer involvement. The Service Users' Forum and the Carers' Forum (the working titles attributed to the two groups constituting the Patients and Carers Committee) act as channels of communication between the College and psychiatric patients and carers respectively, ensuring that the College is informed of the views of patients and carers and that patients' and carers' organisations are kept informed of College policy.

Patients, service users and carers are integral to the work of the College and are involved in many aspects of its work; they are experts by experience and they contribute their experience and understanding of mental health issues through:

- Providing representation across all relevant College committees, working groups and projects
- Working with members of the College to commission, write, edit, revise and maintain all of the College's mental health information resources
- Participating at all stages of the development of all College policy documents and activities
- Hosting a cycle of regular meetings to support service user and carer engagement
- Reflecting and revising: 2015 has been a

year for the Fora to reflect, and to revise to improve how they engage with the College, and to ensure that service user and carer engagement is consistent and genuine.

Public information

We publish several hundred public information leaflets on topics from adolescence and how to survive it, gambling, depression, tiredness to worries about weight and eating, in 25 languages from Arabic to Welsh, including British Sign Language.

We have retained, for all our mental health information leaflets, our certified membership of the Information Standard which covers health and social care information.

All our public information leaflets, and translations, are available from the College web site as follows:

- Problems and Disorders – Information on Bipolar disorder, Depression, Schizophrenia and more
- Parents and Youth Info – provides information for young people, parents, teachers and carers about mental health.
- Treatments and Wellbeing – Information on Cognitive Behavioural Therapy, complementary and alternative medicines, exercise and mental health.

- Find out how the Mental Health Services work – including information on mental capacity and the law, being sectioned and what to expect with psychiatrists.
- Translations – Translations are available in many languages; including translations in British Sign Language (BSL).
- Podcasts – Listen to people talking about their experiences of living with depression, bipolar and many other psychiatric and mental health problems.

New products

A series of seven animations were commissioned by the College and produced by Damn Fine Media to both enhance the health information on the College's webpages, and to use on social media channels such as YouTube, Facebook and Twitter. The animations were: Dementia, Coping with Physical Illness, Bipolar Disorder, Anxiety, Depression, Coming off Antidepressants, and Schizophrenia. They have been well received.

In order to comply with the information accreditation, all materials are regularly revised and updated to reflect the current evidence base. This has continued in 2015.

The Child and Adolescent Family Public Education Editorial Board (CAFPEB) have been in the process of revising all of the mental health and growing up factsheets for young people, parents and teachers.

The public information portfolio has increased with a number of new leaflets for 2015, including: Hoarding, Problem Gambling, and Club Drugs (Recreational Drugs).

The new **RCPsych Key Facts App** which was in development in 2015 aims to give instant access to the College's mental health information leaflets, animations and podcasts.

Patients, carers, mental health professionals and students can have a wealth of information and support at the touch of a button.

Publications

In 2015 we launched *BJPsych Open*, which is a high-quality, new, online-only open access journal for the publication of methodologically sound research in psychiatry, and disciplines related to mental health.

A welcome and significant addition to the [Royal College of Psychiatrists' existing family of journals](#), *BJPsych Open* maintains the highest scientific, peer-review, and ethical standards of [The British Journal of Psychiatry](#). *BJPsych Open* provides a more flexible format, free from the page limits and space restrictions of a printed journal, so it benefits from being able to publish a wider range of article types.

The College is committed to high scientific quality as well as public education and engagement and *BJPsych Open* maximises dissemination and sharing of research, at no cost to the reader.

- *BJPsych Open* was launched in June 2015, during the College's 2015 International Congress.
- *BJPsych Open* will publish the most exciting and progressive research in all fields of psychiatry and allied disciplines.
- In due course, *BJPsych Open* will publish themed issues to highlight more specialist areas of practice and research from all around the world.
- Papers are published continuously all year round, with online 'issues' assembled quarterly.
- Upon acceptance, authors will be charged a one-time publication fee (APC) of £1250. This covers the costs of publication and ensures your article will be freely available.
- There are reduced charges for authors based in low and middle-income countries.

Regular features in *BJPsych Open* may include:

- Editorials
- Opinion pieces (both analysis and debate)
- Original research papers
- Short reports
- Review articles (including narrative, systematic and realist reviews)
- Research protocols for commissioned research
- Policy and analysis of topical practice and research findings
- Case reports (impacting clinical practice)
- E-letters sections

Continuing Professional Development (CPD) Online

CPD Online is an interactive e-learning website, from the Publications and eLearning department of the Royal College of Psychiatrists, which provides learning modules using a range of multimedia techniques. Learning modules are all peer-reviewed and provide a dynamic and rich information source to improve members' knowledge, help them to acquire new skills quickly, and enable them to keep up to date with new research and best practice in psychiatry. There are currently over 180 modules and 90 podcasts to choose from and new ones are being developed all the time.

Books, reports and leaflets

The College continues to publish a very broad range of books, reports and leaflets both for people working in mental health care and for more general readership.

Five new titles were published:

- Clinical topics in disorders of intellectual development
- Handbook of secure care
- Enabling recovery
- A clinicians brief guide to the Mental Capacity Act
- Emergency Psychiatry

College Reports

College reports have been formally approved by a meeting of the Policy and Public Affairs Committee of the Royal College of Psychiatrists, and constitute official College policy until revised or withdrawn.

- Psychiatric reports: preparation and use in cases involving asylum, removal from the UK or immigration detention (CR199 Oct 2015)
- Guidance for the use of audio-visual recording in child psychiatric practice (CR198 Jul 2015)
- Perinatal mental health services: Recommendations for the provision of services for childbearing women (CR197 Jul 2015)
- Dementia and people with learning disabilities (CR196 Apr 2015)

Most College Reports and Position Statements are available as free downloads from the College website www.rcpsych.ac.uk.

College policy: an A–Z of public statements

In 2015 the College launched a website index of public statements made by the College relating to health, social care, and other areas of policy i.e. *What does the College think?* and contained within:

- College Reports
- Position Statements
- Press Statements
- Selected Consultation Responses
- Selected Faculty Reports
- Selected Occasional Papers.

Acknowledging excellence

Honours awarded to College members

The continuing dedication and excellence shown by people working to improve mental health was recognised this year by a number of awards.

New Year Honours

A CBE was awarded to Dr Geraldine Mary Strathdee, OBE, National Clinical Director for Mental Health, NHS England, for services to mental health.

President's medals

These medals are awarded to individuals (whether or not psychiatrists) who have made significant contributions to improve the lives of people with mental illness. In 2015, the College awarded President's medals to:

- **David Aaronovitch**

David Aaronovitch is a writer, broadcaster and commentator on international politics and the media. He has written with great insight of his experiences of a post-operative psychosis and is advising on a new trial of prevention of this disorder.

- **Professor Stuart Carney**

Professor Carney has a distinguished track record in medical school leadership and is recognised as an expert in the field of medical education; he has extensive experience as a clinical teacher, examiner and curriculum developer.

- **Dr Irene Cormac**

Dr Cormac has been actively involved in the work of the College for many years. For example, the Psychiatrists Support Service, College publications, the production of mental health information leaflets and the Partners in Care Programme.

Most recently Dr Cormac is leading the preparation of the final report of the Intercollegiate Group for Improving the Physical Health of People with Severe Mental Illness.

- **Dr Paul Litchfield**

Dr Litchfield is the architect of BT's acclaimed Work Fit health promotion programme. The programme, which seeks to improve health by effecting behavioural change, harnesses the power of modern communications technology to inform, educate and influence employees. Dr Litchfield was also appointed as Chair of the What Works Centre for Wellbeing in 2015, which aims to improve the wellbeing of people in the UK by bringing together the best evidence, making it easy to use and easier to make.

- **Dr Morris Nitsun**

Dr Nitsun's work spans individual and group psychotherapy. He is actively involved in the development of group psychotherapy training, both as a training analyst at the Institute of Group Analysis (IGA) and a senior trainer and supervisor in the NHS.

- **Dr Jonathan Richardson**

Dr Richardson is actively involved in the development of mental health clinical informatics nationally, regionally and locally. He has made a major contribution on outcome measures, leading crucially important work for the Department of Health, NHS England and of course ourselves, here at the College.

RCPsych awards

The winners of this year's Royal College of Psychiatrists' Awards were announced on 10 November. The college hosted the ceremony – now in its seventh year – at its own home in Prescott Street. Some 300 guests working in psychiatry and mental health attended – the largest guest list to date.

The RCPsych Awards recognise and reward the most talented teams and individuals working in psychiatry and mental health. Musician, journalist and Church of England priest Columnist and presenter, The Reverend Richard Coles, who hosted the awards described the event as “inspiring”.

For 2015 there are 17 award categories, including for psychiatrists of all grades, as well as for medical students, foundation doctors, psychiatrists working as volunteers, and five awards to recognise the work being done by teams working in mental health care. This year's awards attracted the biggest number of entries yet, and the judges were hugely impressed with their quality.

Summing up the spirit of the occasion, Professor Sir Simon Wessely, President of the Royal College of Psychiatrists congratulated the shortlisted individuals and teams before the proceedings began. He said: *“These awards ceremonies grow every year. It is so important to recognise and acknowledge the impact people make to the profession and to those people they help, and to remind ourselves of the fact that we do provide excellent psychiatric care.”*

Trustees' responsibilities statement in relation to the accounts

The members of Board of Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Membership of Board of Trustees normally constitute Trustees of the College for the purposes of charity legislation and have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the College and to prevent and detect fraud and other irregularities. They also have a general statutory responsibility to prepare annual accounts.

Under the terms of the constitution of the College's Supplemental Charter and Bye-Laws, the Treasurer is required to present accounts of the College for each financial year. Such accounts are prepared to give a true and fair view of the state of affairs of the College as at the financial year end and of the incoming resources and application of resources for the financial year. In preparing the attached accounts the Treasurer is required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) the Charities' SORP (FRS 102);

- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

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

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

TREASURER'S REPORT AND FINANCIAL REVIEW

It is with a mixture of pleasure and some regret that I present my fifth and final annual report as Honorary Treasurer of the Royal College of Psychiatrists. Whilst the financial climate remains challenging, the past 12 months has again shown a resilient financial performance by the College. Our efficiency, transparency and accountability are all improving. Looking ahead, we need to build up our reserves and develop new income streams that will provide a financial resilience that is less dependent upon membership income and the NHS.

Increasing value for money and accountability to College members

The College continues to recognise that members face major financial challenges and we are taking that into account when setting fees. The annual membership fee for 2016 was held at the same rate as the previous year. The registration fees for the International Congress was frozen for 2015 and this was rewarded by high registration figures of over 2,400 delegates.

Across the College, we are continuing to take actions to reduce costs, focus activities on those of highest priority, deliver better value to members, and develop additional income sources. A new financial model was developed during 2015 that is more transparent and consistent in allocating costs across all College activities. This will come into effect for the next financial year and will aid decision-making and improve accountability to College members.

2015 financial overview

The College's income amounted to £18,954k (2014: £17,173k) with expenditure totalling £17,675k (2014: £16,750k).

We concluded the year with a surplus of £1,149k (2014: £596k) after loss on investments of £138k (2014: gain £173k) and unrealised gain on heritage assets of £8k (2014: nil) were included. It is important to understand that the majority of the surplus is designated for specific projects and not available for general funds.

21 Prescott Street

After taking professional advice, the College had continued to pursue a dilapidations claim against the former tenants of 21 Prescott Street. During 2016 a settlement had been agreed. [See note 28.](#)

Replacement of the College membership database

As part of the College's ongoing investment in technology to improve efficiency and effectiveness, it is replacing its ageing membership database with IntegraNG, a membership and exams management solution from Advanced NFP (the supplier). During 2016 IntegraNG will become the College's centralised data platform to manage all membership services, including examinations, continuing professional development (CPD), marketing, events and training.

Bequests

The College is grateful to Trustees of the Dr Donald Dean estate who bequeathed £400k towards a research fellowship. The Donald Dean Research Fellowship was set up to undertake academic clinical research in an area related to Occupational Psychiatry. This bequest has been restricted towards this project for the next 4 years.

The College is grateful to late Margery Helen Taylor who bequeathed £81k and Miss Patricia Webb £51k during 2015.

Legacies left to the College enable us to fund additional projects, so we are always most grateful to receive these bequests.

Fundraising

The Development Office, responsible for fundraising, has been seeking to attract more donations and legacies and several initiatives have been instigated during 2015. These include a further cohort of Pathfinder Fellowships for medical students interested in a career in psychiatry and also the establishment of a Research Fellowship Fund which will support research Fellowships in specific academic topics. The College is grateful to The Welton Foundation for donating £50k towards the Pathfinders project.

The Values Based CAMHS Commission was established during 2015. Using a values based approach the commission will explore

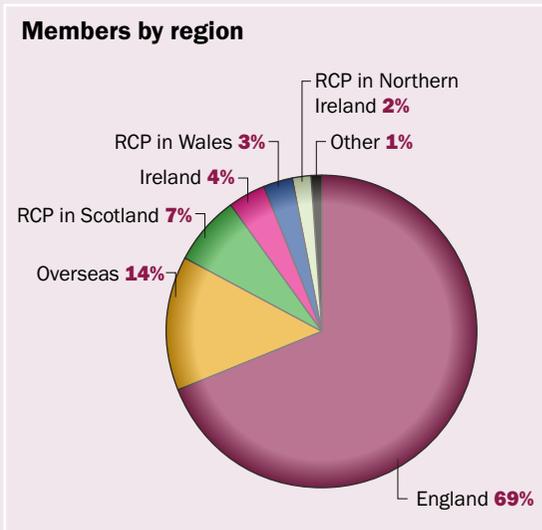
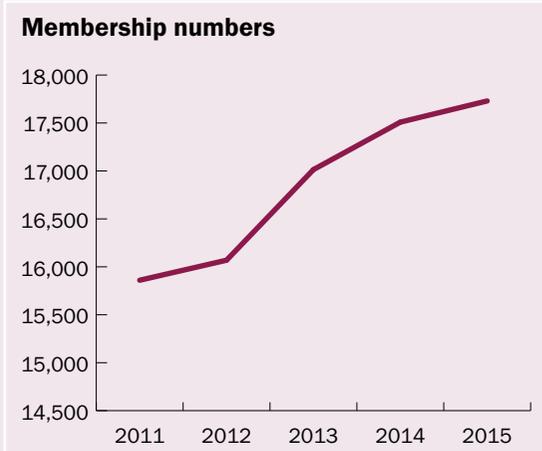
the different expectations of the various constituents of the CAMH system, seek examples of how providers and commissioners meaningfully involve all constituents, and develop training and commissioning guides to promote values based practice and commissioning in the CAMH system. Funding has been received from The Dinwoodie Trust to support the running of the commission and to enable a research fellow to be appointed and to fund a youth researcher.

Internal audit to challenge procedures and seek improvements

During the year the firm of internal auditors, Crowe Clark Whitehill LLP, undertook audits of Business Continuity, Information Governance and Human Resources. All recommendations have been or are being implemented.

Growth in membership of the College

Overall membership of the College has grown at a rate of 1% (2014: 3%) increasing to 17,730 (2014: 17,509). The total number of members includes 2,382 (2014: 2,291) from overseas, across grades.



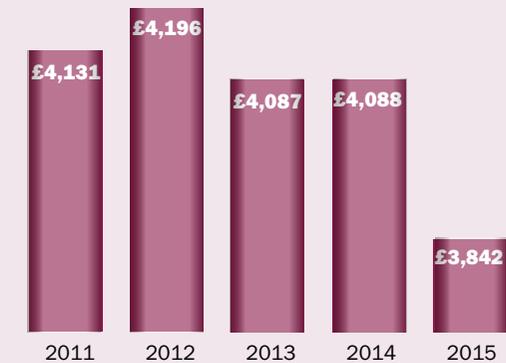
Income

Income from membership subscriptions of £5,650k (2014: £5,539k) has increased by £111k (2014: £254k) due to the growth in membership numbers and the 0.75% increase in membership fees.



Total income generated from Examinations was £1,900k (2014: £2,011k). The net surplus from examinations (after contribution to the overheads and development fund) was £105k (6% of income generated from Examinations) which was in line with the College's aim that any surplus from examinations should be less than 10% of the overall income from examinations.

Cost to graduation



The National Collaborating Centre on Mental Health (NCCMH) continued to operate under challenging circumstances with its funder, the National Institute for Health and Clinical Excellence (NICE) continuing to seek greater productivity in the production of Guidelines. Total funds received towards the development of guidelines amounted to £1,103k (2014: £1,219k). The reduction in funding of £116k is due to the decrease in the number of guidelines from 5 to 4 in October 2014. The College was unsuccessful in securing the contract for the new Development Centre (DC2) that will be awarded future contracts for developing NICE guidelines. The current contract to NCCMH for NICE guideline development ends at the end of March 2016. The guidelines team of approximately 10 staff will be moving

to the Royal College of Obstetricians and Gynaecologists (the hosts of DC2) on 31 March 2016. In 2015 NHS England via NICE commissioned NCCMH to take responsibility for the preparation of standards for access and waiting times throughout mental health. A number of staff members are to remain in the NCCMH to continue work on Access & Waiting Times. The funding has been confirmed until 31 March 2017, and a contract to continue the work until 31 March 2020 is under negotiation.

Total funds received by NCCMH during 2015 amounted to £2,329k (2014: £1,219k). The increase in funding by £1,110k is due to the two additional projects from NICE (Access & Waiting Times £1,066k and Dual Diagnosis £160k) and a reduction in guidelines funding by £116k. NCCMH has generated a net surplus of £547k (2014: deficit £152k) after contribution to College overheads. This surplus is the result of grant funds coming during the year for work to be undertaken in the next financial year and so the financial report for next year will reflect the expenditure of these funds.

Faculties, Divisions and Special Interest Groups (FDSIGs) have continued to contribute to income generation. The total income generated was £1,211k (2014: £1,056k). Though most FDSIGs contribute successfully to income generation, Faculty and Division conferences continue to receive significant (in many cases the major) support through membership fees and other general funds, in the form of the

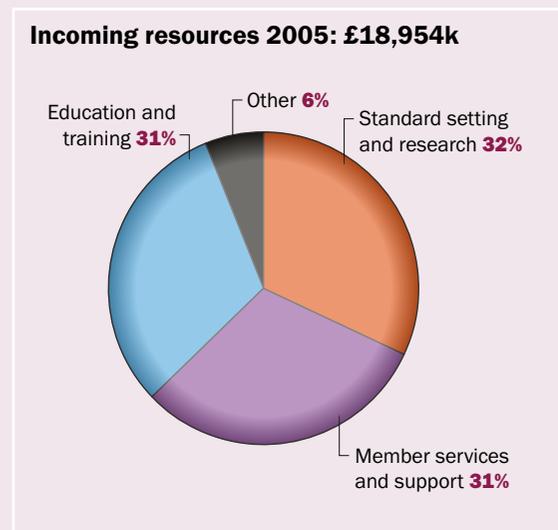
direct costs of the Centre for Advanced Learning and Conferences (CALC) and the regional Divisions' offices.

The International Congress in Birmingham performed exceptionally well, with a record number of delegates (2,433 compared with 2,396 delegates in 2014) and generated a net surplus of £45k (2014 net deficit: £1k), after contributing to College overheads and the central Development Fund. The College continued to provide increased benefit to members through competitively priced registration fees, including a discounted "early bird" registration option and bursaries for trainees and students.

The Centre for Advanced Learning and Conferences (CALC) generated a net deficit of £276k (2014: deficit £276k) after contributing to College overheads and the central Development fund. The development of new courses has been slower than expected. Initiatives are in place to take advantage of the excellent opportunities for CALC to develop academic and training events in line with the College's charitable aims. Performance will be monitored closely.

The College Centre for Quality Improvement (CCQI) aims to raise the standard of care that people with mental health needs receive by helping providers, users and commissioners of services assess and increase the quality of care they provide. In 2015 all existing accreditation and quality networks expanded their

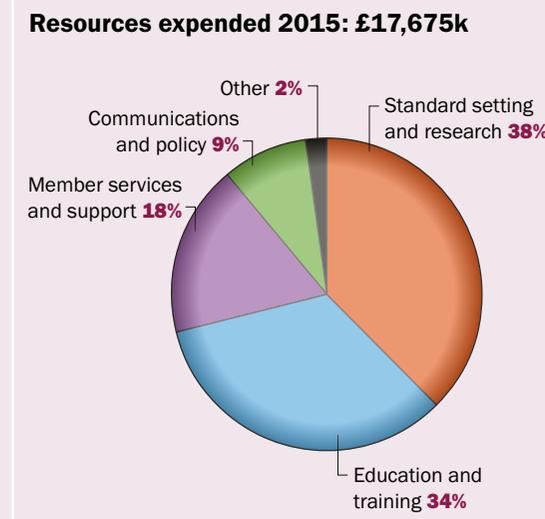
membership and new accreditation schemes and quality networks were established for prison mental health services and community mental health teams for adults. This brings the total number of accreditation schemes and quality networks to 21 – more than any other professional body. Core standards were produced with The British Standards Institution for in-patient and community-based mental health services. In addition NHS England offered continued funding for the National Enabling Environments in Prisons Project. In 2015 CCQI again generated a net surplus after College overheads of £201k (2014: £173k). As always, some of this is the result of grant funds coming during the year for work to be undertaken in future years so the financial reports for future years will reflect the expenditure of these funds.



Expenditure

The major expenditure was staff costs which amounted to £8,711k (2014: £8,081k). The average number of staff was 208 (2014: 201).

There were changes to the College's organisation structure during 2015 as a result of the review carried out by Wandering Bear. The Communications and Policy Department ceased to exist and Department of Strategic Communications had been created. The Membership Relations department ceased to exist and their staff had been moved to Finance & Operations Department and Professional Standards. The Publications and Website department ceased to exist and Publications and eLearning Department was established. The Website content staff members have moved to the Department of Strategic Communications and the Website development staff had been moved into eTechnology Unit within the Finance and Operations Department. The consultation process with the staff members affected by the changes had been completed and the new organisation structure was introduced from 1 January 2016.



Reserves

At 31 December 2015, the balance on the General fund was £4,142k (2014: £4,189k). The College is aiming to hold free reserves equivalent to at least six months operating expenditure (approximately £7,431k (2014: £7,386k)). It is anticipated that this will be achieved within the next five years.

Income streams

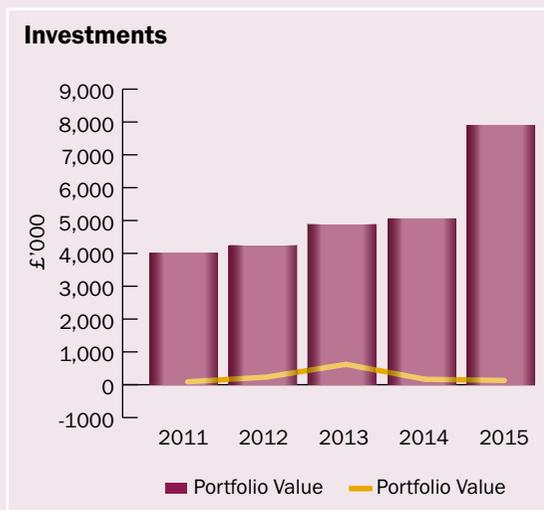
Currently the College is very dependent upon two main sources for income in relation to its various activities, membership fees and the NHS. It is important that alternative income streams are established in order to spread risk and improve the College's financial resilience in an ever-changing financial environment.

Governance

The College Treasurer would like to express his heartfelt and warm thanks to Mr Malcolm Basing and Drs Jan Falkowski, Rafey Faruqi and Professor Rob Poole for their continued dedicated and insightful contributions as members of the Finance Management Committee. Their contribution is invaluable and the Treasurer is very grateful to them indeed for their wise counsel.

College investment portfolio

The College's investment portfolio is split between Barclay's Wealth and C. Hoare & Co. At the end of December the College's investment portfolio had a value of £7,895k (2014: £5,052k). During April 2015 the College had transferred £1.5m into each investment portfolio from cash reserves. Trustees will keep investments under review to ensure optimal spread of risk and return for the College.



Treasurer's summary of financial report and review

2015 has been another successful year. College Trustees and staff will continue to work towards controlling spending, enhancing income, striving for better value for money and seeking to ensure that activities and resources are focused on those areas of highest priority. Major tasks for the future are building up our reserves and increasing the College's financial resilience by developing new income streams that reduce dependency on membership income and the NHS.

Finally, I would like to express my gratitude to Vanessa Cameron (Chief Executive), Paddy Padmanathan (Director of Finance and Operations) and the Finance team, particularly Mehmet Salaheddin (Head of Finance), for their counsel, expertise and dedication to the College. I am grateful to my Fellow College Officer and Trustees for their support and advice. It has been a privilege to be the Honorary Treasurer and I wish the College well for the future.



Investment policy

The College has a portfolio of investments with a market value at 31 December 2015 of £7,895k (2014: £5,052k).

Management of the College's investments has been delegated, on a discretionary fund management basis, to Barclays Wealth Management Limited and C. Hoare & Co, its investment managers.

Within a broad remit that permits investment in both equities and fixed interest securities, Council operates an ethical investment policy which excludes investment in companies involved in armament manufacture, tobacco, gambling, alcohol and pornography. On 2 December 2011 Council approved a limited investment in pharmaceutical companies not more than 5% of the portfolio value in any one company, and not more than 25% of the portfolio value in the sector.

The overall investment policy is to maximise total return through a diversified portfolio, with a view to ensuring that capital appreciation exceeds inflation over any five year period by 3.5% after charges.

During 2015 the capital value of the Barclays Wealth portfolio has decreased by 2.2% against a benchmark of 1% (2014: increased by 4.58%) due to the equity markets performance and C Hoare & Co. have increased by 5.36% against a total benchmark return of 2.68% for the year.

During April 2015 the College had transferred £1.5m into each investment portfolio from cash reserves.

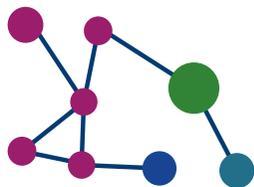
2015 was the definition of a game of two halves. Strengthening economic growth, consumer confidence and falling unemployment in much of the developed world set the tone, with US and European equity markets performing particularly strongly. Political risk around the UK election was avoided and Central Banks were confident enough to signal the beginning of monetary normalization in most major economies. The fall in the oil price was seen as a supportive tailwind to consumption which would drive growth and returns later in the year. This largely constructive backdrop for equity markets was disrupted in the early summer by developments in China. Two badly executed policy interventions in the Chinese stock market and to its currency regime, left investors questioning the omniscience of Chinese policy-makers and assuming the most pessimistic scenarios. Market sentiment was shattered and the beneficial aspects of the oil price decline, volte-faced into fears that the oversupplied oil markets were a warning sign of economic malaise or worse. Commodities, especially energy and materials companies have been the crucible of investor concerns.

Barclays Wealth portfolio has ended below the benchmark. This is mainly due to 65.1% of Barclays Wealth portfolio being made up

of equities, to which the market performance return over the last 12 months of 2015 have declined.

C Hoares & Co. portfolio has performed above the benchmark. The positioning has been key to portfolio outperformance. C Hoares & Co. gradually repositioned and de-risked the portfolio throughout the year in anticipation of a slowdown in Chinese growth. There was no direct exposure to Chinese or emerging market equities and deliberately set out to minimise the exposure to resources and commodities – notably oil. As a result, it avoided the worst performing areas of the market and have managed to preserve and grow the capital quite effectively by concentrating in developed market consumer orientated equities and US treasury bonds.

2016 is likely to be another year of divergence between emerging and developed economies. Investment managers believe global growth will be low, supported by developed economies which need to see improvements in business spending alongside higher wage growth for their momentum to continue. Emerging economies continue to try to rebalance from commodity-linked trade to more domestic drivers for economic stability. This may be helped by increased demand for consumer goods from developed economies. However, emerging economies remain burdened by rising debts, with China being of particular concern.



Reserves policy

Having considered the diverse income streams of the College and their risk profile, the degree of commitment to expenditure in order to meet its charitable obligations, the day to day working capital requirements and the risk environment that the College operates in, the Trustees consider that free reserves (funds that are freely available for the College's general purposes) equivalent to at least six months operating expenditure (approximately £7,431k (2014: £7,386k) should be held in the General fund. During 2015 a new financial model was developed and approved by the Board of Trustees with effect from 1 January 2016. The main purpose is to address a number of anomalies in the College accounting approaches. This includes abolishing the development fund, improving cost allocation and improving transparency by having a specific model for allocating membership income. The Board of Trustees approved the reserves relating to CCQI and FDS to be formally designated as at end of 31 December 2015 and should be restricted to no more than 6 months of their operating expenditure. At 31 December 2015, the balance on the General fund was £4,142k (2014: £4,189k). Surpluses generated in subsequent years will be used to accrue reserves in line with current policy. It is anticipated that this will be achieved within the next five years. Reserves will continue to be monitored regularly by the Trustee Board.

The balance sheet shows total reserves of £27,030k (2014: £25,881k). This includes a permanent endowment fund of £262k (2014: £262k). Whilst the income from this fund must be used for specific purposes and therefore is credited to restricted funds, the endowment fund balance itself is 'capital' and must be held indefinitely by the charity. Full details of this fund can be found in note 20 to the accounts.

Included in total reserves is an amount of £1,872k (2014: £976k) which is restricted. These monies have either been raised for, and their use restricted to, specific purposes, or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 21 to the accounts together with an analysis of movements in the year.

Funds totalling £20,754k (2014: £20,454k) have been designated, or set aside, by the Trustees for specific purposes. These purposes and an analysis of the movements on the funds are set out in note 24 to the accounts.

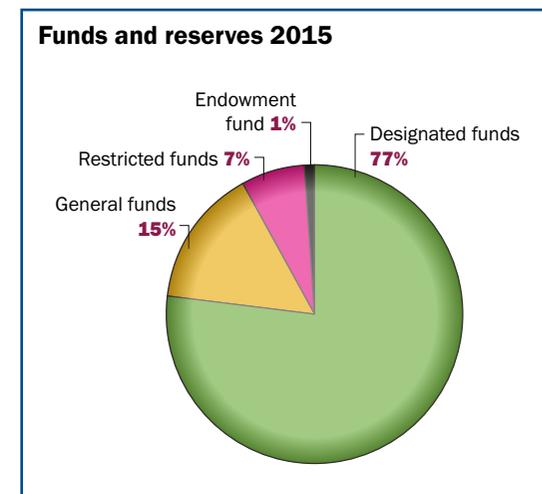
The fixed asset fund represents the net book value of the College's tangible fixed assets and heritage assets £18,026k (2014: £18,045k).

The Trainee fund was established in 2012 and represents amounts set aside from the excess of examination surplus to be spent towards trainees. During 2015 £203k (2014: £333k) had been transferred into the general fund to provide for the development of an eLearning package aimed specifically for trainees and

a free seminar for International Medical Graduates on 'A Career in Psychiatry, Supporting IMGs and Promoting Excellence in Patient Care'.

The Development fund was established to finance future general developments within the College. This has been done by means of a 15% contribution from specified income generating activities. In 2015 the Board of Trustees approved the balance of the Development fund to be released into the general fund of £1,879k (new designation made in 2014: £967k).

Also included within designated funds is the Repairs provision for the purpose of financing exceptional repairs and maintenance of the College buildings. In 2015, £232k had been transferred into this fund (2014: £54k). In future, the College aims to designate in excess of £200k each year.



Risk Management

The Trustees assess annually the major risks to which the College is exposed, in particular those relating to the specific operational areas of the College, its investments and its finances. The Board of Trustees believes that by monitoring reserve levels, by ensuring controls exist over key financial systems and by examining the operational and business risks faced by the College, they have established effective systems to mitigate those risks. In the Board of Trustees meeting held on 30 October 2015 the members of the Board of Trustees were satisfied that systems and internal controls are in place to manage exposure to major risks.

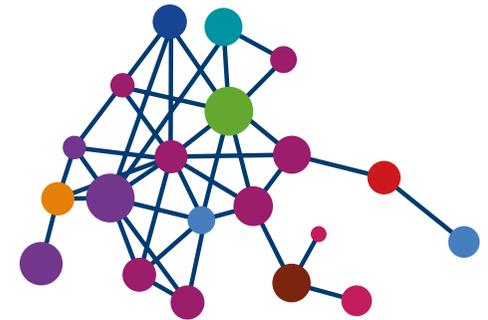


Pay and remuneration of the charity's key management personnel

The Trustees consider the Board of Trustees, the Chief Executive Officer and the Director of Finance and Operations as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis.

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

The pay of the Chief Executive is reviewed annually and normally increased in accordance with average earnings. Every two years from 2012, the Hay Group is commissioned to carry out a benchmarking of the College's salaries, where roles across all grades are compared to sector specific salary trends across key industries.



PLANS FOR THE FUTURE

Our strategy 2015–2018

How we will put this plan into action?

Our Strategic Plan 2015–2018 is supported by an associated [Operational Plan 2015–2018](#), available as a free download from the College website www.rcpsych.ac.uk, which sets out what we need to do to put our strategy into action. We will monitor our progress and report it to the Board of Trustees regularly as part of our normal business practice. We will make sure that our work plans are designed to achieve the aims of our strategic plan.

Set standards of excellence for individual practice and services

We will work to make sure that:

1. all standards are developed, whenever possible, by working with patients, carers and colleagues from other professions
2. standards are co-ordinated, up to date and accessible to members
3. we define models of excellence for each major diagnostic group
4. we identify and publicise services that provide excellent care
5. 'parity of esteem' means tangible benefits for patients in terms of funding of services, research and removal of stigma
6. there is integration between physical and mental healthcare across all ages

7. the sustainability of mental healthcare is improved to achieve carbon efficient services
8. promote the importance of research into mental illness and learning disability.

Workforce: recruitment, retention and development

We will work to make sure that:

9. we collaborate with other medical royal Colleges and with patients, families and carers to develop training
10. foundation doctors can have high-quality and stimulating training, and we will develop training materials
11. the value of continuity of care for patients is emphasised
12. we work across the different specialties in psychiatry, building on *The Shape of Training* and equipping doctors with broader, high-quality training
13. the importance of science is emphasised in underpinning psychiatric practice
14. there is continuous improvement in the relationship with trainees so that they become advocates of the profession
15. when they finish their training, psychiatrists have jobs which allow them to deliver safe, high-quality care.

Communication and engagement

We will work to make sure that:

16. we communicate positive, consistent and clear messages about psychiatry and mental health issues
17. our website contains key information in an easily accessible format
18. we improve our use of electronic media for users both outside and inside the College
19. we improve the image of psychiatry and psychiatrists and campaign actively to raise awareness of mental health issues
20. we collaborate effectively with patients, carers, the third sector and other healthcare organisations.

Working with our partners and key audiences

Our collaborative work, much of which is explained above, reflects the diverse nature of our stakeholders. Our Strategic Plan 2015–2018 explains it in a diagram:



STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board of Trustees

The College's Board of Trustees is the principal governance body within the College. The remit of the Board of Trustees is set out in Section XVIII of the Bye-Laws. The Board of Trustees has full management and control of the College (including its property and affairs) and of the administration thereof (other than those affairs which are designated as the responsibility of the Council under the Charter or the Bye-Laws).

Amongst the tasks of the Board are:

- All matters relating to governance, including good corporate governance, use of resources, Privileges of Membership (on Council recommendation), disciplinary issues and complaints
- The constitution of Faculties (on Council recommendation)
- The Board may make, amend, or rescind Regulations (but not those which other committees may deal with)
- Other powers as set out in Regulations, including the appointment of Officers (apart from Honorary Officers) and salaried staff

The Board may delegate responsibility to its committees and/or the Chief Executive (or other senior member of staff details for which can be found in the 'About Us' appendix). Any resolutions by those committees must be endorsed by the Board.

The committees of the Board of Trustees are:

- Finance Management
- Disciplinary and Complaints

The membership of the Board of Trustees is:

- President (ex officio), Chair
- Registrar (ex officio)
- Dean (ex officio)
- Treasurer (ex officio)
- One Division Chair (ex officio – selected by Division Chairs from all UK/Ireland Division Chairs)
- One UK/Ireland Faculty Chair** (ex officio – selected by Faculty Chairs from all UK/Ireland Faculty Chairs)
- One College Member (elected by full College membership)
- Three Lay Trustees (appointed)

The relevant qualifications and expertise for the Lay Trustees include, but are not limited to, the fields of finance, business management, mental health strategy and development, work with patients and carers, charity law and organisation. Potential Lay Trustees are sought by advertisement and are interviewed and appointed by a panel that comprises (one or more of): the President, Registrar, Dean and Treasurer.

The Board meets four times a year, usually two weeks after a meeting of Council. Trustees are required to attend an annual training day, where their responsibilities are explained, and they receive a copy of the College's Constitution and Strategic Plan, policies and procedures, and a job description.

Board members are required to declare competing interests, in writing, annually; these are kept on record and are available from the Chief Executive upon written request.

Council

The remit of Council (set out in Section XIX of the Bye-Laws) is now

- To elect persons to Fellowship and Membership
- Education, policy, professional practice, professional standards, public engagement, quality, research, training in psychiatry
- Considering/approving Pre-Membership Psychiatric Trainees (PMPT), Affiliate, Mental Health Associate, Specialist Associate, International Associate membership applications
- To make recommendations to the Board of Trustees for new Faculties
- To make recommendations to the Board of Trustees about the nature, scope and extent of privileges of Membership, including changes

** As part of the changes to the College structure in 2014, existing Sections have now all been re-constituted as Faculties. No further Sections will be created.

- Making/changing/rescinding Regulations about the Examinations. (The Council has no power to make other Regulations but may make recommendations to the Board of Trustees.)

The membership of Council is:

- President (ex officio), Chair
- Registrar (ex officio)
- Dean (ex officio)
- Treasurer (ex officio)
- All UK/Ireland Division Chairs
- All UK/Ireland Faculty Chairs
- Four elected members
- All Council Committee Chairs
- One Patient representative
- One Carer representative
- Up to five Co-opted members

Members of Council who were in office at 31 December 2015 and who served throughout the year can be found in the 'About Us' appendix.

The Council is supported by Committees, Faculties and Divisions, details of which can be found in the 'About Us' appendix.

Board of Trustees

(established on 28 April 2014)

President

Professor Sir S Wessely

Treasurer

Professor N Craddock

Dean

Dr W Burn

Registrar

Dr L M Mynors-Wallis (to 01/07/15)

Dr A J B James (from 01/07/15)

Elected members

Dr C Fear (to 30/10/15)

Vacancy (30/10/15–31/12/15)

Dr P A Hindley

Dr G M J Adshead

Lay Trustees

Mr M Basing

Mr N Jones

Ms R Thompson

Principal registered office

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Facsimile 020 3701 2761

Website www.rcpsych.ac.uk

Charity Commission
for England and Wales
Registration number 228636

Office of the Scottish Charity
Regulator Registration number
SC038369

Statutory Auditor

RSM UK Audit LLP
25 Farringdon Street
London EC4A 4AB

Internal Auditor

Crowe Clark Whitehill LLP
St Bride's House
10 Salisbury Square
London EC4Y 8EH

Principal bankers

Barclays Bank plc
1 Churchill Place
London E14 5HP

Solicitors

Payne Hicks Beach
10 New Square
Lincoln's Inn
London WC2A 3QG

Investment managers

Barclays Wealth Management
Limited
1 Churchill Place
London E14 5HP

C. Hoare & Co
37 Fleet Street
London EC4P 4DQ

Signed on behalf of the Board of Trustees

Professor Sir Simon Wessely

Chair of Trustee Board

Approved by the Board of Trustees on 29 April 2016

INDEPENDENT AUDITOR'S REPORT

We have audited the financial statements of The Royal College of Psychiatrists for the year ended 31 December 2015 on pages 32 to 62. 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 Republic of Ireland".

This report is made solely to the charity's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 17 the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2015 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Emphasis of Matter

In forming our opinion, which is not modified, we have considered the disclosure on page 45 concerning the charity's adoption of the Charities SORP (FRS 102) issued in July 2014, rather than applying the Charities 2005 SORP which has been withdrawn but is still referred to in the extant Charities (Accounts and Reports) Regulations 2008. This departure has been necessary for the financial statements to show a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice effective for accounting periods beginning on or after 1 January 2015.

Matters on which we are required to report by exception

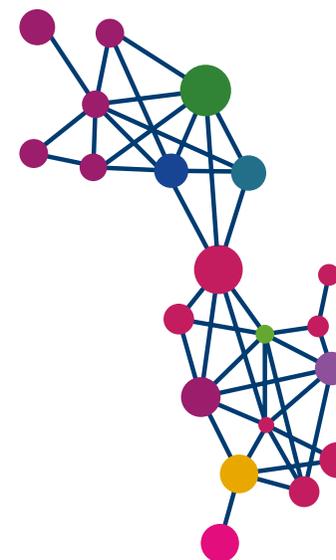
We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is not consistent with the financial statements; or
- the charity has not kept proper and sufficient accounting records; 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.

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

24 May 2016

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



FINANCIAL STATEMENTS

Statement of financial activities for the year ended 31 December 2015

	Notes (pages 41-62)	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2015 £'000	Total Funds 2014 £'000
Income and endowments from:						
Donations and legacies						
- Donations and gifts	1	141	457	-	598	441
Charitable activities:						
- Standard setting and research	2	2,887	3,145	-	6,032	4,873
- Education and training	3	5,880	102	-	5,982	6,030
- Member services and support	4	5,855	-	-	5,855	5,658
- Communications and Policy	5	30	2	-	32	41
Investment	1	137	-	3	140	130
Rental income		315	-	-	315	-
Total		15,245	3,706	3	18,954	17,173
Expenditure:						
Cost of raising funds						
	1	246	-	-	246	234
Expenditure on charitable activities:						
- Standard setting and research	2	4,066	2,638	-	6,704	6,255
- Education and training	3	5,887	151	-	6,038	6,086
- Member services and support	4	3,156	-	-	3,156	2,920
- Communications and Policy	5	1,507	4	-	1,511	1,241
- Prize funds	22	-	20	-	20	14
Total		14,862	2,813	-	17,675	16,750
(Loss)/gains on investment	15	(138)	-	-	(138)	173
Net income		245	893	3	1,141	596
Transfer between funds	20	-	3	(3)	-	-
Net income before other recognised gains		245	896	-	1,141	596
Other recognised gains						
Gains on heritage assets	13	8	-	-	8	-
Net movement in funds		253	896	-	1,149	596
Reconciliation of funds						
Total funds brought forward		24,643	976	262	25,881	25,285
Total funds carried forward		24,896	1,872	262	27,030	25,881

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

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

Balance sheet as at 31 December 2015

	Notes (pages 41-62)	2015 £'000	2014 £'000
Fixed assets			
Tangible assets	13	17,811	17,844
Heritage assets	13	215	201
Listed investments	15	7,895	5,052
		25,921	23,097
Current assets			
Stocks	16	63	56
Debtors	17	3,305	1,620
Investments		1,100	2,000
Cash at bank and in hand		1,747	4,063
		6,215	7,739
Creditors: amounts falling due within one year	18	4,606	4,476
Net current assets		1,609	3,263
Total assets less current liabilities		27,530	26,360
Creditors: amounts falling due after more than one year	19	500	479
Total net assets		27,030	25,881
Represented by:			
Fund and reserves			
Capital funds			
Endowment fund	20	262	262
Income funds			
Restricted funds	21	1,872	976
Unrestricted funds			
Designated funds	23	20,754	20,454
General funds	23	4,142	4,189
Total unrestricted funds		24,896	24,643
Total charity funds		27,030	25,881

The financial statements on pages 31-61 were approved and authorised for issue on behalf of the Board of Trustees and signed on its behalf by:

Professor Sir Simon Wessely, Chair of the Board of Trustees

Professor Nick Craddock, Treasurer

Approved on 29 April 2016

Statement of cash flows for the year ended 31 December 2015

	Notes (pages 34–35)	2015 £'000	2014 £'000
Cash (outflow)/inflow from operating activities	A	(11)	1,389
Cash flows from investing activities	B	130	117
Cash flows from financing activities	B	(3,041)	(407)
		(2,922)	1,099
Financing	B	(72)	(78)
Management of liquid resources	B	900	(2,000)
Decrease in cash		(2,094)	(979)

Notes to the cash flow statement for the year to 31 December 2015.

A Cash (outflow)/inflow from operating activities

	2015 £'000	2014 £'000
Net incoming resources	1,141	596
Depreciation charge	315	355
Losses/(gains) on investment	138	(173)
Investment income and bank interest receivable	(140)	(130)
Interest payable	11	11
(Increase)/decrease in stocks	(7)	6
(Increase)/decrease in debtors	(1,685)	148
Increase/(decrease) in creditors (excluding finance leases)	216	576
Net cash (outflow)/inflow from operating activities	(11)	1,389

B Cash flows from investing and financing activities

	2015 £'000	2014 £'000
Cash flows from investing activities		
Interest received	27	46
Interest payments	(10)	(13)
Investment income received	113	84
	130	117
Cash flows from financing activities		
Payment to acquire tangible fixed assets	(282)	(374)
Payment to acquire investments	(5,914)	(3,984)
Receipts from the disposal of investments	3,155	3,951
	(3,041)	(407)
Financing		
Capital element of finance lease rental payments	(72)	(78)
Management of liquid resources		
Decrease/(increase) in short-term deposits	900	(2,000)

C Change in cash and cash equivalents in the year

	At 1 January 2015 £'000	Cash flows £'000	Non cash changes £'000	At 31 December 2015 £'000
Cash at bank and in hand	4,063	(2,272)	-	1,791
Exchange rate loss	-	(44)	-	(44)
Cash held by investment managers	332	222	-	554
	4,395	(2,094)	-	2,301
Cash on deposit	2,000	(900)	-	1,100
Financing	(183)	81	(16)	(118)
Total cash and cash equivalents	6,212	(2,913)	(16)	3,283

D Reconciliation of net cash flow to movement in net funds

	£'000	£'000
Decrease in cash in the year	(2,094)	
Cash inflow from increase in liquid resources	(900)	
Cash to repay finance leases	81	
Change in net funds resulting from cash flows		(2,913)
Changes in finance leases		(16)
Net funds at 1 January 2015		6,212
Net funds at 31 December 2014		3,283

Interest incurred in the year in relation to all finance leases amounted to £10k (2014: £13k).

PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for holiday pay. The initial liability of £137k recognised at the date of transition was for holiday entitlement carried forward which was due but not taken. No other restatements were required. In accordance with FRS 102 a reconciliation of opening balances is required.

Reconciliation of funds and balances

	2014 £'000	2013 £'000
Carrying amount at 1 January	25,825	11,099
Movement in funds	596	14,323
Holiday pay	–	(137)
Carrying amount as restated at 31 December	25,881	25,285

Transition to FRS 102

The opening fund balances at the date of transition have been restated due to a liability for holiday pay but no subsequent restatement of items has been required in making the transition to FRS 102. The transition date was 31 December 2014.

Going concern

As detailed in the Trustees’ responsibilities statement, the accounts are prepared on a going concern basis unless it is inappropriate to presume that the College will continue in operation. The College’s Trustees’ have approved the College wide budgets for 2016 and conclude that there are no material uncertainties about the College’s ability to continue as going concern and the College has adequate resources to continue in operational existence for at least twelve months from the date of signing the financial statements. With respect to the next reporting period, 2016, the most significant areas of uncertainty that effect the carrying value of assets held by the College are the level of investment return and the performance of investment markets (see the investment policy and risk management sections of the Trustees’ report for more information).

Incoming resources

Incoming resources are recognised in the period in which the College is certain of and entitled to receipt and the amount can be measured with reasonable accuracy. Income is deferred only when the College has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

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

Legacies are included in the statement of financial activities when the College is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified. Legacies are recognised when it is probable that it will be received and there is an ability to estimate with sufficient accuracy the amount receivable.

Resources expended and the basis of apportioning costs

Liabilities are recognised and expenditure is included in the statement of financial activities when incurred and when a legal or constructive obligation arises and includes irrecoverable VAT, it is more likely than not that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured or estimated reliably.

Resources expended comprise the following:

- The costs of generating funds represents fees paid to investment managers in connection with the management of the College's listed investments as well as staff cost incurred in connection with managing the College's liquid assets and those costs associated to the Development Office.
- The costs of charitable activities comprise expenditure on the defined charitable purposes of the College and include direct staff costs attributable to the activity and an allocation of the general management and overhead costs.

- The basis of overheads allocation is as follows:
 - Governance costs have been allocated on the basis of direct cost,
 - Human Resources costs have been allocated on the basis of headcount,
 - Information Technology and Website costs have been allocated on basis of the number of computers used by each department,
 - Office services, Facilities and Building costs have been allocated on basis of the square footage,
 - Financial services, Depreciation and Irrecoverable VAT have been allocated on the basis of the direct cost.

Termination payments

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

Estimates and uncertainties

In the opinion of the Trustees, there were no judgements made that have a significant effect on the amounts recognised in the financial statements nor any key assumptions or estimates made which might cause a material

adjustment to the carrying amount of assets and liabilities within the next reporting period.

Tangible fixed assets

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

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

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

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

It is College policy to undertake an annual impairment review of tangible fixed assets

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

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

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

The College heritage assets were revalued on 22 January 2016 at £209k (13 May 2013 £201k) at market valuation, by Bonhams, specialist valuers and auctioneers in a wide range of antiquarian and rare books. On the basis of this revaluation the College has recognised a revaluation gain of £8k and a donation from the families of the late Professor Neil Kessel valued at £6k. These assets have been recognised in the Balance Sheet at market value. Due to the nature of the heritage assets they are not depreciated and the College Trustees are of the opinion that any provision

for depreciation would not be material and that the heritage assets are worth at least their book value.

Fixed asset investments

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

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

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

Stocks

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

Current asset investments

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

Cash equivalents

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

Financial instruments

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

Fund accounting

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

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Members of the Board of Trustees. Council has the power to reallocate such funds within unrestricted funds unless and until expended.

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

Operating leases

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

Finance leases

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

Assets subject to finance leases are depreciated over their terms.

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

Pension costs

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

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

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

New employees are automatically enrolled into the money purchase schemes unless they have exercised their right to opt out.

NOTES TO THE ACCOUNTS 31 DECEMBER 2015

1 Donations and investment income

	Unrestricted £'000	Restricted £'000	Endowment £'000	2015 £'000	2014 £'000
Incoming resources					
Dividends	113	-	-	113	84
Bank interest	24	-	3	27	46
Donations and gifts	141	457	-	598	441
	278	457	3	738	571
Resources expended					
Cost of generating funds					
- Staff costs	121	-	-	121	120
- Sundry expenses	12	-	-	12	9
- Overheads (note 6)	66	-	-	66	71
	199	-	-	199	200
Investment management fees	47	-	-	47	34
	246	-	-	246	234
2015 Net incoming resources	32	457	3	492	
2014 Net (Outgoing)/incoming resources	(106)	441	2		337

2 Standard setting and research

	Unrestricted £'000	Restricted £'000	2015 £'000	2014 £'000
Incoming resources				
Specialist registration (Article 14 assessment)	34	-	34	41
Grants receivable (note 7)	38	3,130	3,168	2,035
Subscription to network review	2,742	-	2,742	2,696
Miscellaneous income	73	15	88	101
	2,887	3,145	6,032	4,873
Resources expended				
Staff costs	1,885	1,248	3,133	3,032
Standard Setting activities	1,061	114	1,175	1,030
Research activities	1	884	885	643
Overheads (note 6)	1,119	392	1,511	1,550
	4,066	2,638	6,704	6,255
2015 Net (outgoing)/incoming resources	(1,179)	507	(672)	
2014 Net (outgoing) resources	(1,041)	(341)		(1,382)

3 Education and training

	Unrestricted £'000	Restricted £'000	2015 £'000	2014 £'000
Incoming resources				
Examinations	1,900	-	1,900	2,011
Online continuing professional development	201	-	201	224
Centre for Advanced Learning and Conferences	319	-	319	433
Grants for education and training (note 7)	-	102	102	25
International Congress	882	-	882	877
Faculties, divisions and special interest groups' meetings	1,212	-	1,212	1,046
Publications and journals	1,366	-	1,366	1,414
	5,880	102	5,982	6,030
Resources expended				
Staff costs	1,662	70	1,732	1,534
Cost of examinations*	882	-	882	987
Online CPD activities	112	-	112	71
Cost of meetings and conferences	1,418	3	1,421	1,439
Prizes and bursaries	42	39	81	74
Cost of Journals**	689	-	689	712
Sundry expenses	121	26	147	147
Overheads (note 6)	961	13	974	1,122
	5,887	151	6,038	6,086
2015 Net (outgoing) resources	(7)	(49)	(56)	
2014 Net (outgoing) resources	(28)	(28)		(56)

* Examinations generated a surplus of £105k (2014: £153k) after accounting for operating expenditure and transfer to development fund.

** Publications expensed £527k (2014: £533k) to produce membership journals and £85k (2014: £86k) to produce membership online journals.

4 Members services and support

	Unrestricted £'000	Restricted £'000	2015 £'000	2014 £'000
Incoming resources				
Members' and Associates' subscription and registration fees	5,650	-	5,650	5,539
Grants (note 7)	-	-	-	-
Miscellaneous income	205	-	205	119
	5,855	-	5,855	5,658
Resources expended				
Staff costs	1,731	-	1,731	1,540
Collegiate activities	148	-	148	130
Membership support	121	-	121	132
Advisory services	-	-	-	6
Faculties, divisions and special interest groups' support	206	-	206	187
Sundry expense	190	-	190	101
Overheads (note 6)	760	-	760	824
	3,156	-	3,156	2,920
2015 Net incoming resources	2,699	-	2,699	
2014 Net incoming/(outgoing) resources	2,748	(10)		2,738

5 Communications and policy

	Unrestricted £'000	Restricted £'000	2015 £'000	2014 £'000
Incoming resources				
Sales of public education material	18	-	18	15
Grants (note 7)	-	2	2	4
Miscellaneous income	12	-	12	22
	30	2	32	41
Resources expended				
Staff costs	702	-	702	565
Production of public education material	59	-	59	39
College's campaigns	27	-	27	28
International activities	72	-	72	73
Parliamentary activities	26	-	26	26
Public relations activities	53	-	53	5
Other public education activities	284	4	288	219
Overheads (note 6)	284	-	284	286
	1,507	4	1,511	1,241
2015 Net (outgoing) resources	(1,477)	(2)	(1,479)	
2014 Net (outgoing) resources	(1,197)	(3)		(1,200)

6 Allocation of costs

Administration costs can be broken down as follows:

	Governance £'000	Information Technology £'000	Facilities £'000	Financial Services £'000	Human Resources £'000	Total £'000
Activities						
Raising funds	4	10	30	16	6	66
Standard setting and research	85	415	521	298	192	1,511
Education and training	63	207	351	253	100	974
Members services and support	40	245	228	162	85	760
Communications and policy	19	67	94	76	28	284
2015 Total	211	944	1,224	805	411	3,595
2014 Total	344	1,049	1,471	680	309	3,853

The methods and principles for allocation and apportionment of costs are included in the accounting policies on page 37.

Staff costs for support services amounted to £1,292k (2014: £1,182k).

Information Technology include maintenance costs of £140k (2014: £161k).

Facilities include maintenance and operating costs for 21 Prescot Street £811k (2014: £1,056k).

Financial services include depreciation charge of £315k (2014 £355k) and irrecoverable VAT £141k (2014 £53k).

Human resources include staff training and development costs £52k (2014: £71k) and staff recognition awards totalling £41k (2014: nil).

7 Grants receivable

	Unrestricted £'000	Restricted £'000	2015 £'000	2014 £'000
Standard setting and research				
- NICE	-	2,319	2,319	1,196
- HQIP	-	497	497	381
- Health Foundation	-	144	144	-
- NHS England	-	113	113	67
- Department of Health (DoH)	38	-	38	284
- Other	-	33	33	39
- University of Leeds	-	24	24	-
- Commission of the European Communities	-	-	-	45
- NHS East Midlands	-	-	-	23
	38	3,130	3,168	2,035
Education and training				
- Health Education England	-	62	62	-
- Dinwoodie Charitable Company	-	40	40	-
- Maudsley Charity	-	-	-	15
- Scottish Government	-	-	-	10
	-	102	102	25
Communications and policy				
- Department of Health (DoH)	-	2	2	4
	-	2	2	4
	38	3,234	3,272	2,064

8 Related party transactions

There were no related party transactions in 2015 or in 2014.

9 Incoming resources before transfers

This is stated after charging/(crediting):

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Staff costs (note 10)	7,393	1,318	8,711	8,081
Auditor's remuneration				
– Audit	20	-	20	19
– Audit in respect of transition to FRS 102	5	-	5	-
– Non-audit services	-	-	-	1
Depreciation	315	-	315	355
Repairs and maintenance	300	-	300	208
Operating lease rentals	157	-	157	155

10 Staff remuneration

	2015 £'000	2014 £'000
Staff costs during the year were as follows:		
Wages and salaries	6,547	6,459
Social security costs	686	650
Pension costs	451	405
	7,684	7,514
Non-payroll and temporary/agency staff	1,027	567
	8,711	8,081

Wages and salaries include £162k for accrued holiday pay (2014 £137k).

10 Staff remuneration (continued)

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

	2015	2014
£60,001-£70,000	6	4
£70,001-£80,000	1	2
£80,001-£90,000	1	1
£90,001-£100,000	2	1
£130,001-£140,000	1	1

Of those employees who earned £60,000 or more during the year (as defined above) employer contributions are made to money purchase schemes in respect of all 11 (2014: 9) employees. During the year this amounted to £71,375 (2014: £68,113).

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

	2015	2014
In furtherance of the College's charitable activities	178	174
In supporting the College's activities and governance	30	27
	208	201

The Trustees consider the Board of Trustees, the Chief Executive Officer and the Director of Finance and Operations as comprising the key management personnel. The total employment benefits including employer pension contributions and National Insurance Contributions of the key management personnel were £274k (2014: £281k).

During 2015 the College had introduced a non cash employee recognition award programme. The awards are open to individuals and teams, with a major CEO's award being made every year to the most deserving team in the College. A number of awards will be made each year to recognise the outstanding achievement or contribution of employees. During the year 2015 £41k had been spent on staff awards and the social club for employees.

During the year 8 number of employees (2014: 2) had received statutory redundancy payments totalling £91k (2014: £17k).

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

11 Remuneration and reimbursement to College Trustees

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

No member of the Board of Trustees received any remuneration in respect of their services as a member of the Board of Trustees during the year (2014: £nil).

None of the Trustees (2014: £nil) received remuneration in respect of their services provided as an examiner, editor or other capacities during the year.

Travel expenses reimbursed to 5 (2014: 2) Trustees for attendance at the Board of Trustees meeting during the year amounted to £1,063 (2014: £676) and nil (2014: 17) Trustees for attendance at Council meetings during the year amounted to £nil (2014: £6,552).

Travel expenses reimbursed to 8 (2014: 23) Trustees for attendance at College meetings, conferences and other College business during the year were £43,565 (2014: £68,430).

No member of the Board of Trustees had any beneficial interest in any contract with the College during the year.

12 Taxation

The College is a registered charity and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. The College is registered for VAT but is not able to recover all VAT suffered on expenditure due to partial exemption rules.

13 Tangible fixed assets

	Freehold land and buildings Cost £'000	Leasehold land and buildings Cost £'000	Equipment, furniture and fittings Cost £'000	Computers and IT Cost £'000	Heritage Assets Valuation £'000	Total £'000
Cost or valuation						
At 1 January 2015	16,554	159	1,138	2,091	201	20,143
Additions	-	-	19	263	6	288
Disposals	-	-	(16)	(174)	-	(190)
Revaluations	-	-	-	-	8	8
At 31 December 2015	16,554	159	1,141	2,180	215	20,249
Depreciation						
At 1 January 2015	-	29	315	1,754	-	2,098
Charge for year	-	10	150	155	-	315
Disposals	-	-	(16)	(174)	-	(190)
At 31 December 2015	-	39	449	1,735	-	2,223
Net book value						
At 31 December 2015	16,554	120	692	445	215	18,026
At 31 December 2014	16,549	130	823	337	201	18,045

The net book value of equipment, furniture and fittings included £137k (2014: £211k) in respect of assets held under finance leases. The amount of depreciation charged for the year in respect of such assets amounted to £74k (2014: £62k) and the finance charges amounted to £10k (2014: £13k).

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

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

Heritage assets

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

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

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

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

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

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

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

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

Analysis of heritage assets

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

There has been no disposal in the year to the collection of books. The collection of books were revalued on 22 January 2016 at £209k (13 May 2013 £201k) at market valuation, by Bonhams, specialist valuers and auctioneers in a wide range of antiquarian and rare books. The methodology used by Bonhams were to make comparisons with other similar copies sold at auctions and offered for sale by dealers. This

was done by the aid of specialist subscription databases, catalogues, those of other auction houses and specialist booksellers, and other bibliographical resources in conjunction with the many years combined experience of the valuers concerned.

On the basis of this revaluation the College has recognised a revaluation gain of £8k and a

donation from the families of the late Professor Neil Kessel valued at £6k. These assets have been recognised in the Balance Sheet at market value. Due to the nature of the heritage assets they are not depreciated and the College Trustees are of the opinion that any provision for depreciation would not be material and that the heritage assets are worth at least their book value.

14 Capital Commitments

At 31 December 2015 capital commitments were as follows:

	2015 £'000	2014 £'000
Authorised but not contracted for	262	76
Authorised and contracted for	-	221

Capital commitments authorised but not contracted for at 31 December 2015 was in respect of IT related projects £180k (2014: £66k) and fixture and fittings £82k (2014: £10k general building work).

Capital commitments authorised and contracted for at 31 December 2014 was in respect of the new membership database.

15 Investments

	2015 £'000	2014 £'000
Listed Investments		
Market value at 1 January 2015	4,720	4,514
Additions at cost	5,914	3,984
Disposal proceeds	(3,155)	(3,951)
Net realised investment (loss)/gain	(2)	10
Net unrealised investment (loss)/gain	(136)	163
Market value at 31 December 2015	7,341	4,720
Cash held by investment managers in UK for reinvestment	554	332
	7,895	5,052
Cost of Listed investments at 31 December 2015	7,330	4,311

Listed investments held at 31 December 2015 comprised the following:

	2015 £'000	2014 £'000
Fixed Interest Bonds		
- United Kingdom	654	329
- Overseas	574	258
Equities		
- United Kingdom	2,378	1,403
- Overseas	3,424	2,504
Property	311	226
	7,341	4,720

15 Investments (continued)

Investments which were in excess of 5% by the total value of the Portfolio at 31 December 2015:

	% of portfolio valuation	2015 £'000
Artemis UK Special Situations	6.43	6.43
UBS EFT MSCI EMU 100% Hedged to GBP UCITS	5.48	5.48
	11.91	11.91

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

16 Stocks

	2015 £'000	2014 £'000
Stock of saleable goods	58	56
Stock held for consumption	5	-
	63	56

17 Debtors

	2015 £'000	2014 £'000
Trade debtors	2,038	547
Prepayments	498	429
Accrued income	552	529
Other debtors	217	115
	3,305	1,620

18 Creditors: amounts falling due within one year

	2015	2014
	£'000	£'000
Expense creditors	1,100	1,286
Deferred income	2,509	2,213
Other creditors	29	90
Accruals	719	635
Obligations under finance leases	63	71
Other tax and social security	186	181
	4,606	4,476

	Balance b/f 1 January 2015	Realised to SOFA	Deferred in year	Balance c/f 31 December 2015
	£'000	£'000	£'000	£'000
Movement in deferred income				
Membership subscriptions received in advance	192	(192)	200	200
Examination fees received in advance	361	(361)	367	367
Journal subscription received in advance	155	(155)	304	304
Grants received in advance	178	(178)	81	81
Subscription to network review in advance	1,188	(1,188)	1,505	1,505
Training income received in advance	69	(69)	52	52
Rental income received in advance	70	(70)	-	-
Total	2,213	(2,213)	2,509	2,509
Amounts to be released in more than 1 year (note 19)				
Subscription to network review in advance	367	(290)	368	445
Total	2,580	(2,503)	2,877	2,954

Deferred income relates to income received in advance. Deferred income arises as the income is received in the current year but relates to future years.

19 Creditors: amounts falling due after more than one year

	2015	2014
	£'000	£'000
Subscription to network review in advance		
- two years	328	290
- two to five years	117	77
Obligations under finance leases		
- two years	55	63
- two to five years	-	49
	500	479

Finance cost in respect of finance leases is £10k (2014: £8k).

20 Endowment fund

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

	At 1 January	Incoming	Transfers	At 31 December
	£'000	resources	£'000	£'000
	£'000	£'000	£'000	£'000
Mary Margaret Slack	262	3	(3)	262
2015	262	3	(3)	262
2014	262	2	(2)	262

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

21 Restricted funds

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

	At 1 January £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 December £'000
Member and trainee services	212	246	283	131	306
Donations received for specific purposes	528	451	-	(131)	848
Other funds for specific purposes (note 22)	112	6	20	3	101
Total Member and trainee services	852	703	303	3	1,255
Restricted research funds	-	3,001	2,506	-	495
Other projects	124	2	4	-	122
2015	976	3,706	2,813	3	1,872
2014	881	2,239	2,194	50	976

21 Restricted funds (continued)

Member and trainee services

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

Donations received for specific purposes

The fund has been allocated to the Pathfinder Fellowship Scheme which will offer medical students funds to carry out research projects into psychiatry, the Sustainable Mental Health Fellowship Programme which will offer the Fellow an opportunity to take a lead role in an exciting new dimension of mental health care, gain an insight into how policy is shaped at the centre of the specialty, and develop a wide range of skills in leadership, research and service improvement and towards the Donald Dean Research Fellowship establishing a dedicated, full-time, three-year Research Fellowship in mental health in the workplace.

Other funds for specific purposes

This is represented by the individual balances of funds set up to accommodate donations and bequests and to be applied for prizes and other specific purposes. The transfer made into the fund represents the interest generated £3k (2014: £2k) from the endowment fund. This is applied towards a travelling fellowship to enable a psychiatric trainee working in the UK to attend a centre of excellence in the UK or abroad.

During 2015 the Education and Training Committee approved an annual Medical Psychotherapy essay prize of £1k. This has been made possible through the generosity of a bequest from Anna Mace-Leska, the widow of Chris Mace, former Chair of the Faculty of Medical Psychotherapy.

Restricted research funds

The funds represents external funding in connection with the College's research activities. In 2014 this balance had resulted in a deficit and a transfer of £165k from the general fund had been made to cover the deficit.

Transfers

A transfer of £131k from donations received for specific purposes into member and trainee services represents expenditure incurred in relation to Pathfinder Fellowship Scheme, the Sustainable Mental Health Fellowship Programme and the Donald Dean Research Fellowship.

Incoming transfer of £3k into other funds for specific purposes represents the return on endowment fund.

Other projects

This represents the following projects:

Public Information Leaflets – St Andrew's

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

Inter-collegiate working group

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

22 Other funds for specific purposes

	At 1 January £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 December £'000
Prize Funds					
Alexander Mezey Prize	8	-	1	-	7
Brian Oliver Prize	1	-	-	-	1
Gillian Page Prize	3	-	1	-	2
Laughlin Prize	22	1	1	-	22
Margaret Davenport Prize	4	-	-	-	4
Morris Markowe Public Education	4	-	1	-	3
Peter Scott Prize	7	-	-	-	7
Philip Davis Prize	1	-	-	-	1
Standish–Barry Fund	2	-	1	-	1
Chris Mace Essay Prize	-	1	-	-	1
Travelling Fellowships Wards					
Ferdinande Johanna Kanjilal Travelling Fellowship	1	-	-	-	1
John Hamilton Travelling Fellowship	28	-	-	-	28
Margaret Slack Travelling Fellowship	2	-	4	3	1
Other Funds					
Margaret Methven Lecture	2	-	-	-	2
Lieberman Bequest	1	-	-	-	1
Honorary Fellows Fund	4	3	-	-	7
Arpana Funding	2	-	-	-	2
Adopt a book Fund	-	1	1	-	-
Dr P J H Gosling Fund	20	-	10	-	10
2015	112	6	20	3	101
2014	122	2	14	2	112

The transfer made into the Margaret Slack Travelling Fellowship fund represents the interest generated £3k (2014: £2k) from the endowment fund. This is applied towards a travelling fellowship to enable a psychiatric trainee working in the UK to attend a centre of excellence in the UK or abroad.

23 Unrestricted fund

	At 1 January £'000	Net incoming/ (outgoing) resources before transfers £'000	Transfers £'000	Other recognised gains and losses £'000	At 31 December £'000
Designated funds (note 24)	20,454	2,401	(2,101)	-	20,754
General fund	4,189	(2,018)	2,101	(130)	4,142
2015	24,643	383	-	(130)	24,896
2014	24,142	376	(48)	173	24,643

The transfers made between the designated funds and the general fund represent £1,879k from the Development fund, £203k from the Trainee fund towards costs spent on Trainees and £19k from the Fixed asset fund to represent the value of the College's tangible and heritage assets.

24 Designated funds

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

	At 1 January £'000	New designations £'000	Transfers £'000	At 31 December £'000
Fixed asset fund	18,045	-	(19)	18,026
Trainee fund	376	-	(203)	154
College Centre for Quality Improvement (CCQI) fund	-	1,318	-	1,318
Faculties, Divisions and Special Interest Groups (FDS) fund	-	851	-	851
Development fund	1,879	-	(1,879)	-
Repairs provision	154	232	-	386
2015	20,454	2,401	(2,101)	20,754
2014	19,618	1,169	(333)	20,454

24 Designated funds (continued)

Fixed asset fund

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

Trainee fund

The fund, established in 2012, represents amounts set aside from the excess of examination surplus to be spent towards trainees. It applies only if examinations surplus in a year represents more than 10% of examinations income. In 2015 the excess above the agreed threshold was £nil (2014: £nil). During 2015 £203k (2014: £333k) had been transferred into the general fund to provide for the development of an eLearning package aimed specifically for trainees and a free seminar for International Medical Graduates on 'A Career in Psychiatry, Supporting IMGs and Promoting Excellence in Patient Care'. The balance of the trainee fund is planned to be spent on the development of an eLearning package during 2016.

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

During 2015 the Board of Trustees agreed a new funding model with effect from 1 January 2016. The main purpose is to address a number of anomalies in the College accounting approaches. This includes abolishing the development fund, improving cost allocation and improving transparency by having a specific model for allocating membership income. The Board of Trustees approved the reserves relating to CCQI and FDS to be formally designated and should be restricted to no more than 6 months of their operating expenditure, in line with the College's Reserves Policy and is not planned to be spent. Where current or future reserves exceed this figure, the excess will be transferred to General Fund. An account will be maintained of the amount of reserves in the General Fund that relates to CCQI and FDS and this will be available to the CCQI and FDS, at the discretion of the Trustees if they depleted their entire designated reserves. As at 31 December 2015 £1,318k has been transferred from general fund to the CCQI fund and £851k into the FDS fund.

Development fund

The fund was established to finance future general developments within the College. This has been done by means of a 15% contribution from specified income generating activities. In 2015 the Board of Trustees approved the balance of the Development fund to be released into the general fund of £1,879k (new designation made in 2014: £967k).

Repairs provision

The fund exists to finance exceptional repairs and maintenance of College buildings. In 2015, £232k had been transferred into this fund (2014: £54k). In future, the College aims to designate in excess of £200k each year.

25 Analysis of net assets between funds

	General fund £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total £'000
Fund Balances at 31 December 2015 are represented by:					
Tangible fixed assets	-	18,026	-	-	18,026
Investments	7,633	-	-	262	7,895
Current assets	1,615	2,728	1,872	-	6,215
Creditor: amounts falling due within one year	(4,606)	-	-	-	(4,606)
Creditor: amounts falling due after more than one year	(500)	-	-	-	(500)
2015	4,142	20,754	1,872	262	27,030
2014	4,189	20,454	976	262	25,881

26 Leasing commitments

Operating leases

At 31 December 2015 the College had total future minimum payments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Amounts due:				
Within one year	38	33	9	9
Within two to five years	73	47	5	14
Total commitment	111	81	14	23

27 Net obligations under finance leases

Obligations under finance leases are secured on the related asset. At 31 December 2015 the College had net obligations under finance leases as disclosed in notes [18](#) and [19](#).

28 Events after the end of the reporting period

During 2016 the College had continued to pursue a dilapidations claim against the former tenants of 21 Prescott Street. A provisional settlement has been reached whereby the former tenants are required to pay a sum equivalent to the cost of making good the disrepair. As at the date the financial statements have been authorised for issue, no formal documentation has been signed for this settlement and the College has not yet received the funds. As this settlement is not confirmed the provisional figures have not been included in the financial statements, as to do so in the trustees view may prejudice the finalisation of this matter.

APPENDIX

About us

The Committees of Council

The Committees of Council are:

- Education & Training
- Conferences & Advanced Learning
- Honours & Awards
- International Advisory
- Patient & Carer
- Policy & Public Affairs
- Psychiatric Trainees
- Publications Management Board
- Public Engagement
- Professional Practice & Ethics
- Leadership & Management
- Psychopharmacology

Council meets four times a year.

Faculties

The Faculties of the College represent the main specialties within psychiatry. The current Faculties are:

- Academic
- Addictions
- Child and Adolescent
- Eating Disorders

- Forensic
- General Adult
- Intellectual Disability
- Liaison
- Medical Psychotherapy
- Neuropsychiatry
- Old Age
- Perinatal
- Rehabilitation and Social

Divisions

The College has 17 Divisions, which represent the College locally and provide professional advice where required. There are 11 Divisions in the UK and Northern Ireland, and six International Divisions. College members may opt to be members of the Division in which they either live or work but they can only belong to one Division.

The current Divisions of the College are:

International

- African International Division
- European International Division
- Middle Eastern International Division
- Pan-American International Division

- South Asian International Division
- Western Pacific International Division

Devolved Administrations

- RCPsych in Northern Ireland
- RCPsych in Scotland
- RCPsych in Wales

England

- Eastern
- London
- Northern & Yorkshire
- North West
- South Eastern
- South West
- Trent
- West Midlands

The Psychiatric Trainees' Committee

The Psychiatric Trainees' Committee comprises both 'pre-Membership' and 'post-Membership' Psychiatric Trainees. 'Pre-Membership' Psychiatric Trainees are doctors in psychiatric training who have not yet passed the MRCPsych examination and are therefore not yet full College Members.

Specialist Advisor appointments

Specialist Advisors

The College established the roles of Specialist Advisor to ensure that we are receiving expert advice and addressing current issues within psychiatry.

Continuing Professional Development:
Dr Guy Brookes

Crisis Care: Dr Mary Jane Tacchi

Foundation Training: Dr Ann Boyle

Invited Review Services: Professor Rob Poole

Mental Health Law:
Dr Julie Chalmers

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